

This Week at the Legislature

It was a short week as the legislative assembly reconvened Wednesday after the crossover break. Post crossover legislative hearings and actions always bring a sense of déjà vu (that's fancy French for "been there, done that"). On Wednesday, standing committees in both the House and Senate began their consideration of bills that originated in the other chamber.

However, this week is like no other in State history as the House of Representatives considered the expulsion of Representative Luke Simons (R-36) Thursday afternoon. After reports of a profanity-laced encounter with a colleague in the Capitol Café on Wednesday before the crossover break, accounts of previous inappropriate behavior and sexual harassment from Simons toward female colleagues and members of Legislative Council staff and interns began surfacing throughout the weekend.

Legislative Council, the Legislature's nonpartisan research agency of financial and legal experts, released

a 14-page file of documents explaining reports from female staff and interns who experienced uncomfortable interactions with Simons. Two legislators additionally shared their personal accounts of harassment by Simons in the press. House Republican leadership, led by House Majority Leader Chet Pollert, called for Rep. Simons' resignation, a call that went unheeded. Accordingly, the leader introduced House Resolution 5001 to expel Rep. Simons.

After four hours of spirited debate, floor testimony by three of the legislators aggrieved by Rep. Simons, and debate about process, the historic vote to expel Simons prevailed by the necessary two-thirds vote (63) required in the state constitution, 69-25. The Republican committee of District 36 will be charged with appointing his replacement.

Mark Your Calendar

NDBA's **Bank Management Conference** will be virtually **April 14** from **1:00-3:15 pm CT**. The program will feature an economic and political outlook, a COVID and cyber-risk update and a legislative wrap-up by NDBA President and CEO Rick Clayburgh. To view the program and to register, visit www.ndba.com.

NDBA's High Priorities to Date

Bill	Status	Title
HB 1026	House: PASSED House 89 – 0 Senate: PASSED Senate 46 – 0 Governor NDBA Supports	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 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.
HB 1050	House: PASSED House 90 – 0 Senate: PASSED Senate 47 – 0 Governor NDBA Supports	Relating to definitions relating to business incentives, agreements, and reports. Bill exempts BND's interest rate buy down programs (PACE programs) from the reporting requirements of 54-60.1-01.
HB 1077	House: PASSED House 92 – 1 Senate: PASSED Senate 47 -0 Governor NDBA Supports	Relating to the Uniform Electronic Wills Act; and to provide for application.
HB 1154	House: PASSED House 60 – 34 Senate: NDBA Neutral	Relating to transparency in dental benefits contracting; and to provide a penalty. NDBA's Amendments adopted, now neutral.
HB 1172	House: DEFEATED House 5 – 89 NDBA Opposed	Relating to agricultural mediation and negotiation services.
HB 1175	House: PASSED House 77 – 17 Senate: NDBA Supports	Relating to business immunity from COVID-19 liability claims; to provide for retroactive application; to provide an expiration date; and to declare an emergency.
HB 1187	House: PASSED House 93 – 1 NDBA Supports	Relating to creation of a Bank of North Dakota rebuilders loan program and a rebuilders permanent loan fund; to repeal sections 6-09-46 and 6-09-46.1 of the North Dakota Century Code, relating to a rebuilders loan program, a rebuilders home loan program, and a rebuilders home loan fund; to provide a continuing appropriation; and to provide for a transfer.
HB 1204	House: DEFEATED House 19 – 74 NDBA Neutral	Relating to limitations on requirements to wear a mask at work; to provide an expiration date; and to declare an emergency.
HB 1222	House: PASSED House 87 – 6 Senate: NDBA Neutral	Relating to repairing, replacing, or improving a residential structure that is nonconforming due to zoning changes.

