

Legislative Report

Hearing Schedule (January 30 – February 3).

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

This past Monday marked the final day for introduction of bills and yesterday was the final day for resolutions, except amendments to the state constitution and study resolutions. To date, 778 bills and 20 resolutions are being considered this session. Next week policy committees will be focused on completing work on bills with appropriations, as these bills must be rereferred to appropriations committees by Feb. 6.

Governor Burgum's [detailed budget proposal](#) is now available online. Appropriations committees have started the process of killing the bills with former Governor Dalrymple's agency budget recommendations. The agency baseline appropriation bills introduced by the legislature will be the ones moved forward in the process.

[HB 1349](#) was heard before the House Finance and Taxation Committee on Monday, January 23. Introduced by Rep. Dick Anderson the bill would provide incentive for pipeline companies to install leak detection systems on existing pipelines and new pipelines. Ron Ness, president of the ND Petroleum Council testified in support of the bill and spoke briefly about continually looking for better solutions due to the advancement of technology. The committee recommended a do not pass with a 9-3-2 vote.

[HB 1191](#) passed on the House floor, 89-0 on Monday, January 23. The bill 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.

[SB 2178](#) passed on the Senate floor, 45-0 on Tuesday, January 24. The bill would expand infrastructure revolving loan fund program to include the replacement of existing infrastructure. Currently, Century Code only includes fund programming for new infrastructure.

[HB 1326](#) was heard before the House Finance and Taxation Committee on Wednesday, January 25. Introduced by Rep. Tom Kading this bill would allow political subdivisions to opt in or opt out of local property tax incentives. The ND Watchdog Network testified in support. The ND League of Cities and the City of Mandan testified in opposition.

[HB 1298](#) was heard before the House Government and Veterans Affairs Committee on Thursday, January 26. The bill prohibits counties, cities and townships from hiring a contract lobbyist. It also prohibits associations from hiring a contract lobbyist. The League of Cities and Fargo city attorney testified in opposition. No action was taken by committee.

[SB 2245](#) was heard before the Senate Agriculture Committee on Thursday, January 26. The bill

would allow landowners to mitigate activities with wetlands established on state lands. Water resource districts and others testified in support of the proposal, while wildlife interest testified in opposition.

[SB 2227](#) and [SB 2259](#) were introduced by Sen. Jerry Klein before the Senate Energy and Natural Resources Committee on Thursday, Jan. 26. SB 2227 would entitle a nonresident age 65 or older to purchase up to two nonresident waterfowl hunting licenses per year, with \$100 of the fee for the second license used for private land open to sportsmen program. The second license would cost \$150. SB 2259 would allow a nonresident to buy a waterfowl license that is valid for three periods of four consecutive days. The fee for this license would be \$200 and \$50 must be used for the private land open to sportsmen program. A Bismarck resident, the ND Wildlife Federation and the Cass County Wildlife Club testified in opposition of both bills. Division Chief of the Wildlife Division of the ND Game and Fish Department, Jeb Williams spoke neutrally and provided the committee with statistics in regard to the bill. The committee recommended a do not pass to SB 2227 with a 7-0-0 vote and a do pass to SB 2259 with a 4-3-0 vote.

[SB 2239](#) was heard before the Senate Transportation Committee on Thursday, January 26. The bill would create an exception for watercraft owned and operated by a guide to forgo annual boat inspections by the ND Game and Fish Department. Woodland Resort of Devils Lake and the ND Game and Fish Department testified in support of SB 2239. The committee took no action at the time of the hearing.

