

What Happened This Week?

Many observers will note the ND Legislature is now entering the “third period,” i.e., the last period in a hockey game, as Day 60 is now history. Using horseracing terminology, the Legislature is heading to the Clubhouse Turn, the turn before the homestretch. It is not the homestretch yet, but we are just about there.

And as we take the Clubhouse Turn, we note both the House and the Senate have now agreed on exact raises for state employees. This is relatively early in the process and is good news for a number of budget bills being resolved in conference committees early. On the flip side of that coin, it is already quite apparent that stepping back and taking a look at overall revenue projections and money available to spend, there is a huge difference between the views of appropriations legislators in the House and their compadres in the Senate. That could be a sticking point that may become a sharper stick as the conference committees meet.

All of which will be happening very soon!

Bills Still on the NDBA Legislative Plate

The two bills sponsored by NDBA (HB 1220 – priority of agricultural supplier liens) and (SB 2262 – use and possession of re-encoders and scanning devices) have passed both houses of the Legislative Assembly and have been signed by the Governor. However, there remain several bills which are of priority interest:

HB 1008 – DFI Appropriation Bill – the Senate Appropriation Committee amended the department’s budget Thursday morning and the full Senate passed the bill 46-0 Friday afternoon. The Senate amendments provide the funding for the agreed-upon employee salary package of an increase of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. In addition, the Department’s operating budget was increased by \$400,000 – \$300,000 to bring the budget back to the 2015/2017 biennium level and

\$100,000 for the Department’s website redesign project started during the 2017/2019 biennium.

HB 1014 – Industrial Commission Bill, including BND Appropriation – the Senate Appropriation Committee will be acting on the bill Monday morning, April 8.

HB 1106 - Invisible reinsurance pool – still in Senate Appropriation Committee. The bill creates an invisible reinsurance pool for the state’s individual health insurance market and allows health insurance companies to take the assessment created by the bill as a premium tax credit. The Committee gave the bill a 14-0 do pass recommendation and the full Senate passed the bill 45-1 on Thursday. The bill now heads to the House for their concurrence on a technical amendment by the Senate. There is a possibility the House may not concur, not because they don’t agree with the technical change, but because they may want a second look at the \$40 million funding amount.

SB 2271 – Housing Incentive Fund – was given a 14-4 Do Not Pass Recommendation and the full House defeated the bill 17-74 on Tuesday. The House defeated the bill with the understanding the conference committee dealing with HB 1014, which includes the budget for the Housing Finance Agency, will address the Housing Incentive Fund funding and possibly provide for a housing incentive tax credit.

SB 2346 – Relating to warehouse, grain buyer and indemnity fund – The original bill, sponsored by Senator Terry Wanzek, provided more authority and tools to the PSC in oversight authority on the front end of licensing to prevent warehouse and grain buying insolvency and provided greater consumer protections. The original bill



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gave additional reporting tools to the PSC and created a confidentiality requirement for financial documents provided to the Commission. The original bill also eliminated the Credit-Sale Contract Indemnity Fund and transferred the funds to the grain indemnity fund.

The House Ag Committee made substantial changes to SB 2346 Friday afternoon. The amendments move the authority from the PSC to the Ag Department, keep the confidentiality for reviewing company financials, revert the Grain Indemnity fund back into the Credit-Sale Contract Indemnity Fund, and require licensure of cash grain buyers. In addition, the committee added amendments proposed by the North Dakota Grain Dealers to add licensing requirements for grain processors and to require grain processors to file a \$10,000 bond with the ag commissioner. The Committee gave the amended bill a 9-4 Do Pass Recommendation and it now awaits full House consideration.

SB 2346 and **HB 1467** – both deal with the authority over grain, grain buyers, warehousing, deposits, warehousemen and the indemnity fund. Last week, the Senate amended HB 1467 into an extensive study of grain buyers, roving grain buyers, grain brokers, and grain handling facilities under title 60; and issues related to prepayment for fertilizer, soil amendments, seed, and fuel in situations of insolvency. There is a lot of passion regarding these bills. The PSC, Grain Dealers, Grain Growers and members of the two committees are at odds on how to address the issues. Both bills will end up in conference committee.