HB 1231	House: PASSED House 94 – 0 Senate: NDBA Supports	Relating to duty of the investment director to consider investing locally. Amended to provide for a legislative management study regarding the benefits of investing legacy fund moneys locally.
HB 1251	House: PASSED House 92- 2 Senate NDBA Neutral	Relating to actions having twenty-year limitations, docketing judgments, renewal of judgments by affidavit, and cancellation of judgment of record. Bill eliminates 10-year judgment renewal requirement and creates a 20-year judgment.
HB 1267	House: DEFEATED House 19 – 75 NDBA Neutral	Relating to the Bank of North Dakota providing custodian services for digital currency and may implement a digital currency exchange. Relating to BND studying the feasibility and desirability of providing digital currency custodian services and of implementing a digital currency exchange.
HB 1268	House: DEFEATED House 36 – 56 NDBA Opposed	Relating to a financial technology sandbox program for innovative financial products and services and criminal history background checks.
HB 1321	House: WITHDRAWN NDBA Neutral	Relating to exemption of recognition of daylight-saving time; and to repeal section 40-01-20 of the North Dakota Century Code, relating to daylight saving time.
HB 1330	House: DEFEATED House 19 – 75 NDBA Neutral	Relating to prohibiting covered entities from selling users' protected data without consent; and to provide a penalty. Not a direct impact on Financial Institutions
HB 1339	House: PASSED House 65 – 28 Senate: NDBA Neutral	Relating to the definition of dangerous weapons. Amended to provide for a legislative management study of the definitions of "dangerous weapon" and "public gathering." NDBA Neutral to the study
HB 1363	House: DEFEATED House 7 - 85	Relating to ante-mortem probate of wills. Ante-mortem is currently used by testators to have their wills declared valid. Bill would allow other persons to challenge the validity of the will. NDBA had concerns with the bill.
HB 1364	House: PASSED House 79 – 15 Senate: NDBA Neutral	Relating to the duties of a personal representative.
HB 1366	House: PASSED House 94 – 0 Senate: NDBA Opposed in part.	Relating to the sale of property subject to a repairman's lien and sale proceeds; and to amend and reenact sections 35-13-01, 35-13-05, and 35-13-06 of the North Dakota Century Code, relating to repairman's liens, notice requirements, and assignments. Adopted NDBA amendments regarding UCC Article 9 – NDBA still opposed to addition of storage fees to liens.
HB 1380	House: PASSED House 71 – 22 Senate: NDBA Supports	Relating to a legacy sinking and interest fund, a legacy earnings fund, and an income tax relief fund; to amend and reenact section 21-10-12 of the North Dakota Century Code, relating to legacy fund definitions. The bill creates a new legacy earnings fund to receive all of the constitutionally mandated legacy fund earnings transfers. It then stipulates the amount available for appropriation out of the new fund and directs the transfer of funding to multiple funds.

HB 1425	House: PASSED House 85 – 8 Senate: NDBA Supports	Relating to the legacy infrastructure loan program and the state investment board; to amend and reenact sections 21-10-02 and 21-10-11 of the North Dakota Century Code, relating to the state investment board and the legacy and budget stabilization fund advisory board; and to provide a continuing appropriation. The bill includes a requirement that the state investment board (SIB) give preference to qualified investment firms with a presence in the state when investing Legacy Fund assets. It also sets specific targets for investing Legacy Fund assets within the state and within specified asset classes.
HB 1499	House: DEFEATED House 9 – 84 NDBA Opposed	Relating to election requirements for bonds. The bill provided that the state may not issue bonds without first being authorized to do so by a vote of two - thirds of the qualified electors in the state. The bill would have restricted the ability of the Housing Finance Agency from issuing bonds on a timely basis without a public vote.
SB 2008	Senate: PASSED Senate 47 – 0 House: NDBA Supports	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions. DFI's Budget
SB 2014	Senate: PASSED Senate 47 – 0 House: NDBA Supports	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. BND's and Housing Finance's Budget
SB 2020	Senate: PASSED Senate 47 – 0 House: NDBA Supports	A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota state university extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide for a report; and to provide an exemption.
SB 2048	Senate: PASSED Senate 47 – 0 House: NDBA Supports	Relating to North Dakota adopting the Revised Uniform Unclaimed Property Act. NDBA Amendments adopted – NDBA supports
SB 2098	Senate: PASSED Senate 47 – 0 House: NDBA Neutral	Relating to abandoned vehicles. Bill introduced by the Highway Patrol – intended to streamline their administrative process.
SB 2101	Senate: PASSED Senate 47 – 0 House: NDBA Supports	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	Senate: PASSED Senate 47 – 0 House: NDBA Supports	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.

SB 2191	Senate: PASSED Senate 46 – 0 House: NDBA Supports	Relating to the disposal of abandoned personal property.
SB 2197	Senate: PASSED Senate 47 – 0 House: NDBA Supports	Relating to confidentiality of facts and information obtained or created by the commissioner of financial institutions and the department of financial institutions. NDBA's Bill
SB 2203	Senate: DEFEATED Senate 8 – 39 NDBA Opposed	Relating to surcharges paid by employers for employees who receive unemployment insurance benefits; and to provide an effective date.
SB 2223	Senate: DEFEATED Senate 2 – 45 NDBA Opposed	Relating to a deed in lieu of foreclosure.
SB 2261	Senate: PASSED Senate 46 – 0 House: NDBA's Bill	Relating to irrevocable itemized funeral contracts and Medicaid assets exempt for funeral expenses; and to declare an emergency. NDBA's Bill
SB 2292	Senate: PASSED Senate 47 – 0 House: NDBA's Bill	Relating to mortgage modifications; and to amend and reenact sections 35-03-14 and 35-03-15 of the North Dakota Century Code, relating to the expiration and extension of real estate mortgages. NDBA's Bill

