

Legislative Report

Hearing Schedule (January 23 – January 27).

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. Burgum Presents Budget Proposal to Legislative Leaders

Governor Burgum presented his [budget proposal](#) to leadership on Monday, Jan. 16. Burgum recommends ongoing spending of \$4.62 billion or about \$159 million less than the 2017-19 budget proposed by Gov. Jack Dalrymple in early December.

II. This Week at the Legislature

[HB 1162](#) heard before the House Industry, Business and Labor Committee Jan. 16, allows individuals directly affected by competition from the state to petition the Public Service Commission (PSC) to hold a hearing to determine whether the state is engaged in competition with private industry. The bill sponsor suggested the bill be amended to include political subdivisions, not just the state. He also suggested an amendment to exempt statutory or constitutional entities, such as the Bank of North Dakota. The PSC testified in opposition because it increases the PSC's operating expenses and jurisdiction, suggesting determination of competition was better suited to the judiciary. OMB Central Services, which provides procurement services for the state, also testified in opposition. No action was taken by the committee.

[HB 1209](#) was withdrawn from further consideration by the House on Monday, January 16. The bill related to the establishment of a department of environmental quality to assume certain powers and duties of the state department of health.

[HB 1111](#) passed on the House floor, 83-9 on Tuesday, Jan. 17. The bill is to ensure the DOT director has the authority to enter agreement for the Fargo Moorhead metropolitan area flood risk management project impacting the state highway system. The agreement must address the construction and maintenance of the parts of the project which need to be constructed and maintained on the state highway system. This act is declared to be an emergency measure.

[SB 2146](#) passed on the Senate floor, 44-0 on Thursday, Jan. 19. 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. Since the inception of these thresholds (1991), they have always been the same. The bill will bring back consistency when using these thresholds.

[SB 2147](#) passed on the Senate floor, 43-1 on Thursday, Jan. 19. The bill would eliminate the double bond issue that faces contractors today by amending and reenacting section 48-01.2.23 of the North Dakota Century Code. 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.

[SB 2142](#) was heard before the Senate, Industry, Business and Labor Committee on Tuesday, January 17. The bill offers changes to section 48.01.2-22 of the North Dakota Century Code. The bill would require 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. An amendment of “and to evaluate and determine the most responsible bidder” was added to the bill. There was no testimony in opposition and the Committee recommended a unanimous do pass to the amended bill.

After adopting amendments, [SB 2047](#) passed on the Senate floor, 38-7, on Wednesday, Jan. 18. Senator Dwight Cook believes strongly that appointed bodies should not be able to use quick take authority without the approval of an elected body, so he offered amendments that would require county commission approval before a water resource district can use quick take authority. The amendment requires the county commission to hold a public meeting and invite the landowner to the public meeting before quick take is approved. Other amendments to SB 2047 required that the easement be specifically delineated, and that if the easement is not used, it would automatically terminate.

[HB 1054](#) was heard before the House Appropriations Committee on Wednesday, January 18. The bill amends and reenacts section 54-44.1-11 of the North Dakota Century Code, relating to the cancellation of unexpended appropriations. The new bill language gives clarity to carry over fund authority. Upon request, majority leaders of the senate and house of representatives and the chairmen of the appropriations committees of the senate and house of representatives with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period. The office of management and budget must provide the appropriation continuation requests to the legislative council a minimum of two weeks prior to the meeting where requests are considered. An amendment changed the deadline of two weeks to one week. There was no testimony in opposition and the Committee recommended a unanimous do pass to the amended bill.

[HB 1168](#) was heard before the House Government and Veterans Affairs Committee on Thursday, January 19. Representative Becker introduced the bill that would restrict compensation and travel reimbursement for public employees who attend legislative meetings. Exceptions include if a public employee has been requested by a member of the legislative assembly to testify or if the state employee has been requested to attend the meeting by the head of the state agency. This bill’s focus is saving state tax payer money. Questions regarding defining a state employee and enforcement of the proposed law were brought up by multiple legislators. Watchdog Network testified in support. ND United, ND Council of Education Leaders, ND School Boards Association, ND Association of Counties, ND League of Cities and Missouri River Energy Services testified in opposition.

