

North Dakota Legislative Bill Tracking
The Chamber
April 4, 2011

EDUCATION

[HB 1003](#) North Dakota University System Appropriation

House bill 1003 was amended and passed the House with \$32 Million in cuts to the Governor's proposed Higher Education budget. Cuts include \$6.6 million in funding for the College Affordability program, which limits tuition rate increases; and the base funding for each Teacher STEM Education Funding Enhancement Program, \$10 million freeze on tuition and fees at NDUS 2-year institutions, and a 2.5% cap on increases at NDUS 4 year institutions, over \$550,000 from the need-based North Dakota State Grant Program. Passed House Amended, 64-29.

Bill Status:

The North Dakota Higher Education funding bill is being considered by the Senate Appropriations Committee, Ray Holmberg – Chair (R-17)

[HB 1019](#) Career and Technical Education Appropriation

HB 1019 provides \$3 million in continued funding for the Workforce Training System and \$750,000 to support distance learning in career and technical education.

Bill Status: Referred to the Senate Appropriations Committee, Ray Holmberg – Chair (R-17).

[HB 1353](#) UND Medical School Expansion/Use of Tobacco Funds

HB 1353 would have utilized tobacco funds for the UND Medical School expansion of the residency programs and the construction of a UNDSMHS building. The house amended 1353 to remove the funding provisions related to tobacco funds. Passed House Amended 93-0.

Status: Referred to Senate Human Services Committee, Sen. Judy Lee – Chair (R-13). Committee reported Do Not Pass recommendation. **Killed in Senate 0-44.**

[SB 2057](#) Centers of Excellence for Research, Entrepreneurship and Workforce

Senate bill 2057 includes a total of \$23 million for Centers of Workforce Excellence. House amendments removed funding of \$4 million for Centers of Research Excellence Infrastructure Grants and the reduction of funding for the Centers of Excellence from \$10 million to \$8 million and the funding for Eminent Researcher Recruitment Challenge Grants from \$2 million to \$1.5 million. Passed Senate Amended, 44-2.

Bill Status: Referred to House Appropriations Education Division.

***Work needs to be done on SB 2057 to restores cuts imposed by the House.** The Chamber will monitor House bill 1018 where funding may be included in the Department of Commerce bill.

INFRASTRUCTURE

[HB 1012](#) Department of Transportation Appropriations

The Department of Transportation budget bill provides \$228 million in funding for state highways in oil and gas counties and \$142 million for county and township roads affected by oil and gas development. This will fund additional road work that will be done throughout the state over the next biennium. The House added \$50 million for non oil and gas county road infrastructure with \$25 million of the funding as an emergency measure. Further amendments were made in the House to remove the 25% Motor Vehicle Excise Tax from the Highway Tax Distribution Fund which equated \$46.34 million revenue reduction to the proposed Highway Tax Distribution Fund. Passed House Amended, 89-4.

Bill Status: Contains an emergency clause, referred to the Senate Appropriations Committee, Ray Holmberg Chair (R-17) Committee Hearing: March 16, 8:30 AM.

[SB 2020](#) State Water Commission Appropriations

Senate Bill 2020 includes \$30 million for Fargo flood protection. The section related to Fargo flood protection was amended to allow these funds to also be used for right of way acquisition costs. In addition, the amendments also state no more than 10 percent of the funds can include engineering costs and the City of Fargo, Cass County and the Cass County Joint Water Resource District must approve expenditures of the funds. Passed Senate Amended, 42-4.

Status: Referred to House Appropriations Committee, Sen. Jeff Delzer – Chair (R-8) Emergency Clause. Hearing: 3-17, 2:15 PM.

[HB 1018](#) Department of Commerce Appropriation

The House virtually eliminated the Centers for Excellence and deleted the proposed Energy Division. House bill 1018 included \$2 million for Workforce Enhancement Grants. Additional House amendments included: Funding for the American Indian Development Office with a decrease of \$100,000 with \$100,000 remaining in the bill; the ND Development Fund Childcare Loan Program funding was reduced by \$150,000 with \$250,000 remaining, the Childcare Loan Program funding was reduced by \$400,000 with \$120,338 remaining; \$5 million was allocated for the recruitment, training and retention of childcare service providers; and \$1 million was allocated for Tourism Infrastructure Grants. In addition, \$619,691 in funding for the proposed Energy Division and \$125,000 in funding for the WorkKeys program was removed from the bill. HB 1018 was also amended in the House to permit grants used in the biofuels blender pump program to be used for costs associated with piping systems and storage components. The Passed House Amended, 64-29.

