

Legislative Report

Hearing Schedule (March 20-24)

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

Earlier this week, appropriations committees adopted the March 9 revenue forecast for the 2017-2019 biennium, which reduced general fund revenue from the January legislative forecast by \$103.2 million. However, they reduced the revised revenue forecast for the current biennium another \$10 million from the March 9 forecast. As of March 16, according to a [budget status summary](#) from Legislative Council, estimated general fund revenues for the 2017-2019 biennium are \$3.7 billion and expenditures are \$4.3 billion, leaving a gap of \$672 million that must be closed through further cuts or transfers from other state funds.

Next week, policy committees will be focused on taking action on policy bills that include funding as these bills need to be rereferred to appropriations by March 23. It is also anticipated conference committees will start next week. Those bills amended by one chamber but not receiving concurrence by the other are assigned to conference committees, which consist of three senators and three representatives.

Legislative leadership is still working toward an early finish, possibly mid-April. As of now, May 1 is the 80th and final day of session.

[SB 2168](#) was heard before the House Industry, Business and Labor Committee on Monday, March 13. The bill amends sections of Century Code dealing with definitions of public improvements. The committee amended the bill to include alternative funding, along with the original loans, bonds or leases. The committee recommended a unanimous do pass to the amended bill. The bill passed unanimously on the House floor on Friday, March 17.

[SB 2142](#) was heard before the House Industry, Business and Labor Committee on Monday, March 13. The bill requires a construction manager at-risk selected for a public improvement to publically advertise and publically open bids from subcontractors for the work items the construction manager at-risk chooses not to perform. The construction manager at-risk than shall evaluate and determine the most responsible bidder. There was a large amount of support for the bill and the committee recommended a unanimous do pass directly following the hearing. The bill passed on the House floor on Friday, March 17 with a 91-2 vote.

[SB 2146](#) was heard before the House Industry, Business and Labor Committee on Monday, March 13. The bill increases the public improvement bidding threshold from \$100,000 to \$150,000. The current bid threshold was last increased in 1997. Last session, the engineering/architect threshold was increased from \$100,000 to \$150,000.

[HB 1351](#) failed on the Senate floor on Monday, March 13. The bill would have required state,

county, city, township, school, water and park district taxes and special assessments to be levied or voted in specific amounts of money by the majority of the elected members of the related governing body.

[**HCR 3021**](#) passed on the Senate floor on Monday, March 13. The Senate Energy and Natural Resources Committee amended HCR 3021 to include components of HCR 3020; therefore the Senate killed HCR 3020 on Monday, March 13. The amended resolution urges Congress and the President to allow the utilization of Garrison Diversion Unit facilities, including the McClusky Canal and the Snake Creek pumping plant, to assist in supplying water to eastern and central North Dakota. The resolution also asks to not deauthorize or repurpose any part of GDCD and to allow the continuation of the Garrison Diversion project canal system to aid in the delivery of water to the Red River Valley. HCR 3021 will be sent back to the House for concurrence.

[**SB 2147**](#) was heard before the House Industry, Business and Labor Committee on Tuesday, March 14. The bill eliminates the double bond issue that faces contractors today. The new bill language makes it explicitly clear that the construction manager would carry a bond that is at least equal to the cost of the guaranteed maximum price of the project. The subcontractors would not be required to carry a bond.

[**HB 1409**](#) passed unanimously on the Senate floor on Tuesday, March 14. The bill relates to well water testing preceding subsurface mineral production and liability for damages to water supply. The bill also instructs results of all tests to be reported to the State Department of Health which will be entered into a database.

[**HB 1367**](#) passed on the Senate floor on Tuesday, March 14 with a 44-3 vote. The bill does not require an observer on a personal watercraft while towing an individual on water skis, a kneeboard or an inflatable craft if the personal watercraft is equipped with a mirror on each side that provides the operator an unobstructed field of vision to the rear. It allows an individual who is 16 years of age or older to windsurf or board sail without wearing a personal floatation device and prohibits water skiing or surfboarding between one hour after sunset to one hour before sunrise.

[**HB 1385**](#) unanimously passed on the Senate floor on Tuesday, March 14. The bill defines the process of refunding bonds for municipalities.

[**HB 1162**](#) was heard before the Senate Industry, Business and Labor Committee on Wednesday, March 15. The bill instructs legislative management to consider studying competition between government and private industry during the 2017-2018 interim. The committee recommended a do not pass with a 6-1 vote. The bill failed on the Senate floor on Thursday, March 16 with a 5 to 41 vote.