[HB 1191](#) was heard before the House Political Subdivisions Committee on Thursday, January 19. Rep. Klemm introduced the bill that would clarify who can sign loan agreements on the behalf of political subdivisions. The loan agreement must be signed on behalf of the political subdivision by the president, chairman or equivalent officer and also by the political subdivision’s auditor, business manager, secretary or equivalent officer. There was no testimony in opposition and the Committee recommended a unanimous do pass.

[HB 1244](#) was heard before the House Energy and Natural Resources Committee on Friday, January 20. Rep. Robin Weisz opened the testimony on HB 1244, which would require County Commission approval before a water resource district could exercise quick take authority. Rep. Weisz answered numerous questions about water projects and water resource districts. Mike Dwyer, representing water resource districts, provided the only other testimony in support of the bill. Dwyer explained

that quick take is only for right of way, and that water managers are landowners and farmers, and only use quick take authority as a very last resort. Dwyer also explained the many responsibilities that water managers have been assigned by the Legislature. Both Farm Bureau and Stockman's Association testified against the bill but said it was a step in the right direction. Chairman Porter questioned opposing a bill that is a step in the right direction. John Pascowski, Asst. State Engineer, asked for clarification of the word "appropriation". Mike Dwyer presented the language that had been agreed upon between the water resource districts and the State Water Commission with HB 1095 in 2015. The committee seemed to appreciate the language to clarify this authority for water resource districts. No action was taken. Dwyer met with Rep. Weisz after the hearing and thanked him for not seeking to take away the quick take authority.

III. 2017 Water Day

Mark your calendars for Water Day on February 14! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a social for all North Dakota legislators **Tuesday, February 14** from **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

IV. 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.

V. 2017 Legislative Deadlines and Dates

Date	Topic
January 23	Deadline for senators to introduce bills
February 14	Rural Water/North Dakota Water Coalition Legislative Social
February 24	Crossover for bills
February 27-28	Recess
March 8	Crossover for resolutions
April 14	Good Friday
April 28	Session is limited to 80 legislative days

VI. HEARING SCHEDULE: January 23-27 2017

<u>Date and Time</u>	<u>Bill Number</u>	<u>Short Title</u>	<u>Committee</u>	<u>Room</u>
01/23/2017 9:00 AM	<u>HB 1349</u>	Relating to a deduction for pipeline leak detection equipment depreciation expenses; and to provide an effective date.	House Finance and Taxation	Fort Totten
01/25/2017 9:00 AM	<u>HB 1326</u>	Relating to approval from impacted municipalities for the grant of local property tax incentives.	House Finance and Taxation	Fort Totten
01/26/2017	<u>SB 2245</u>	Relating to listing parcels under the	Senate	Roosevelt

9:00 AM		control of certain state entities for use as wetlands mitigation.	Agriculture	Park
01/26/2017 9:30 AM	<u>SB 2259</u>	Relating to nonresident waterfowl hunting licenses.	Senate Energy and Natural Resources	Fort Lincoln
01/26/2017 9:30 AM	<u>SB 2239</u>	Relating to annual inspections for watercraft for hire.	Senate Transportation	Lewis and Clark
01/26/2017 9:45 AM	<u>SB 2263</u>	Relating to subsurface drainage permits.	Senate Agriculture	Roosevelt Park
01/26/2017 11:00 AM	<u>SB 2229</u>	Relating to appointments to the Red River basin commission.	Senate Political Subdivisions	Red River
01/26/2017 2:15 PM	<u>HB 1317</u>	Relating to a transfer of legacy fund earnings.	House Appropriations	Roughrider
01/27/2017 9:00 AM	<u>SB 2262</u>	Relating to fertilizer regulation by cities, counties, or townships.	Senate Agriculture	Roosevelt Park
01/27/2017 9:30 AM	<u>SB 2269</u>	Relating to authorization of a state Red River valley water supply project; and to amend and reenact sections 61-24-27, 61-39-01, 61-39-02, 61-39-03, 61-39-04, 61-39-05, 61-39-11, and 61-39-16 of the North Dakota Century Code, relating to the powers of the Lake Agassiz water authority.	Senate Agriculture	Roosevelt Park
01/27/2017 11:00 AM	<u>SB 2280</u>	Relating to city levy authority for emergency purposes; and to provide an effective date.	Senate Political Subdivisions	Red River

