

The Session is Off and Running

The 67th Legislative Assembly convened on Tuesday, January 5. The day was devoted to organization and ceremony. It began with Three Affiliated Tribes Chairman Mark Fox delivering the Tribal - State Relationship Message and North Dakota Supreme Court Chief Justice Jon Jensen delivering the State of the Judiciary. That was followed by the swearing in of the Governor and Lt. Governor and other state officials and Governor Burgum's "State of the State" address.

Banker's Day at the Capitol and Banker/Legislative Dinner Cancelled

Due to Coronavirus concerns and restrictions at the Capitol, NDBA will not hold a Banker's Day at the Capitol or Legislative Dinner this year. Plans are to hold a virtual Bank Management Conference in February or March.

NDBA's High Priorities to Date

Bill	Title
HB 1026	Relating to financial criteria for grain buyer, grain broker, grain processor, and warehousemen licenses, and licensing and bonding for grain brokers and grain processors; to amend and reenact sections 60-02-01, 60-02-07, 60-02-09, 60-02-11, 60-02-12, 60-02-19.1, 60-02-24, 60-02.1-01, 60-02.1-07, 60-02.1-08, 60-02.1-10, 60-02.1-11, 60-02.1-13, 60-02.1-14, 60-02.1-15, 60-02.1-17, 60-02.1-19, 60-02.1-21, 60-02.1-23, 60-02.1-29, 60-02.1-32, 60-02.1-41, subsection 2 of section 60-04-01, and section 60-10-16 of the North Dakota Century Code, relating to definitions of grain brokers and processors, the duties and powers of the commissioner, confidentiality records, scale ticket contents, credit-sale contracts, reports, annual licenses, fees, and bonds for grain buyers, grain brokers, grain processors, and warehousemen; to repeal sections 60-02.1-06, 60-02.1-07.1, 60-02.1-26, 60-02.1-27, and 60-10-15; and to provide a penalty.
HB 1050	Relating to definitions relating to business incentives, agreements, and reports.
HB 1177	Relating to the Uniform Electronic Wills Act; and to provide for application.
HB 2008	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.



*2021 North Dakota
Legislative Session*

NDBA's High Priorities to Date

Bill	Title
SB 2014	A BILL for an Act to provide an appropriation for defraying the expenses of the industrial commission and the agencies under its control; to provide contingent funding; to provide for a transfer; and to provide an exemption.
SB 2048	Relating to the Revised Uniform Unclaimed Property Act; to amend and reenact sections 9-12-29, 10-19.1-123, 10-33-114, and 15-02-05.2, subsection 3 of section 23.1-15-07, subsections 8 and 9 of section 26.1-55-02, sections 26.1-55-04, 27-05.2-04, and 30.1-20-14, subsection 3 of section 35-20-17, sections 35-36-05, 38-13.1-03, 38-18.1-03, and 44-04-18.25, subsection 3 of section 47-16-07.1, section 54-27-15.1, subsection 6 of section 57-38-57, subsection 8 of section 57-39.2-23, and section 60-01-34 of the North Dakota Century Code, relating to abandoned and unclaimed property; to repeal chapter 47-30.1 of the North Dakota Century Code, relating to the uniform unclaimed property act; to provide for a report; to provide a penalty; and to provide a continuing appropriation.
SB 2098	Relating to abandoned vehicles.
SB 2101	Relating to credit union loans; to amend and reenact subsection 3 of section 6-01-01.1, sections 6-01-04.3, 6-01-09, and 6-01-17, subsection 1 of section 6-03-05, sections 6-03-11, 6-03-13.3, and 6-03-15.1, subsection 1 of section 6-03-47.2, sections 6-03-49.1, 6-05-15.4, and 6-06-06, subsection 4 of section 6-06-08, and sections 6-06-11 and 6-08-08.1 of the North Dakota Century Code, relating to the regulatory fund, assessment of civil money penalties, appointment of receivers, supervision and examinations, assessments, real estate loans, bank mergers, bank branches, bank investments, trust branches, credit union powers, credit union board notice, and sale or purchase of banking institutions or holding companies; to repeal section 6-06-14 of the North Dakota Century Code, relating to credit union loans; and to provide a penalty.
SB 2102	Relating to dissolution, insolvency, suspension, emergency receivership, and liquidation of institutions under the department of financial institutions' supervision; to amend and reenact subsection 4 of section 6-01-04.2 and sections 6-01-04.4, 6-02-05, 6-03-12, 6-03-57, 6-03-67, 6-05-34, and 6-06-08.4 of the North Dakota Century Code, relating to financial institutions cross references, cease and desist orders, and prompt corrective action; and to repeal chapter 6-07 of the North Dakota Century Code, relating to dissolution, insolvency, suspension, emergency receivership, and liquidation of institutions under the department of financial institutions' supervision.