Hearings and Other Action this Week

HB 1258 – Real Estate Commission & Trust Accounts

The Senate Industry Business and Labor Committee heard HB 1258 Wednesday morning. The bill is the product of a complete review of the real estate licensing law as well as rules and regulation governing real estate by the North Dakota Real Estate Commission. The purpose of the review was to identify how to modernize and clarify the law and to eliminate provisions no longer needed. The part of the legislation important to bankers is the repeal of NDCC 43-23.4 dealing with Real Estate Broker Trust Accounts. This section was created in 1991 and was modeled after the interest on Lawyers Trust Accounts. It requires that real estate brokers trust accounts be interest-bearing and that banks send that interest amount to the ND Association of REALTORS which manages the program. The amount of interest being remitted from brokers trust accounts by banks is now very nominal. If the bill becomes law, Real Estate Trust Accounts must be placed in non-interest-bearing accounts. Eliminating the program will allow time and cost savings for banks, the Association of Realtors for the management of the program and the Real Estate Commission which reviews audits of the program. There was no opposition to the bill. It received a 6 – 0 do pass recommendation and passed the full Senate 47-0. The bill is now headed to the Governor for his approval.

SB 2048 – Uniform Unclaimed Property Act

The House Judiciary Committee heard SB 2048 Wednesday morning. The bill, which was introduced at the request of the Commission on Uniform State Laws, enacts the 2016 Revised Uniform Unclaimed Property Act (RUPPA). SB 2048 impacts many industries, including banking. Committee Chairman Klemin introduced the bill. He explained he is a member of the Uniform Law Commission and supports the adoption of RUPPA. Jodi Smith, Commissioner, Board of University and

School Lands, testified in support of the legislation. She explained the Department of Trust Lands, which oversees the state's unclaimed property division, worked closely with North Dakota's uniform law commissioners to introduce SB 2048, which seeks to modernize and update the state's law. Smith provided a history of RUPPA; discussed department technology updates to the claims process; and walked through and explained section of the bill. Bruce Ferguson, American Council of Life Insurers, testified that ACLI secured amendments in the Senate Industry Business and Labor Committee to make sure the bill is consistent and compatible with existing North Dakota insurance law governing unclaimed life insurance benefits. NDBA's Rick Clayburgh testified in support of the amended bill. He explained NDBA worked with the Commissioner on amendments in the Senate that addressed industry concerns regarding the consistency between RUPPA and the originally proposed legislation relating to bank products. There was no opposition to the bill, which received a 11-1-2 do pass recommendation and was rereferred to the House Appropriations Committee.

SB 2191 – Disposal of Abandoned Personal Property

The House Political Subdivisions Committee heard SB 2191 on Thursday morning. SB 2191 addresses the disposal of abandoned personal property that is left behind in abandoned real property. Last session, the Legislature streamlined the foreclosure process for abandoned property without negatively affecting consumers or the integrity of title. The Legislature inadvertently missed addressing personal property left abandoned on the real property. The oversight has been causing some delays in the foreclosure of the real property that has been abandoned. The Senate had amended the bill to require that if the record title owner cannot be located, any remainder from the proceeds of a sale of the personal property be delivered to the administrator of the state abandoned property office in accordance with chapter 47-30.1. Nick Hacker, ND Land Title Association, testified in support, noting the bill is helpful for the marketability of title and supports the health of the real estate market, especially during a time when housing supply is extremely low. He noted the shorter amount of time a property unnecessarily sits in the foreclosure process, the less costly it is for lenders, which ultimately impacts home affordability. NDBA and ICBND testified in support of the bill. There was no opposition; however, Rep. Klemin had questions regarding to impact on junior lien holders. The committee did not act on the bill, allowing Rep. Klemin to investigate his concern.

Hearings Next Week

Date and Time	Bill Number	Short Title	Committee	List
03/08/2021 09:00 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. BND's and Housing Finance's Budget.	House Appropriations - Government Operations Division	NDBA Priority
03/08/2021 09:30 AM 	HB 1288	Relating to Medicaid coverage of continuous glucose monitoring devices.	Senate Human Services	NDBBT List
03/08/2021 10:30 AM 	HB 1441	Relating to a paid family medical leave program and an income tax credit for contributions paid into the paid family medical leave fund on behalf of eligible employees; to provide an appropriation; to provide for a transfer; and to provide an effective date.	Senate Industry, Business and Labor	Tracking
03/08/2021 02:00 PM 	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. BND's and Housing Finance's Budget.	House Appropriations - Government Operations Division	NDBA Priority