[SB 2263](#) was heard before the Senate Agriculture Committee on Thursday, January 26 in an almost day-long hearing. The bill would dramatically change the law regarding permitting of tile drainage. Currently, the law provides that projects exceeding 80 acres of land (not a watershed) require a permit from the local water resource district. The water resource district is allowed to impose some conditions and can evaluate impacts downstream of a proposed project not to exceed one mile, projects which drain into assessments drains or ponds through lakes that do not require flowage easements. SB 2263 would remove the authority of water resource districts to impose any conditions, would place the burden for the analysis of any downstream impacts on the downstream landowner, and would limit fees to \$100.00 and other changes. Most of the testimony in support was actually in support of tile drainage. Two witnesses testified about problems they are having with water resources districts and in both if those instances there are two sides of the story. Mike Dwyer testified for the Water Resources Districts Association, Monica Zentgraf testified for the Richland County Water Resource District, Arv Burbee also testified along with various other witnesses in opposition. At the conclusion of opposition testimony, Sen. Klein requested that the attorney for Ellingson Tile Company, who drafted SB 2263, to explain the company's reasons for proposing the legislation. The Attorney was given extensive opportunity and while his testimony was reported to be neutral, it was clearly an explanation in support of SB 2263. ND Water Resource Districts will be working with the committee and others to hopefully propose amendments that are acceptable to all parties.

The Senate Ag Committee discussed SB 2263 on Friday, January 27 in committee. Sen. Osland said perhaps there should be no acre limit, in other words, a permit should be required for all tile drainage. Sen. Larsen said he would like a definition for both the words "investigation" and "tile drainage". He said it should be called subsurface water management, rather than subsurface drainage. Sen. Myrdal seemed to agree that water resource districts are not in compliance in all areas, and perhaps have more authority than they should. Sen. Klein stated the bill was very simple and was simply clarifying the uncertainty. The committee adjourned without taking any action.

[SB 2229](#) was heard before the Senate Political Subdivisions on Thursday, January 26. Introduced by Sen. Rich Wardner, the bill would allow the majority leader of the Senate to appoint a member of the Senate and the majority leader of the House to appoint a member of the House of Representatives to

the Red River Basin Commission. Adding a new section to chapter 54-03 of Century Code would mandate by law that appointees would be compensated for their time. The committee had a numerous questions in regard to compensation. The committee took no action at the time of the hearing.

HB 1317 was heard before the House Appropriations Committee on Thursday, January 26. Introduced by Rep. Vicky Steiner, the bill would transfer any legacy fund earnings to the general fund immediately by the state treasurer to the tax relief fund. The balance for tax relief would not exceed the amount given in the most recent legislative session. The intent of this bill would be to utilize earnings of the legacy fund for tax relief programs. No action was taken by the committee.

HB 1162 The House Industry Business and Labor Committee recommended a do pass to amended HB 1162 on Thursday, January 26. The bill would allow a study regarding competition between government and the private industry during the 2017-2018 interim.

SB 2262 was heard before the Senate Agriculture Committee on Friday, January 27. Introduced by Sen. Terry M. Wanzek the bill would prevent a city, county or township to enact new or enforce existing fertilizer regulations. The committee recommended a unanimous do pass.

SB 2269 was heard before the Senate Agriculture Committee on Friday, January 27. The bill was introduced by Sen. Terry M. Wanzek at the request of the Garrison Diversion Conservancy District (GDCCD) and the Lake Agassiz Water Authority (LAWA). The bill offers several minor changes to the powers and authorities of the GDCCD and the LAWA. Ken Vein, Chairman of the GDCCD gave testimony in support of the changes. Highlights of the changes are as follows:

- Allowing the GDCCD to use the Public Finance Authority as a source of funding.
- Adding central ND to the scope of the project and adding two board of directorø positions to represent central ND (one water district and one city from west of state 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.

Minor grammatical amendments were offered by the sponsor. Mike Dwyer testified in support on behalf of the ND Water Users Association. There was no testimony in opposition and the committee recommended a unanimous do pass as amended.

SB 2280 was heard before the Senate Political Subdivisions Committee on Friday, January 27. Introduced by Sen. Robert Erbele the bill would allow cities to levy taxes for emergency purposes, such as snow removal, natural disasters and other emergency conditions, based on the population of the city. The bill would ensure smaller cities have an adequate emergency fund. The committee recommended a unanimous do pass.