Hearings and Other Action this Week

SB 2008 – DFI Appropriation

The Senate Appropriations Committee took its first look at the proposed appropriation for the state Department of Financial Institutions on Friday Morning. DFI Commissioner Kruse explained the details underlying Governor Burgum's suggested \$9,167,283 budget for the 2021-2023 biennium. The total budget would fund 31 full-time positions. NDBA, ICBND and the Credit Unions spoke in favor of the department's budget. In addition, NDBA presented an amendment for committee consideration to sections 6-01-07.1 and 54-10-22.1 of the North Dakota Century Code, which relate to the confidentiality of facts and information about bank owners, borrowers, or customers obtained by the commissioner or the department of financial institutions. ICBND and the Credit Unions testified in support of the amendments. The committee took no action.

SB 2101 – DFI Modernization Bill

SB 2101 relates to the regulatory fund, assessment of civil money penalties, appointment of receivers, supervision and examinations, assessments, real estate loans, bank mergers, bank branches, bank investments, trust branches, credit union powers, credit union board notice, and sale or purchase of banking institutions or holding companies. SB 2101 was introduced by the Department of Financial Institutions. Commissioner Kruse explained the various provisions of the bill which includes: allows carryover of assessment funds to be spent in upcoming biennium but cannot spend beyond what was appropriated; increases civil money penalty from \$5,000 to \$100,000 for each occurrence and from \$100 to \$1,000 per day; amends regulation procedures regarding on-site examinations and removes the 36 months exam requirements to a line with federal requirements; changes frequency of assessments from annual to semi-annual; increases from \$250,000 to \$400,000 the requirement for a real estate appraisal; gives the commissioner the authority to approve bank mergers; removes provisions regarding new bank branching; addresses quality of corporate bond investments; along with various other modernization changes. NDBA and ICBND testified in support of the legislation. The bill received a 6-0 do pass recommendation and passed the full Senate 47-0 on Friday afternoon.

SB 2102 – DFI Modernization Bill

SB 2102 relates to cease-and-desist orders, prompt corrective action, the dissolution, insolvency, suspension, emergency receivership, and liquidation of institutions under the department of financial institutions’ supervision. Commissioner Kruse explained the various provisions of the bill, noting no North Dakota bank has failed in over 30 years, however law and administrative proceedings must be updated to reflect federal requirements regarding a bank failure. The legislation also removes the State Banking Board from the decision to take possession of an institution, giving that authority to the commissioner, with the Board knowledge. Commissioner Kruse offered an amendment to address a credit union concern. NDBA and ICBND testified in support of the legislation. The bill was amended and received a 6-0 do pass recommendation. The full Senate adopted the amendment Friday afternoon and will take the bill up for final passage Monday afternoon.

HB 1026 – Licensing, Bonding and Financial Criteria for the Grain Industry

HB 1026 relates to the financial criteria for grain buyer, grain broker, grain processor, and warehousemen licenses, and licensing and bonding for grain brokers and grain processors. It also relates to the duties and powers of the ag commissioner, confidentiality records, scale ticket contents, credit-sale contracts, reports, annual licenses, fees, and bonds for grain buyers, grain brokers, grain processors, and warehousemen. This bill is the product of the interim Agriculture and Transportation Committee and was introduced in the hearing by North Dakota Ag Commission Doug Goehring. After explaining the bill, the Commissioner requested an amendment to remove the requirements of judicial approval before moving for insolvency and allow the Commissioner to make this decision. The lending community had worked the day before with the Commissioner to address concerns regarding the assets or accounts the Commissioner could take control of. The Committee took no action on the bill.

Hearings Next Week

DATE & TIME	BILL NUMBER	SHORT DESCRIPTION	COMMITTEE	ROOM
01/12/2021 08:30 AM	SB 2072	Relating to unfair trade practices and the use of rebates in the business of insurance; and to declare an emergency.	Senate Industry, Business and Labor	Tracking
01/13/2021 08:30 AM	SB 2014	A BILL for an Act to provide an appropriation for defraying the expenses of the industrial commission and the agencies under its control; to provide contingent funding; to provide for a transfer; and to provide an exemption.	Senate Appropriations	NDBA Priority
01/13/2021 10:30 AM	SB 2048	Relating to the Revised Uniform Unclaimed Property Act; to amend and reenact sections 9-12-29, 10-19.1-123, 10-33-114, and 15-02-05.2, subsection 3 of section 23.1-15-07, subsections 8 and 9 of section 26.1-55-02, sections 26.1-55-04, 27-05.2-04, and 30.1-20-14, subsection 3 of section 35-20-17, sections 35-36-05, 38-13.1-03, 38-18.1-03, and 44-04-18.25, subsection 3 of section 47-16-07.1, section 54-27-15.1, subsection 6 of section 57-38-57, subsection 8 of section 57-39.2-23, and section 60-01-34 of the North Dakota Century Code, relating to abandoned and unclaimed property; to repeal chapter 47-30.1 of the North Dakota Century Code, relating to the uniform unclaimed property act; to provide for a report; to provide a penalty; and to provide a continuing appropriation.	Senate Industry, Business and Labor	NDBA Priority
01/13/2021 02:00 PM	SB 2127	Relating to the housing incentive fund; and to provide an appropriation.	Senate Industry, Business and Labor	Tracking

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)

<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!