

They're Here! Legislature Convened on January 3

The 66th Legislative Assembly convened on Thursday, January 3. The afternoon was devoted to organization and ceremony with the swearing in of a number of state officials and Governor Burgum's State of the State Address. That morning, legislators listened to the Tribal-State Relationship Message and the State of the Judiciary.

NDBA's New Lobbying Team

Thursday also marked the beginning of a new lobbying era as Rick Clayburgh and Tracy Kennedy will work together to lead NDBA's lobbying efforts and focus on all legislation which impacts North Dakota's banks.

In addition to Rick and Tracy, NDBA is excited to announce additional lobbying support from the GA Group, a highly-respected lobbying firm consisting of Joel Gilbertson, Levi Andrist and Amy Lunde.

Bankers Day at the Capitol, Bank Management Conference and Legislative Dinner January 23-24

January 23: NDBA will sponsor *Bankers Day at the Capitol*. This is a perfect opportunity for bankers to learn and become more familiar with the legislative process, to hear experienced pros and pols share perspectives about the process and issues, and to visit with legislators. Experienced bankers can use this day to polish their legislative skills and to learn more about what is going on with specific bills.

January 24: *NDBA's Legislative Dinner* will be held the evening of January 24 at Bismarck's Ramkota Hotel. This is a premier legislative event as NDBA member banks treat guests

to a wonderful evening of food and entertainment. Legislators look forward to it and attend in droves to make it the perfect opportunity to make and build friendships and discuss issues too! More information is available on at www.ndba.com or by contacting Rick or Dorothy at NDBA.

January 24: *NDBA's annual Bank Management Conference* will also be taking place at the Ramkota Thursday. The line-up includes great speakers on current topics. Come learn, mingle with North Dakota's bank industry leaders and stay for the Legislative Dinner. It doesn't get much more enjoyable or efficient than that so don't miss it. Again, details can be found at www.ndba.com.



2019 North Dakota
Legislative Session

Legislative Committees

Typically, unless they deal with taxation, bills of greatest interest to NDBA are heard in either the Industry Business and Labor Committees or Judiciary Committees. These committees meet on Monday, Tuesday and Wednesday. Here's a list of the committee members:

Senate Industry, Business and Labor – Chairman, Senator Jerry Klein (R); Vice Chairman, Senator Shawn Vedaa (R); Legislative Members: Senator Randy Burckhard (R), Senator Curt Kreun (R), Senator Merrill Piepkorn (D); Senator Jim Roers (R)

House Industry Business and Labor – Chairman, Representative George J. Keiser (R); Vice Chairman Representative Mike Lefor (R) Legislative Members: Representative Mary Adams (D); Representative Pamela Anderson (D); Representative Glenn Bosch (R); Representative Craig Johnson (R); Representative Jim Kasper (R); Representative Vernon Laning (R); Representative Scott Louser (R); Representative Marvin E. Nelson (D); Representative Emily O'Brien (R); Representative David Richter (R); Representative Dan Ruby (R); Representative Austen Schauer (R)

Senate Judiciary – Chairman, Senator Diane Larson (R); Vice Chairman, Senator Michael Dwyer (R); Legislative Members: Senator JoNell Bakke (D); Senator Larry Luick (R); Senator Janne Myrdal (R); Senator Arne Osland (R)

House Judiciary – Chairman, Representative Kim Koppelman (R); Vice Chairman, Representative Karen Karls (R); Legislative Members: Representative Rick Becker (R); Representative Ruth Buffalo (D); Representative Karla Rose Hanson (D); Representative Terry B. Jones (R); Representative Jeffery J. Magrum (R); Representative Aaron McWilliams (R); Representative Bob Paulson (R); Representative Gary Paur (R); Representative Shannon Roers Jones (R); Representative Bernie Satrom (R); Representative Luke Simons (R); Representative Steve Vetter (R)

However, NDBA bills can also be considered by other committees. So, when you see any legislator, please introduce yourself and visit about your bank, its many contributions to your communities, and discuss why you support NDBA bills. That way, when we need you to contact a legislator, you won't be "cold calling".