II. 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.

III. 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.

IV. 2017 Legislative Deadlines and Dates

Date	Topic
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 30 – February 3 2017

<u>Date and Time</u>	<u>Bill Number</u>	<u>Short Title</u>	<u>Committee</u>	<u>Room</u>
01/30/2017 09:00 AM	<u>HB 1331</u>	Relating to inspection of septic systems; and to provide an effective date.	House Industry, Business and Labor	Peace Garden
01/30/2017 10:30 AM	<u>HB 1345</u>	Relating to open record and meeting laws; and amend and reenact subsection 11 of section 12.1-34-02, section 12.1-35-03, subsection 9 of section 44-04-17.1, subsections 2, 4, and 7 of section 44-04-18, subsection 2 of section 44-04-18.1, subsection 6 of section 44-04-18.7, section 44-04-18.20, subsections 5, 6, and 9 of section 44-04-19.1, subsections 3 and 5 of section 44-04-20, section 44-04-21.1, and subsection 4 of section 57-40.6-07 of the North Dakota Century Code, relating to open record and meeting laws.	House Judiciary	Prairie
02/02/2017 09:00 AM	<u>SB 2331</u>	Relating to the protection of groundwater and other responsibilities of a mineral developer.	Senate Agriculture	Roosevelt Park

02/02/2017 09:00 AM	HB 1336	Relating to environmental or health safety audits; and to provide a penalty.	House Energy and Natural Resources	Coteau A
02/02/2017 09:30 AM	HB 1271	Relating to continuing education for water well contractors.	House Political Subdivisions	Prairie
02/02/2017 10:00 AM	HB 1374	Relating to contracts and financial assistance for water projects and duties of the state engineer; and to amend and reenact sections 61-02-01.3, 61-02-01.4, 61-02-02, 61-02-04, 61-02-07, 61-02-08, and 61-02-12, subsection 1 of section 61-02-14, and subsection 4 of section 61-02-62 of the North Dakota Century Code, relating to definitions of types of financial assistance for water projects and the composition and operation of the state water commission.	House Energy and Natural Resources	Coteau A
02/02/2017 11:00 AM	HB 1409	Relating to well water testing preceding subsurface mineral production and liability for damages to water supplies.	House Energy and Natural Resources	Coteau A
02/02/2017 02:30 PM	HB 1339	Relating to notice, appeals, and refunds of special assessments.	House Government and Veterans Affairs	Fort Union
02/03/2017 09:00 AM	HB 1416	Relating to the definition of cleaning out and repairing of drain.	House Agriculture	Peace Garden
02/03/2017 10:30 AM	HB 1367	Relating to personal watercraft and towing an individual on water skies or similar devices; and to provide a penalty.	House Energy and Natural Resources	Coteau A
02/03/2017 10:30 AM	HB 1393	Relating to assessments by water resource districts.	House Political Subdivisions	Prairie

VII. Legislative Bills Tracked (To Date)

HB 1009	Agriculture Commissioner Appropriation
HB 1017	Game and Fish Department Appropriation
HB 1020	State Water Commission Appropriation
HB 1026	Underground Facilities Before Excavation
HB 1054	Cancellation of Unexpected Appropriations
HB 1055	Revenue Bond Indebtedness Limit for Water Resource Districts
HB 1080	Infrastructure Revolving Loan Fund
HB 1106	Definitions of Disasters and Emergencies
HB 1111	Metro Flood Diversion Authority
HB 1114	License Fees for Plumbers and Sewer and Water Installers
HB 1162	Competition between the Government and Private Industry
HB 1165	Transparency of State Grants
HB 1168	Reimbursement for Public Employees
HB 1191	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 1298</u>	Prohibiting Counties, Cities and Townships from Contracting with Lobbyists
<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 1331</u>	Inspection of Septic Systems
<u>HB 1336</u>	Environmental or Health Safety Audits
<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>SB 2001</u>	Legislative Branch Appropriation
<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 2178</u>	Infrastructure Revolving Loan Fund
<u>SB 2227</u>	Nonresident Waterfowl Hunting Licenses
<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
<u>SB 2327</u>	Creation of the Department of Environmental Quality
<u>SB 2331</u>	Protection of Groundwater and Other Responsibilities of a Mineral Developer