Other Action

SB 2179 – relating to the prevention of financial exploitation of an eligible adult – passed the House with amendments 86-0. The Senate concurred with the House amendments and passed the bill 47-0 on April 2. The bill has been sent to the Governor for his signature.

Hearings for the Week of April 8

Date and Time	Bill Number	Hearing Description	Committee	Room
04/09/2019 04:00 PM 	HB 1521	Relating to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV, rulemaking procedures, & requirements for the ND Ethics Commission.	Ethics	Ft Lincoln
04/10/2019 02:30 PM 	SB 2148	Relating to the prohibition on personal use of campaign contributions and the rulemaking procedures and requirements for the North Dakota ethics commission; to provide a penalty and appropriation.	Ethics	Brynhild Haugland
04/11/2019 04:00 PM 	HB 1521	Relating to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV, rulemaking procedures, & requirements for the ND Ethics Commission.	Ethics	Ft Lincoln

NDBA Priority Legislation Tracking List

Bill	Status	Title
HB 1008	House: PASSED 78 – 14 Senate: PASSED 46 - 0 NDBA Supports	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.
HB 1014	House: PASSED 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 93 – 0 Senate: PASSED 46 - 1 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 92 – 0 Senate: PASSED 31-14 Governor: SIGNED 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 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 89 – 0 Senate: PASSED 44 – 1 Governor: SIGNED NDBA Supports w/ amendments	Relating to priority of agricultural supplier liens; and to provide for application. Amended in committee to study notice on SOS central filing system.
HB 1263	House: PASSED 86 – 5 Senate: PASSED 46 – 0 Governor: SIGNED 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.
HB 1467	House: PASSED 85 – 8 Senate: PASSED 45 - 0 Conference Committee 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. Amended into a study by Senate.
HB 1485	House: PASSED 93 – 0 Senate: PASSED 43 - 2 NDBA Neutral as amended	Relating to protection against the disclosure of personal information; and to provide a penalty. Amended into a Study Resolution – NDBA now Neutral
HB 1524	House: PASSED 93 – 0 Senate: DEFEATED 46 - 1 NDBA Neutral as amended	Relating to the regulation of data brokers; and to provide a penalty. Amended into a Study Resolution

Bill	Status	Title
SB 2093	Senate: PASSED 47 - 0 House: PASSED 90 - 0 Governor: SIGNED 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 47 - 0 House: PASSED 62 - 27 Governor: SIGNED NDBA Supports	Relating to the Bank of North Dakota residential mortgage loan program; and to declare an emergency.
SB 2179	Senate: PASSED 47 - 0 House: PASSED 86 - 0 Sent to Governor NDBA Supports	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 2197	Senate: PASSED 45 - 0 House: PASSED 81 - 5 Sent to Governor NDBA Supports	Relating to loans for family farmers by BND.
SB 2205	Senate: PASSED 43 - 2 House: PASSED 61 - 29 Governor: SIGNED 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 2233	Senate: DEFEATED 11 - 35 NDBA Opposed without Amendments	Relating to health insurance coverage for infertility treatment; and to provide for application.
SB 2262	Senate: PASSED 47 - 0 House: PASSED 83 - 7 Governor: SIGNED 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 44 - 3 House: DEFEATED 17 - 74 NDBA Supports	Relating to the housing incentive fund; to provide a transfer; and to provide an appropriation. Note: Housing incentive fund to be addressed in HB 1014 during Conference Committee
SB 2346	Senate: PASSED 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.

Bill	Status	Title
<u>SB 2357</u>	Senate: PASSED 41 - 4 House: DEFEATED 18 - 71 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.
<u>HCR 3026</u>	House: PASSED 88 – 0 Senate: PASSED Voice Vote 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.
<u>SCR 4006</u>	Senate: PASSED Voice Vote House: PASSED 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.

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!