NDBA Bills

We don't have bill numbers yet, but NDBA-sponsored bills cover two topics. The first bill requires an agricultural supplier to give notice to a secured lien holder of record no later than 20 days from the date that the supplier delivers the ag products or services to the grower if the agricultural supplier's lien exceeds \$50,000. This bill would make

larger supplier's liens more like purchase money finance of inventory and livestock and will hopefully protect growers from double financing their annual production as well as stabilize and create responsible agricultural credit while limiting collateral based lending.

The second bill addresses the deficiencies in the current grain buyer and warehousing statutes. The current grain buyer's statutes have been patched together over the years and are at the point of being somewhat ineffective for their intended purpose. They have also left the PSC without adequate funding to administer protections under the statutes. The amendments would bring the PSC grain seller protections up-to-date with today's marketing of grain and financing of grain buyers by limiting the scope of "receiptholder liens" and increasing protections for "credit-sale contract" sellers of grain. Most farmers sell grain on a credit-sale basis. This bill would increase the amount available to a farmer from the credit-sale indemnity fund and make sure the grain purchased under a credit-sale arrangement (with or without a contract) is inventory of the grain buyer that can be pledged as collateral for operating from banks. We are also looking to include bond protection for credit-sale contracts under these statutes.

Bills Heard This Week

HB 1055- Motor vehicle damage disclosure

Representative Heinert introduced this bill to try to address the confusion when disclosing motor vehicle body damage on the certificate of title to a motor vehicle. Currently damage to the motor vehicle which equals or exceeds the greater of \$8,000 or 40 percent of the predamage retail value of the motor vehicle should be disclosed on the title. Representative Heinert's bill removed the \$8,000 threshold. There was testimony opposing removing the dollar amount from the statute due to the wide range of vehicle values on the road. The House Transportation Committee plans to spend some time on this bill to see if it can address the issue.

HB 1067 – DFI Appropriation

Representative Klemin introduced this bill to increase the dollar threshold – from \$100,000 to \$1 million – where the governing board of a political subdivision would be required to advertise for bids any contract for the sale of any issue of its bonds. No one testified in opposition. The committee amended the bill and reduced the amount to \$750,000. The amended bill received a unanimous do-pass from the House Political Subdivision Committee.

Hearings for the Week of January 7

DATE & TIME	BILL NUMBER	SHORT DESCRIPTION	COMMITTEE	ROOM
01/07/2019 11:00 AM	SB 2093	Relating to the examination of technology service providers, the capital requirement for trust companies, the examination of trust companies, the definition of a financial institution, surety bond requirements for money brokers and collection agencies, notice requirement for deferred presentment service providers, fees for money transmitters, and reporting requirements for debt-settlement providers; and to repeal sections 13-04.1-05.1, 13-05-05.2, 13-08-05.2, and 13-09-10.1 of the North Dakota Century Code, relating to automatic renewal of license in 2009 for money brokers, automatic renewal of license in 2014 for collection agencies, deferred presentment service providers, and money transmitters.	Senate Industry, Business and Labor	Roosevelt Park
01/08/2019 09:00 AM	HB 1008	A BILL for an Act to provide an appropriation for defraying the expenses of the Department of Financial Institutions.	House Appropriations - Government Operations Division	Medora
01/08/2019 09:00 AM	SB 2098	Relating to the Bank of North Dakota residential mortgage loan program; and to declare an emergency.	Senate Industry, Business and Labor	Roosevelt Park
01/08/2019 09:00 AM	HB 1045	Relating to electronic transaction definitions, blockchain technology and smart contracts, number of shareholders, and series limited liability companies; and to amend and reenact sections 9-16-02, 10-06.1-17, 10-19.1-01, and 10-19.1-01.2, subsection 6 of section 10-19.1-66, subsection 1 of section 10-19.1-73.3, sections 10-19.1-76.3 and 10-19.1-81, subsections 1, 2, and 11 of section 10-19.1-84, subsection 1 of section 10-19.1-110, subsection 2 of section 10-19.1-146, and subsection 2 of section 10-35-28 of the North Dakota Century Code, relating to electronic transactions, filing of an annual report by corporations engaged in farming or ranching, Business Corporation Act definitions, knowledge and notice, share certificates, corporate voting list and voting trusts, acceptance of shareholder act by the corporation, corporate records, corporate dissolution procedure, and the filing of an annual report by a publicly traded corporation.	House Industry, Business and Labor	Peace Garden
01/08/2019 09:00 AM	HB 1048	Relating to the use of distributed ledger technologies.	House Industry, Business and Labor	Peace Garden
01/08/2019 09:00 AM	HB 1043	Relating to the exemption of an open blockchain token from specified securities transactions and dealings; and to amend and reenact section 10-04-02, subsection 19 of section 13-09-02, and section 13-09-03 of the North Dakota Century Code, relating to the definitions of an open blockchain token and virtual currency and excluding an open blockchain token and virtual currency from specified money transmission requirements.	House Industry, Business and Labor	Peace Garden
01/08/2019 09:00 AM	HB 1049	Relating to signatures secured through distributed ledger technology.	House Industry, Business and Labor	Peace Garden