03/08/2021 02:00 PM 	SB 2261	Relating to irrevocable itemized funeral contracts and Medicaid assets exempt for funeral expenses; and to declare an emergency.	House Industry, Business and Labor	NDBA Priority
03/08/2021 03:00 PM 	HB 1196	Relating to sealing criminal records.	Senate Judiciary	Tracking
03/08/2021 04:00 PM 	HB 1251	Relating to actions having twenty-year limitations, docketing judgments, renewal of judgments by affidavit, and cancellation of judgment of record; to repeal sections 28-20-21, 28-20-22, and 28-20-23 of the North Dakota Century Code, relating to renewal of judgments by affidavit; and to provide an effective date.	Senate Judiciary	NDBA Priority
03/09/2021 08:45 AM 	HB 1479	Relating to replacement of the individual, estate, and trust income tax rate schedule with a flat-rate income tax; and to provide an effective date.	Senate Finance and Taxation	Tracking
03/09/2021 09:00 AM 	SB 2072	Relating to unfair trade practices and the use of rebates in the business of insurance.	House Industry, Business and Labor	NDBBT List
03/09/2021 09:00 AM 	SB 2074	Relating to health insurance utilization reports.	House Industry, Business and Labor	NDBBT List
03/09/2021 09:00 AM 	HB 1154	Relating to prior authorization of dental services, dental networks, and payment of dental claims.	Senate Human Services	NDBA Priority
03/09/2021 09:30 AM 	SB 2020	A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota state university extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide for a report; and to provide an exemption.	House Appropriations - Education and Environment Division	NDBA Priority
03/09/2021 09:30 AM 	SB 2209	Relating to increased access to low-cost prescription drugs; to amend and reenact section 43-15.3-12 of the North Dakota Century Code, relating to drug wholesaler fees; to provide for a report; to provide a continuing appropriation; to provide for a transfer; and to provide a contingent effective date.	House Human Services	NDBBT List
03/09/2021 10:30 AM 	HB 1278	Relating to eligibility for unemployment compensation for military spouses; and to amend and reenact subdivision b of subsection 2 of section 52-04-07 of the North Dakota Century Code, relating to benefits paid chargeable to accounts of base-period employers.	Senate Industry, Business and Labor	Tracking
03/09/2021 01:30 PM 	SB 2020	A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota state university extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide for a report; and to provide an exemption.	House Appropriations - Education and Environment Division	NDBA Priority
03/10/2021 08:30 AM 	HB 1175	Relating to business immunity from COVID-19 liability claims; to provide for retroactive application; to provide an expiration date; and to declare an emergency.	Senate Industry, Business and Labor	NDBA Priority
03/10/2021 09:00 AM 	HB 1201	Relating to marijuana.	Senate Judiciary	Tracking
03/10/2021 10:00 AM 	HB 1425	Relating to the legacy infrastructure loan fund and the state investment board; to amend and reenact sections 21-10-02 and 21-10-11 of the North Dakota Century Code, relating to the state investment board and the legacy and budget stabilization fund advisory board; and to provide a continuing appropriation.	Senate Finance and Taxation	NDBA Priority

03/10/2021 10:00 AM 	HB 1376	Relating to employer immunity regarding COVID-19; and to provide for application.	Senate Industry, Business and Labor	Tracking
03/11/2021 09:00 AM 	SB 2008	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions; and to provide for a transfer.	House Appropriations - Government Operations Division	NDBA Priority
03/11/2021 10:30 AM 	HB 1366	Relating to the nonjudicial disposition of property by lienholders; and to amend and reenact sections 35-13-01, 35-13-04, 35-13-05, and 35-13-06 of the North Dakota Century Code, relating to repairman's liens, priority of liens, notice requirements, and assignments.	Senate Transportation	NDBA Priority
03/11/2021 02:00 PM 	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. BND's and Housing Finance's Budget.	House Appropriations - Government Operations Division	NDBA Priority
03/11/2021 02:15 PM 	SB 2019	A BILL for an Act to provide an appropriation for defraying the expenses of the department of career and technical education; and to provide a report.	House Appropriations - Education and Environment Division	Tracking
03/11/2021 02:30 PM 	HB 1371	Relating to requiring the state to observe daylight saving time year round; to repeal section 40-01-20 of the North Dakota Century Code, relating to daylight saving time; and to provide an effective date.	Senate Political Subdivisions	Tracking
03/11/2021 03:15 PM 	HB 1141	A BILL for an Act to provide a transfer to the innovation loan fund to support technology advancement.	Senate Government and Veterans Affairs	Tracking
03/12/2021 08:30 AM 	SB 2020	A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota state university extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm; to provide for a report; and to provide an exemption.	House Appropriations - Education and Environment Division	NDBA Priority
03/12/2021 10:00 AM 	HB 1215	Relating to an outdoor heritage revolving loan fund; to amend and reenact section 54-17.8-02 of the North Dakota Century Code, relating to a transfer of funds to the outdoor heritage revolving loan fund; to provide a continuing appropriation; to provide a transfer; and to provide an effective date.	Senate Energy and Natural Resources	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>



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!