[**HB 1361**](#) was heard before the Senate Finance and Taxation Committee on Wednesday, March 15. Introduced by Rep. Al Carlson, the bill caps property tax increases at three percent per year in dollars without voter approval while providing exceptions for new property and property expansions, although implementation of the cap for school districts is delayed until 2019. There was a large amount of testimony in opposition from cities, counties, park districts and school districts.

[**SB 2178**](#) passed unanimously on the House floor on Wednesday, March 15. The bill expands the infrastructure revolving loan fund program to include the replacement of existing infrastructure. Currently, Century Code only includes fund programming for new infrastructure.

[**SB 2269**](#) passed on the House floor on Wednesday, March 15 with a vote of 80-11. The bill offers several minor changes to the powers and authorities of the GDCD and the LAWA. Highlights of the

changes are as follows:

- Allowing the GDCD to use the Public Finance Authority as a source of funding.
- Adding central N.D. to the scope of the project and adding two board of director's positions to represent central N.D. (one water district and one city from west of N.D. Highway 1).
- Further defining system eligibility for voting and being elected to the board.
- Adding the ability to use weighted voting based on nomination capacity.
- Shifting the intent of the project from a federal project to a state and local one.

HB 1020, the State Water Commission Appropriation Bill, was heard before the Senate Appropriations Committee on Thursday, March 16. State Engineer Garland Erbele and members of his staff gave an overview of water projects across the state on behalf of the SWC. Water project sponsors also presented their recommendations during the hearing which included status of projects and funding needs for the upcoming biennium.

SB 2280 was heard before the House Political Subdivisions Committee on Thursday, March 16. The bill allows cities to levy taxes for emergency purposes, such as snow removal, natural disasters and other emergency conditions, based on the population of the city.

SB 2263 was heard before the House Agriculture Committee on Thursday, March 16. Water Resource Districts (WRDs), Rural Water Systems and the SWC testified in support of a proposal to utilize SB 2263 as the lead bill on tile drainage and make some minor amendments. The SWC would like to keep the "statewide significance" requirement, and Rural Water Systems need a provision that allows a condition to keep tile projects outside the easements for Rural Water Systems. The Sheridan County WRD testified to correct what they considered allegations of incorrect administration of the tile drain law by the Sheridan County WRD. Levi Otis, representing Ellingson Tile Company, testified in support. There was some testimony in support of SB 2263, but wanted it to be the bill as it was originally introduced, which the WRDs opposed. In the end, the Senate and House Ag Committees will have to reconcile SB 2263 and HB 1390. The WRDs support Sen. Terry Wanzek's bill, SB 2263, as it stands before the House Ag Committee, with the technical amendments offered by the WRDs Association.

SB 2236 was heard before the House Energy and Natural Resources Committee on Thursday, March 16. The bill instructs the agriculture commissioner to establish a program to provide technical assistance and support to surface owners and surface tenants on pipeline restoration and follow up support to surface owners and surface tenants on pipeline reclamation. The committee recommended a do not pass with a 9-3-2 vote.

HB 1055 was heard before the Senate Political Subdivisions Committee on Thursday, March 16. Introduced by Rep. Denton Zubke, this bill looks to increase the revenue bond authority of water resource districts from \$10 million to \$50 million.

HB 1322 was heard before the Senate Political Subdivisions Committee on Thursday, March 16. The bill relates to authority and procedure when financing special improvements and township bonding authority.

SB 2308 passed on the House floor on Thursday, March 16 with a 90-2 vote. The bill would allow a fish house and a coyote snare to be identified by a registration number provided by the N.D. Game and Fish Department. On the House side, the Energy and Natural Resources Committee made an amendment that if a fish house registration number is used for identification, the division of state radio must integrate Game and Fish license information into the national law enforcement telecommunications system.

[HB 1199](#) was heard before the Senate Energy and Natural Resources Committee on Friday, March 17. The bill relates to mineral ownership of land inundated by Lake Sakakawea and the definition of sovereign lands. Primary bill sponsor, Rep. George Keiser, acknowledged [SB 2134](#) might be a better vehicle moving forward in regard to mineral ownership.

[HB 1339](#) was heard before the Senate Energy and Natural Resources Committee on Friday, March 17. Rep. Kathy Skroch, prime sponsor for HB 1339, supported the bill, and received questions from Senators about reducing the percentage of landowners who could appeal an entire assessment project, both design and assessments. Mike Dwyer supported the notice provisions of the bill, but did state a preference for the 25 percent rather than the 15 percent. WRDs also testified in support.