01/08/2019 09:30 AM	SB 2099	Relating to the medical facility infrastructure loan fund; and to declare an emergency.	Senate Industry, Business and Labor	Roosevelt Park
01/09/2019 09:00 AM	HB 1116	Relating to the North Dakota life and health insurance guaranty association; to repeal section 26.1-38.1-17 of the North Dakota Century Code, relating to application of laws to an insolvent insurer; and to provide for application.	House Industry, Business and Labor	Peace Garden
01/09/2019 09:00 AM	HB 1097	Relating to Sunday closing laws and retail agreements; and to repeal sections 12.1-30-01, 12.1-30-02, and 12.1-30-03 of the North Dakota Century Code, relating to Sunday closing laws.	House Industry, Business and Labor	Peace Garden
01/09/2019 10:00 AM	HB 1110	Relating to the adoption of the Revised Uniform Law on Notarial Acts; and to amend and reenact sections 44-06.1-01, 44-06.1-03, and 44-06.1-18 of the North Dakota Century Code, relating to the adoption of the Revised Uniform Law on Notarial Acts.	House Judiciary	Prairie
01/09/2019 10:00 AM	SB 2075	Relating to appraisal management companies.	Senate Industry, Business and Labor	Roosevelt Park
01/09/2019 10:00 AM	SB 2039	Relating to the development and implementation of a skilled workforce scholarship program; to provide a continuing appropriation; and to provide for a transfer.	Senate Education	Sheyenne River
01/10/2019 08:30 AM	HB 1014	A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.	House Appropriations - Government Operations Division	Medora

How to Contact Your Legislators

During a legislative session, a legislator can be reached at the State Capitol through:



[Contact My Legislators](#)

<http://www.legis.nd.gov/contact-my-legislators>



or by leaving a message with the legislative telephone message center at **1-888-NDLEGIS (635-3447)** or **701-328-3373** (local).

Otherwise, a legislator can be reached by mail, telephone or email at the address listed in the legislator's biography, or one of the lists provided below. Individual legislator contact information is listed here:



[Senate](#)

<http://www.legis.nd.gov/files/resource/miscellaneous/senateroster.pdf?20150106101229>



[House](#)

<http://www.legis.nd.gov/files/resource/miscellaneous/houseroster.pdf?20150106101310>

Over the course of the session, NDBA may ask you to call your Senator or Representative to talk to them about a particular bill or to ask them to support or oppose a particular bill.

Legislator contacts from local bankers are extremely important, so, please, if we ask, contact your legislators!

Also, local legislative forums are great to attend because they inform you about issues beyond banking and let you get to know your legislators at home where they are most responsive to your interests and concerns.

Don't be a stranger; get to know your representatives in Bismarck!