

This Week at the Legislature

Most of the legislature's work this week was concentrated on concluding floor action on bills introduced in the House or Senate. That work was finished on Wednesday and the House and Senate are now in Crossover. The crossover break runs from Friday, February 22 through Tuesday, February 26. Both chambers will reconvene on Wednesday, February 27.

Despite all of the floor action this week, NDBA did participate in one committee hearing:

SCR 4006 – recognizing Monday, February 25, 2019, as “Bank of North Dakota Day”

The House Industry Business and Labor Committee heard SCR 4006 Monday, February 18. Senator Joan Heckaman introduced the bill which was sponsored by the House and Senate Leadership. SCR 4006 is a concurrent resolution to recognize Monday, February 25, 2019, as “Bank of North Dakota Day” and to congratulate the Bank of North Dakota on its 100th anniversary. 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's Rick Clayburgh testified in support of the resolution. The hearing was closed and the committee gave the resolution a 12-1-1 do pass recommendation. The resolution was passed by the House on a voice vote and has been filed with the Secretary of State.

Ethics Legislation:

The House and Senate newly-formed House and Senate Ethics Committees have been holding hearings the past few weeks on two competing bills which are intended to implement Constitutional Measure 1, which was passed by the voters

in November. The two bills are: HB 1521, sponsored by the House and Senate Republican Majority Leaders; and SB 2148, sponsored by Democrat Senator Tim Mathern and supported by the Committee who sponsored Measure 1. Below is a summary of the changes made to SB 2148 by the Senate Ethics Committee and Appropriation Committee. NDBA will provide a side-by-side summary of SB 2148 and HB 1521 in next week's Legislative Update.

SB 2148 – North Dakota Ethics Commission

SB 2148 was introduced by Senator Tim Mathern and supported by the Committee who sponsored Measure 1. The bill addresses each of the parts of Measure 1 to increase transparency, regulate lobbyists and create an ethics commission. Here is a summary of changes made to SB 2148 by the Senate Ethics Committee and Appropriation Committee and approved by the full Senate.

- Adds definition to gift-giving section – “Ultimate and true source of funds means the person who knowingly contributed over two hundred dollars, adjusted for inflation, to influence a statewide election or an election for the legislative assembly” (emphasis added)
- Allows the Secretary of State to fine an individual up to \$5000 or two times the value of contribution (whichever is higher) for using campaign donations for personal use
- Removes Attorney General's review of proposed rules
- Removes Legislative Management Rule Committee's authority to question, challenge, and void Ethics Committee rules

- Adds to gift definition
“Gift does not mean:
 - a. Purely informational material;
 - b. A campaign contribution; and
 - c. To advance opportunities for state residents to meet with public officials in educational and social settings in the state, any item, service, or thing of value given under conditions that do not raise ethical concerns as set forth in rules adopted by the ethics commission” - taken directly from Article XIV.
- Adds definition to Ethics Commission section – “Ultimate and true source means the person that knowingly contributed over two hundred dollars, adjusted for inflation, to lobby or influence state government action”
- Regarding appeals process, changes court where hearing is held from Burleigh County district court to the district court of the county where the accused individual resides.
- Regarding confidentiality, information relating to or created as a part of the complaint is confidential, however, may be disclosed by complainant or accused individual
- Public official who knowingly violates this section (information confidentiality) is guilty of a class C felony. (“Knowingly” added)
- Regarding public official may not be lobbyist for two years after holding public office, changes fine for violating this section from \$10,000 to \$1,000.
- Public official must knowingly violate the rules to be fined or charged (“Knowingly” added)
- Regarding lobbyist delivering campaign contributions, changes fine for violating this section from \$10,000 to \$500 for first violation and from \$50,000 to \$1,000 for second violation
- Lobbyist must knowingly violate this section to be fined or charged (“Knowingly” added”)
- Allows ethics committee to object to representation by the Attorney General.
- Adds provision requiring the disclosure of ultimate and true source of funds greater than \$200 spent to: “lobby or to influence state government, other than to influence a statewide election or election for the legislative assembly”
- Adds provision prohibiting lobbyists to “give, offer, solicit, initiate, or facilitate a gift to a public official knowingly” and a public official from knowingly accepting gifts
- Adds fines of \$500 for violating this section for a first violation. Person is guilty of infraction for a second violation
- Adds “A person who meets the definition of a lobbyist under this chapter and article XIV of the Constitution of North Dakota is not required to comply with the requirements of chapter 54-05.1, unless the person also meets the definition of a lobbyist under section 54-05.1-02”
- Changes appropriation to \$517,000 out of the state’s general fund for the ethics commission during the 2019-21 biennium, down from \$961,936 in the original bill. It also reduces the authorized full-time equivalent positions from 3 to 2.

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 House and Senate Action Notations.