VII. Legislative Bills Tracked (To Date)

<u>HB 1009</u>	Agriculture Commissioner Appropriation
<u>HB 1017</u>	Game and Fish Department Appropriation
<u>HB 1020</u>	State Water Commission Appropriation
<u>HB 1026</u>	Underground Facilities Before Excavation
<u>HB 1054</u>	Cancellation of Unexpected Appropriations
<u>HB 1055</u>	Revenue Bond Indebtedness Limit for Water Resource Districts
<u>HB 1080</u>	Infrastructure Revolving Loan Fund
<u>HB 1106</u>	Definitions of Disasters and Emergencies
<u>HB 1111</u>	Metro Flood Diversion Authority
<u>HB 1114</u>	License Fees for Plumbers and Sewer and Water Installers
<u>HB 1162</u>	Competition between the Government and Private Industry
<u>HB 1165</u>	Transparency of State Grants
<u>HB 1168</u>	Reimbursement for Public Employees
<u>HB 1191</u>	Loans for Political Subdivisions
<u>HB 1244</u>	Authority of County Commissioners to Approve Quick Take Eminent Domain
<u>HB 1271</u>	Continuing Education for Water Well Contractors
<u>HB 1317</u>	Transfer of Legacy Fund Earnings
<u>HB 1322</u>	Township Bonding Authority
<u>HB 1326</u>	Approval from Impacted Municipalities for Grant of Local Property Tax Incentives

<u>HB 1339</u>	Notice, Appeals, and Refunds of Special Assessments
<u>HB 1345</u>	Open Record and Meeting Laws
<u>HB 1349</u>	Deduction for Pipeline Leak Detection Equipment Depreciation Expenses
<u>HB 1367</u>	Personal Watercraft and Towing an Individual on Water Skies or Similar Devices
<u>HB 1374</u>	Contracts and Financial Assistance for Water Projects/Duties of the State Engineer
<u>HB 1385</u>	Municipal Refunding Bonds
<u>HB 1390</u>	Limitation on County Authority and Subsurface Drains
<u>HB 1393</u>	Assessments by Water Resource Districts
<u>HB 1409</u>	Well Water Testing
<u>HB1416</u>	Definition of Cleaning Out and Repairing of Drain
<u>HB 1271</u>	Continuing Education for Water Well Contractors
<u>SB 2047</u>	Quick Take Eminent Domain
<u>SB 2061</u>	Legislative Branch Appropriation
<u>SB 2134</u>	Pick-Sloan Missouri Basin Project Dams
<u>SB 2142</u>	Construction Manager At-Risk Subcontractor Bids
<u>SB 2146</u>	Public Improvement Bid and Bond Thresholds
<u>SB 2147</u>	Bond Requirements for Public Improvements
<u>SB 2168</u>	Public Improvements
<u>SB 2229</u>	Appointments to the Red River Basin Commission
<u>SB 2236</u>	Pipeline Restoration and Reclamation Oversight Program
<u>SB 2239</u>	Annual Inspections for Watercraft for Hire
<u>SB 2245</u>	Listing Parcels Under Control of Certain State Entities Use as Wetlands Mitigation
<u>SB 2259</u>	Nonresident Waterfowl Hunting Licenses
<u>SB 2262</u>	Fertilizer Regulation by Cities, Counties, or Townships
<u>SB 2263</u>	Subsurface Drainage Permits
<u>SB 2269</u>	Authorization of a State Red River Valley water Supply Project
<u>SB 2270</u>	Financing Options for the Garrison Diversion Conservancy District
<u>SB 2280</u>	City Levy Authority