Status: Referred to Senate Appropriations Committee, Ray Holmberg – Chair (R-17)

Hearing held on HB 1018 in Senate Appropriations on 3/15. The Department of Commerce Appropriation includes funding for many programs important to economic development. **A proposed Senate amendment would reinstate \$13 million in funding for the Centers of Excellence Programs. The language related to the Centers of Entrepreneurship Excellence Grants only allows for grants to those facilities under control of the State Board of Higher Education that are NOT research universities and does not allow for grants to private idea incubators.**

[HB 1013](#) Oil and Gas Impact Grant Fund and Committee

HB 1013 is the Land Department's appropriation bill. It would increase the amount of tax revenue received and distributed by the oil and gas impact grant fund from \$8 million to \$100 million per biennium which provides for the infrastructure needs in oil and gas counties and also includes \$35 million for cities. The bill outlines the membership and duties of the Oil and Gas Impact Grant Advisory Committee. Passed House Amended, 79-14.

Bill Status: House Bill 1013 is being considered by the Senate Appropriations Committee, Ray Holmberg – Chair (R-17). Senate Committee reported "do pass" 11-0-2.

[SB 2325](#) County and Township Road Reconstruction Program

Appropriation of \$73.6 million from the Oil Tax Trust Fund to the Department of Transportation for a county and township road reconstruction program is included in Senate bill 2325. The funding can be used by counties and townships for up to 50% of a paved roadway project; 100% of an unpaved roadway project; or for engineering, planning or development costs of a roadway project. Any funds unspent after June 30, 2013 will be carried over into the 2013-2015 biennium. The House Appropriations Committee is considering SB 2324. House Appropriations reported "do pass." Amendment adopted by House. **Passed House amended, 92-2. Returned to Senate.**

TAXES

[HB 1057](#) Angel Fund Investors

Provides a pass through for angel fund investors. After being killed in the house the bill was reconsidered and passed amended, 52-41.

Status: Senate Finance and Taxation Committee, Dwight Cook - Chair (R-34). Senate reported, "do pass" 6-1-0. Amendment placed on calendar.

[HB 1189](#) Corporate Income Tax Rates

House Bill 1189 would reduce corporate income tax collections by \$50 million during the upcoming biennium and help North Dakota to remain competitive among the states with corporate income taxes. HB 1189 provides a corporate income tax exemption for the first \$75,000 of income, and imposes a 4.9 percent tax rate on income in excess of \$75,000. The bill is expected to cost 38.5 million over the next biennium. BG 1189 is being considered by the Senate Finance and Taxation Committee. Senate committee reported “do not pass.” **Failed to pass Senate, 0-46.**

[HB 1047](#) Property Tax Levies of School Districts

Expands the property tax relief given in the 08-10 biennium though the reduction in school district mill levies and includes an additional \$46 million in proposed tax relief. Passed House 86-8

Status: House Finance and Tax Committee. Senate Committee reported do pass, 7-0” Amendment adopted.

Referred to Appropriations.

[HB 1391](#) Streamlined Sales and Use Tax Agreement

House bill 1391 provides the necessary statutory updates to comply with the changes adopted by the streamlines sales and use tax governing board relative to the streamlined sales tax agreement. The bill received a unanimous Do Pass recommendation from the Senate Finance and Taxation Committee. Passed Senate 46-0. Returned to the House, signed by the President.

[HB 1289](#) Reduction of income Tax Rates for Individuals, Estates and Trusts

HB 1289 reduced the individual income tax rates in each bracket by 15% and was expected to reduce the state income tax collected by an estimated \$100 million for the 2011-13 biennium. Senate amendments changed the levels of the tax reductions to \$130 million in personal income tax reductions and \$15 million in corporate income tax reductions.

[HB 1424](#) Sales and Use Tax Exemptions

House Bill 1424 creates a sales and use tax exemption for agrichemical and foam markers. The bill was amended in the House to also expand the compensation for retailers that collect sales tax, originally found in SB 2238.

[SB 2171](#) Tax Exemption for Telecommunications Infrastructure Development

Senate Bill 2171 extends the June 30, 2011 sunset for the telecommunications infrastructure development sales and use tax exemption and provides an expiration date of December 31, 2012 for the tax exemption. The bill is expected to provide an estimated \$5.15 million savings for businesses developing telecommunications infrastructure in North Dakota in the 2011-2013 biennium. SB 2171 is being considered by the Finance and Taxation Committee. “Do pass” recommendation, 13-0-1. Passed House 84-6. Returned to House. Signed by the Speaker.