[SB 2245](#) was heard before the House Agriculture Committee on Friday, March 17. Introduced by Rep. Jim Dotzenrod, the bills asks State Government or organizations who are responsible for state land to provide a list of parcels to the Agriculture Commissioner that would be suitable for wetlands mitigation by July 1, 2018. The N.D. Corn Growers Association, N.D. Grain Growers Association, N.D. Soybean Growers Association and the Department of Mineral Resources testified in support. The N.D. Department of Trust Lands, N.D. Wildlife Federation, N.D. Game and Fish Department and Ducks Unlimited testified in opposition. The committee took no action at the time of the hearing.

[HB 1244](#) was heard before the Senate Energy and Natural Resources Committee on Friday, March 17. Rep. Robin Weisz, prime sponsor for HB 1244, testified in support of HB 1244, explaining his reasons for wanting the county commissions to approve quick take. Mike Dwyer for WRDs also supported the concept of county commission approval, but stated [SB 2047](#) was a better vehicle to address quick take due to the extensive study by the Water Topics committee and the procedures put in place for exercise of quick take. Dwyer also opposed the direct appropriation provision. Sean Fredricks testified in opposition due to the provision requiring direct appropriation. Dwyer met with Rep. Robin Weisz after the hearing to seek compromise on language for SB 2047.

II. E-mail Version of Weekly Legislative Reports

If you receive this by mail or fax, but have e-mail, please send your email to Julie at ndwaterusers@btinet.net, and you can receive it by e-mail.

III. How to Contact Your Legislators

During a legislative session, a legislator can be reached at the State Capitol through e-mail or by leaving a message with the legislative telephone message center at (888) NDLEGIS (635-3447). That number can also be used to obtain information on bills under consideration. A legislator can also be reached by mail or e-mail and address rosters are posted at <http://www.legis.nd.gov/contact-information>.

Addressing Mail Correspondence

To a Senator:

Honorable (full name)
State Senator
600 E Boulevard Ave
Bismarck, ND 58505
Dear Senator (last name)

To a Representative:

Honorable (full name)
State Representative
600 E Boulevard Ave
Bismarck, ND 58505
Dear Representative (last name)

IV. 2017 Legislative Deadlines and Dates

Date **Topic**
 April 14 Good Friday
 May 1 Session is limited to 80 legislative days

V. HEARING SCHEDULE: March 20-24, 2017

<u>Date and Time</u>	<u>Bill Number</u>	<u>Short Title</u>	<u>Committee</u>	<u>Room</u>
03/21/2017 08:30 AM	<u>HB 1054</u>	Relating to the cancellation of unexpended appropriations; and to declare an emergency.	Senate Appropriations	Harvest
03/22/2017 10:30 AM	<u>HB 1165</u>	Relating to transparency of state grants; and to amend and reenact section 54-60.1-01, subdivision g of subsection 3 of section 54-60.1-03, and section 54-60.1-05 of the North Dakota Century Code, relating to transparency of state grants.	Senate Appropriations	Harvest

VI. Legislative Bills Tracked (To Date)

<u>Bill</u>	<u>Short Title</u>	<u>House</u>	<u>Senate</u>
<u>HB 1009</u>	Agriculture Commissioner Appropriation	PASSED	
<u>HB 1017</u>	Game and Fish Department Appropriation	PASSED	
<u>HB 1020</u>	State Water Commission Appropriation	PASSED	
<u>HB 1026</u>	Underground Facilities Before Excavation	PASSED	PASSED
<u>HB 1054</u>	Cancellation of Unexpected Appropriations	PASSED	
<u>HB 1055</u>	Revenue Bond Indebtedness Limit for WRD	PASSED	
<u>HB 1106</u>	Definitions of Disasters and Emergencies	PASSED	PASSED
<u>HB 1111</u>	Metro Flood Diversion Authority	PASSED	PASSED
<u>HB 1165</u>	Transparency of State Grants	PASSED	
<u>HB 1191</u>	Loans for Political Subdivisions	PASSED	PASSED
<u>HB 1199</u>	Definition of Sovereign Lands	PASSED	
<u>HB 1244</u>	Authority of County Commissioners to Approve Quick Take Eminent Domain	PASSED	
<u>HB 1322</u>	Township Bonding Authority	PASSED	
<u>HB 1336</u>	Environmental or Health Safety Audits	PASSED	
<u>HB 1339</u>	Notice, Appeals, and Refunds of Special Assessments	PASSED	
<u>HB 1345</u>	Open Record and Meeting Laws		PASSED
<u>HB 1361</u>	Limitations of Property Tax Levies	PASSED	
<u>HB 1367</u>	Personal Watercraft and Towing an Individual on Water Skies		PASSED
<u>HB 1374</u>	Contracts & Financial Assistance for Water Projects/Duties of the State Engineer	PASSED	
<u>HB 1385</u>	Municipal Refunding Bonds	PASSED	PASSED
<u>HB 1390</u>	Limitation on County Authority and Subsurface Drains	PASSED	
<u>HB 1409</u>	Well Water Testing	PASSED	PASSED
<u>SB 2047</u>	Quick Take Eminent Domain		PASSED
<u>SB 2134</u>	Pick-Sloan Missouri Basin Project Dams		PASSED
<u>SB 2142</u>	Construction Manager At-Risk Subcontractor Bids	PASSED	PASSED
<u>SB 2146</u>	Public Improvement Bid and Bond Thresholds		PASSED
<u>SB 2147</u>	Bond Requirements for Public Improvements		PASSED
<u>SB 2168</u>	Public Improvements	PASSED	PASSED
<u>SB 2178</u>	Infrastructure Revolving Loan Fund	PASSED	PASSED

