

## This Week at the Legislature

We seem to have moved toward the time when we hurry up to get to a hearing on time and then wait for bills to reach the top of the agenda, for committees to act, and for floor action. We know it's "all in due time" because committees are meeting each morning and afternoon after floor sessions and bills are being voted on and, sometimes, reconsidered.

### Bills of NDBA Interest

NDBA's Rick Clayburgh testified on several pieces of legislation and kept track of a few more:

#### SB 2271 – Housing Incentive Fund Bill

The Senate Appropriations Committee heard SB 2271, Wednesday, January 30. Senator Kurt Kreun introduced the bill. Jolene Kline, state housing finance agency director, provided testimony explaining the program. The HIF is a locally-driven rental housing financing tool, created and authorized during the 2011 legislative session. Community leaders, private developers and nonprofit organizations have leveraged the fund to construct new or rehabilitate existing rental housing. By statute, HIF targets low- to moderate-income households including seniors, people with disabilities, families with children, veterans and people experiencing homelessness. The bill has an appropriation of \$40 million. Last legislative session the program was not funded. There is a lot of legislative support for the program; the only issue is the availability of funding. NDBA and ICBND testified in support of the program. The committee took no action.

#### SCR 4006 – Recognizing February 25, 2019, as "Bank of North Dakota Day"

The Senate Industry Business and Labor Committee heard SCR 4006, Wednesday, January 30. Senator Joan Heckaman introduced the bill which was sponsored by the House

and Senate Leadership. BND President Eric Hardmeyer testified on the history of the bank and the upcoming 100th anniversary. He noted that, as the bank turns 100, it reported capital reserves of \$825 million and total assets of \$7 billion. NDBA and ICBND testified in support of the resolution. The committee gave the resolution a 5-0-1 do pass recommendation. It is currently on the Senate Calendar awaiting full Senate action.

#### SB 2346 – Warehouse, Grain Buyer and Indemnity Fund

The Senate Agriculture Committee heard SB 2346, Thursday, January 31. The bill was introduced by Senator Wanzek and relates to warehouse and grain buyer licensing, scale ticket conversions, claims distributions, assessments and refunds, subrogation, and unlicensed grain buyers. Senator Wanzek explained the bill is intended to try to improve the oversight of the industry and reform the indemnity fund to address some of the issues that have arisen. He specifically mentioned the need to look at roving grain buyers' licensing to try to address problems recently reported in the news. The bill gives additional reporting tools to the PSC and creates a confidentiality requirement for financial documents provided to the Commission. The bill also eliminates the Credit-Sale Contract Indemnity Fund and transfers the funds to the grain producer's indemnity fund. The PSC testified in support of the bill, noting there needs to be changes in the grain program. There needs to be a more thorough review of licensing to prevent individuals from getting into these situations and, additionally, there needs to be more help available for individuals who do end up with insolvency. NDBA's Rick Clayburgh testified in support of the bill. He asked the committee to consider amending the bill to re-examine the protections of the North Dakota Credit-Sale Indemnity Fund as well as update and clarify the statutory defined terms of a "receipt" and eliminate unnecessary and confusing terms like "non-credit sale." There was no opposition to the bill. The hearing was closed without the committee taking action.

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Legislative Session*

## HB 1220 – Ag supplier lien priority notice

The House Agriculture Committee heard testimony on HB 1220, Thursday, January 31. Representative Keiser introduced and explained the bill would require agricultural suppliers give other creditors notice for liens of over \$50,000 within 20 days of when supplies were furnished or services performed. The bill is the result of much discussion and is a solution that NDBA and ICBND thinks will work. NDBA's Rick Clayburgh testified in support of the bill. He thanked Rep. Keiser for introducing the bill on behalf of NDBA and ICBND. Clayburgh explained the bill does not change the priority of the supplier, but rather gives a lender notice of the future lien interest of the supplier. NDBA offered an amendment to the bill to increase the time to give notice from 20 days to 45 days to address concerns of suppliers who provide sales on terms of net 30. ICBND's Barry Haugen testified in support of the legislation as did FARM Credit and the ND Credit Unions. Bell Bank's Lynn Paulson testified in support of the bill and provided a banker's perspective on the supplier lien process. Opposition to the bill included the North Dakota Grain Dealers Association, Agriculture Association, North

Dakota Grain Growers Association, North Dakota Petroleum Marketers Association and North Dakota Farmers Union. Each of the entities opposed to the bill echoed the same concerns. The opposition felt the bill was unduly burdensome and costly to agriculture suppliers and that the system currently in place works well for all parties. The opposition advocated for keeping the current system and the 120-day filing window in place under current law. The hearing was closed without the committee taking action.

That afternoon, Rick Clayburgh and Barry Haugen met with the ag suppliers to see if the groups could come to a common ground. Both sides understood where the other was coming from. In the end, it was decided the best course of action was to recommend to the committee a study be created to determine if the Central Filing System could be updated to provide automatic notice to the lien holder of record if someone filed a priority lien ahead of them. The committee reconvened later in the afternoon, where NDBA, ICBND and the Grain Dealers explained the proposal. The committee liked the idea but wanted to wait to see the amendment before acting on the bill.