Bill	Status	Title
HB 1008	House: PASSED House 78 – 14 NDBA Supports	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.
HB 1013	House: PASSED House 67 – 26 NDBA Looking to Amend – Trust Powers	Relating to the investments of the state investment board; to amend and reenact subsection 2 of section 15-01-02 of the North Dakota Century Code, relating to the investments of the board of university and school lands; to repeal section 57-51-15.1 of the North Dakota Century Code, relating to the energy impact fund; to provide for transfers; to provide for distributions from permanent funds; to provide an exemption; to provide a report; to provide an effective date; and to provide a contingent effective date.
HB 1014	House: PASSED House 86 – 7 NDBA Supports	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. Includes BND
HB 1106	House: PASSED House 93 – 0 NDBA Supports with Amendments	Relating to the establishment of an invisible reinsurance pool for the individual health insurance market; to amend and reenact subsection 2 of section 26.1-03-17 of the North Dakota Century Code, relating to premium taxes and credits for insurance companies; to provide for a legislative management study; and to declare an emergency.
HB 1110	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.
HB 1217	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.
HB 1220	House: PASSED House 89 - 9 NDBA Supports w/ amendments	Relating to priority of agricultural supplier liens; and to provide for application. Amended in committee
HB 1263	House: PASSED 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.

Bill	Status	Title
HB 1467	House: PASSED House 85 – 8 NDBA Neutral	Relating to the definition of agriculture commissioner; and relating to moving the authority over grain, grain buyers, warehousing, deposits, and warehousemen from the public service commission to the agriculture commissioner; to provide a penalty; and to provide a continuing appropriation.
HB 1485	House: PASSED House 93 – 0 NDBA Opposed	Relating to protection against the disclosure of personal information; and to provide a penalty. <u>Amended into a Study Resolution – NDBA now Neutral</u>
HB 1524	House: PASSED House 93 – 0 NDBA Neutral	Relating to the regulation of data brokers; and to provide a penalty. <u>Amended into a Study Resolution</u>
SB 2093	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.
SB 2098	Senate: PASSED the Senate 47 - 0 NDBA Supports	Relating to the Bank of North Dakota residential mortgage loan program; and to declare an emergency.
SB 2205	Senate: PASSED the Senate 43 – 2 NDBA Supports	Relating to abandoned property; and to amend and reenact sections 28-23-11, 32-19-18, 32-19-19, 32-19-23, and 32-19-27 of the North Dakota Century Code, relating to foreclosure of real estate.
SB 2179	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.
SB 2219	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.
SB 2233	Senate: DEFEATED in the Senate 11 - 35 NDBA Opposed without Amendments	Relating to health insurance coverage for infertility treatment; and to provide for application.
SB 2262	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.
SB 2271	Senate: PASSED the Senate 44 – 3 NDBA Supports	Relating to the housing incentive fund; to provide a transfer; and to provide an appropriation.

Bill	Status	Title
SB 2346	Senate: PASSED the Senate 46 – 0 NDBA Supports with NDBA Amendments	Relating to records confidentiality for warehousemen and grain buyers and assessment refunds for grain producers; and relating to warehouse and grain buyer licensing, scale ticket conversions, claims distributions, assessments and refunds, subrogation, and unlicensed grain buyers; to provide a penalty; to provide a continuing appropriation; and to provide for reports.
SB 2357	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.
HCR 3026	House: PASSED House 88 – 0 NDBA Supports	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.
SCR 4006	Senate: PASSED the Senate Voice Vote NDBA Supports	A concurrent resolution to recognize Monday, February 25, 2019, as “Bank of North Dakota Day” and to congratulate the Bank of North Dakota on its 100th anniversary.

Hearings for the Week of February 25/Crossover Week

Date & Time	Bill Number	Short Title	Committee	Room
02/27/2019 08:00 AM 	SB 2093	Automatic renewal of license in 2009 for money brokers, automatic renewal of license in 2014 for collection agencies, deferred presentment service providers, money transmitters; examination of technology service providers, the capital requirement for trust companies; define a financial institution. DFI Agency Bill	House Industry, Business and Labor	Peace Garden
02/27/2019 10:15 AM 	HB 1204	Relating to collection agency payment by credit card; relating to definitions applicable to collection agencies.	Senate Industry, Business and Labor	Roosevelt Park
02/27/2019 10:30 AM 	SB 2111	Relating to electronic remittal of funds withheld under a child support agency income withholding order and new hire reporting; and to provide for an effective date.	House Finance and Taxation	Fort Totten
02/27/2019 11:00 AM 	HB 1524	A BILL for an Act to provide for a legislative management study of privacy practices in the data broker industry.	Senate Industry, Business and Labor	Roosevelt Park
02/27/2019 02:00 PM 	SB 2075	Appraisal management companies.	House Industry, Business and Labor	Peace Garden
02/27/2019 02:15 PM 	HCR 3026	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.	Senate Industry, Business and Labor	Roosevelt Park
02/28/2019 10:00 AM 	SB 2010	Insurance Commissioner Budget	House Appropriations - Government Operations Division	Medora

Date & Time	Bill Number	Short Title	Committee	Room
02/28/2019 11:00 AM 	HB 1013	Commissioner of university and school lands - relating to the investments of the state investment board.	Senate Appropriations	Harvest
02/28/2019 02:00 PM 	SB 2009	Department of Agriculture	House Appropriations - Education and Environment Division	Roughrider
03/01/2019 08:30 AM 	HB 1019	State board for career & technical education - Farm Management Budget	Senate Appropriations	Harvest
03/01/2019 11:00 AM 	HB 1008	Department of financial institutions Budget	Senate Appropriations	Harvest
03/01/2019 11:30 AM 	HB 1220	A BILL for an Act to provide for a legislative management study of secured party notification. Relating to priority of agricultural supplier liens	Senate Agriculture	Roosevelt Park

How to Contact Your Legislators

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[Contact My Legislators](http://www.legis.nd.gov/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!