<u>SB 2236</u>	Pipeline Restoration and Reclamation Oversight Program		PASSED
<u>SB 2239</u>	Annual Inspections for Watercraft for Hire	PASSED	
<u>SB 2245</u>	Listing Parcels Under Control of Certain State Entities Use as Wetlands Mitigation		PASSED
<u>SB 2262</u>	Fertilizer Regulation by Cities, Counties, or Townships		PASSED
<u>SB 2263</u>	Subsurface Drainage Permits		PASSED
<u>SB 2269</u>	Powers of LAWA & GDCD	PASSED	
<u>SB 2270</u>	Financing Options for the GDCD		PASSED
<u>SB 2280</u>	City Levy Authority		PASSED
<u>SB 2308</u>	Identification of Ice Fish houses and Coyote Snares	PASSED	PASSED
<u>SB 2327</u>	Creation of the Department of Environmental Quality		PASSED
<u>HCR 3019</u>	Exercise nondiscrimination in public land management and return the land no longer required for the Pick-Sloan Missouri Basin Project dam at Lake Sakakawea to the citizens of the United States.	PASSED	
<u>HCR 3021</u>	Allow the utilization of the Garrison Diversion Unit facilities, including the McClusky Canal and the Snake Creek pumping plant, as a water supply for eastern and central North Dakota, irrigation, and for all other authorized project purposes, and not deauthorize or repurpose any part of the Garrison Diversion Unit and to allow the Continuation of the Garrison Diversion project canal system to aid in the delivery of water to the Red River Valley.		PASSED

VIII. Legislative Bills Failed (To Date)

Bill	Short Title	House	Senate
<u>HB 1114</u>	License Fees for Plumbers and Sewer and Water Installers	FAILED	
<u>HB 1162</u>	Competition between the Government and Private Industry	PASSED	FAILED
<u>HB 1168</u>	Reimbursement for Public Employees	FAILED	
<u>HB 1298</u>	Prohibiting Contracting Lobbyists	FAILED	
<u>HB 1326</u>	Local Property Tax Incentives from Impacted Municipalities	FAILED	
<u>HB 1331</u>	Inspection of Septic Systems	FAILED	
<u>HB 1349</u>	Pipeline Leak Detection Equipment Depreciation Expenses	FAILED	
<u>HB 1351</u>	Approval of Special Assessments by Elected Governing Bodies	PASSED	FAILED
<u>HB 1393</u>	Assessments by Water Resource Districts	FAILED	
<u>HB 1416</u>	Definition of Cleaning Out and Repairing of Drain	FAILED	
<u>SB 2227</u>	Nonresident Waterfowl Hunting Licenses	FAILED	
<u>SB 2229</u>	Appointments to the Red River Basin Commission	FAILED	
<u>SB 2259</u>	Nonresident Waterfowl Hunting Licenses	FAILED	PASSED
<u>SB 2331</u>	Protecting Groundwater & Mineral Developer Responsibilities		FAILED
<u>SB 2332</u>	Valuation of Property for Just Compensation		FAILED
<u>HCR3020</u>	Allow the Continuation of the Garrison Diversion project canal system to aid in the delivery of water to the Red River Valley.	PASSED	FAILED