## 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)

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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!***

## Final Actions Taken

As House and Senate committees move through bills, they go to the floor of the original house to be voted up or down. Here is the NDBA High Priority Tracking List with Final Notations.

Bill	Status	Title
<a href="#">HB 1110</a>	House: PASSED House 92 – 0  NDBA Supports	Relating to the adoption of the Revised Uniform Law on Notarial Acts; and to amend and reenact sections 11-18-15, 44-06.1-01, 44-06.1-03, 44-06.1-18, and 47-19-26 of the North Dakota Century Code, relating to the adoption of the Revised Uniform Law on Notarial Acts.
<a href="#">HB 1217</a>	House: DEFEATED in the Senate 24 - 67  NDBA Opposed	Relating to competition between the government and private industry and to require a report to the legislative management.
<a href="#">HB 1263</a>	House: PASSED in the House 86 – 5  NDBA Neutral	Relating to right of an owner to reclaim an abandoned vehicle; to amend and reenact sections 23.1-15-01, 23.1-15-03, 23.1-15-05, 23.1-15-06, 23.1-15-07, 39-26-02, and 39-26-06 of the North Dakota Century Code, relating to custody and disposition of abandoned motor vehicles; to provide a penalty; and to declare an emergency.
<a href="#">SB 2093</a>	Senate: PASSED the Senate 47 - 0  NDBA Supports	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.
<a href="#">SB 2098</a>	Senate: PASSED the Senate 47 - 0  NDBA Supports	Relating to the Bank of North Dakota residential mortgage loan program; and to declare an emergency.
<a href="#">SB 2179</a>	Senate: PASSED the Senate 47 - 0  NDBA Neutral	Relating to the prevention of financial exploitation; and to amend and reenact section 6-08.1-03 of the North Dakota Century Code, relating to a financial institution's duty of confidentiality.
<a href="#">SB 2219</a>	Senate: DEFEATED in the Senate 16 - 29  NDBA Opposed	Relating to the confidentiality of social security numbers; to amend and reenact sections 51-22-01, 51-22-02, and 51-22-03 of the North Dakota Century Code, relating to data processing information confidentiality; and to provide a penalty.
<a href="#">SB 2262</a>	Senate: PASSED the Senate 47 - 0  NDBA's Bill	Relating to the use and possession of re-encoders and scanning devices; to amend and reenact section 12.1-23-11 of the North Dakota Century Code, relating to the unauthorized use of personal identifying information; to repeal section 12.1-23-17 of the North Dakota Century Code, relating to the unlawful skimming of credit, debit, or other electronic payment cards; and to provide a penalty.
<a href="#">SB 2357</a>	Senate: PASSED the Senate 41 - 4  NDBA Supports with BND Amendments	A BILL for an Act to provide for a Bank of North Dakota loan guarantee program for federal workers affected by the federal shutdown; and to declare an emergency.

## Hearings for the Week of February 4

DATE AND TIME	BILL NUMBER	SHORT TITLE	COMMITTEE	ROOM
02/04/2019 09:00 AM  <b><u>NDBA High Priority</u></b>	<a href="#">HCR 3026</a>	A concurrent resolution urging Congress and the Internal Revenue Service to allow states to determine health benefit coverage requirements without jeopardizing health savings account eligibility.	House Industry, Business and Labor	Peace Garden
02/04/2019 09:00 AM	<a href="#">SB 2039</a>	Relating to the development and implementation of a skilled workforce scholarship program; to provide a continuing appropriation; and to provide for a transfer.	Senate Appropriations	Harvest
02/05/2019 09:00 AM	<a href="#">HB 1530</a>	Relating to an income tax rate reduction fund and the transfer of legacy fund earnings; to repeal chapter 57-38 of the North Dakota Century Code, relating to the income tax; to provide a continuing appropriation; to provide an exemption; to provide an effective date; and to declare an emergency.	House Finance and Taxation	Fort Totten
02/06/2019 09:00 AM  <b><u>NDBA High Priority</u></b>	<a href="#">HB 1485</a>	Relating to protection against the disclosure of personal information; and to provide a penalty.	House Industry, Business and Labor	Peace Garden
02/07/2019 08:00 AM	<a href="#">HB 1486</a>	Relating to designating central standard time as the official standard time for North Dakota.	House Government and Veterans Affairs	Fort Union
02/07/2019 09:45 AM	<a href="#">HB 1407</a>	Relating to salvage certificates of title.	House Transportation	Fort Totten
02/07/2019 10:30 AM	<a href="#">HB 1165</a>	Relating to nonconforming structures.	House Political Subdivisions	Prairie
02/07/2019 03:00 PM	<a href="#">HB 1521</a>	Relating to reporting campaign contributions, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota, and relating to rulemaking procedures, disqualification of hearing officers, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.	Ethics	Pioneer
02/08/2019 10:30 AM	<a href="#">HB 1193</a>	Relating to a living wage mandate prohibition for political subdivisions; and to provide for application.	House Political Subdivisions	Prairie