[SB 2238](#) Streamlined Sales Tax Agreement

SB 2238 makes changes to the Streamlined Sales Tax Agreement, which simplifies sales tax laws and promotes the voluntary collection of sales and use taxes by retailers and expands the sales and use tax compensation to make it effective for all permit-holders that collect and remit sales and use taxes. SB 2238 is expected to increase compensation costs by \$1.55 million per year, or \$2.33 million for the last 18 months of the 2011-13 biennium when it would be in effect. This amount will be split among the state and the cities and counties that impose local option taxes, and it is estimated the state share would be approximately 70 to 80 percent of the total, and the local share 20 to 30 percent of the total. Passed Senate amended. Senate bill 2038 is being considered by the House finance and Taxation Committee. House reported “do not pass” 8-5-1. **Failed to pass House 39-49.**

**Language was included for sales and use tax in HB 1424*

HEALTH INSURANCE REFORM

[HB 1125](#) Health Reform Implementation

House bill 1125 was introduced at the request of Insurance Commissioner Adam Hamm. The bill provides some framework for federal reform. HB 1125 would require the Insurance Commissioner to administer and enforce the provisions of the Patient Protection and Affordable Care Act and the provisions of the Health Care and Education Reconciliation Act of 2010. Passed House Amended 93-0 Emergency Clause.

Bill Status: Referred to Senate Human Services Committee, Judy Lee – Chair (R-13). Passed House 34-3 with emergency. Returned to Senate. Signed by President. Signed by Speaker. Sent to the Governor.

[HB 1126](#) Health Insurance Exchange

House Bill 1126 would require the Insurance Commissioner to plan and implement an American health benefit exchange for North Dakota. Passed House 91-3. Emergency clause carried.

Bill Status: Senate Human Services Committee, Judy Lee – Chair (R-13). “Do pass” recommendation. Amendment adopted by Senate. Referred to Appropriations.

[HB 1127](#) Non-Grandfathered Health Plans

House bill 1127 would revise the appeals processes with respect to non-grandfathered plans under the federal health system reform law. Passed House 93-1. Emergency clause carried.

Bill Status: Senate Human Services Committee, Judy Lee – Chair (R-13). Committee reported Do Pass recommendation, 4-1-0. Amendment failed on House floor. Second reading, passed Senate 45-2. Emergency carried.

[HB 1165](#) Mandatory Health Insurance

House Bill 1165 would prohibit mandatory health insurance for North Dakotan’s. The bill was amended to clarify those who do not qualify for this exemption include those who voluntarily apply for a state-administered insurance program, a student of an institute of higher education who is required to carry insurance as a condition of enrollment, and an individual who is required by a religious institution to carry insurance. Passed House Amended 69-25.

Status: Referred to Senate Industry, Business and Labor Committee, Sen. Jerry Klein – Chair (R-14). Passed Senate 33-13. Returned to House. Signed by Speaker. Signed by President. **Sent to Governor.**

[HCR 3003](#) Health Care Reform Legislation Impact Study

Concurrent resolution 3003 directs the Legislative Management to continue studying the impact of the federal health care reform legislation on North Dakota. Senate Human Services Committee reported Do Pass recommendation, 5-0. Second reading, adopted. Signed by President. Signed by Speaker. Filed with the Secretary of State 4/1/11.

[HCR 3014](#) Prohibit Health Insurance Mandates

HCR 3014 proposes a constitutional amendment to be voted on in the next statewide election that would prohibit any health insurance mandate. Following a House committee hearing the bill was referred to Constitutional Revision. HCR 3014 remains in House committee. Committee reported “do pass,”7-4-0. Amendment adopted.

Failed to Pass, 39-54.

[HCR 3016](#) Repealing of the Patient Protection and Affordable Care Act

HCR 3016 urges Congress to repeal the Patient Protection and Affordable Care Act. The resolution asks Congress to repeal the health care reform law and condemn a single payer health care system. The resolution was adopted by the House in a 69-25 vote and remains in Senate committee. Do pass recommendation, 4-1-0. Amendment adopted. Returned to House, refused to concur. **Conference Committee appointed:** Reps Kasper, Sukut, M. Nelson.

REGULATORY

[HB 1278](#) City Traffic Fines

House bill 1278 would allow cities to double the current present statutory maximums for traffic fines. Passed House Amended 51-42.

Status:

Referred to Senate Transportation Committee, Sen. Gary Lee – Chair (R-22). Senate Committee reported, do not pass, 4-2-0.

[HB 1365](#) Statute of Limitations

House bill 1365 would lower the general statute of limitations from 6 years to 3 years. Amended to instead direct a legislative management study to review the limitation of the length of time for filing a civil action in North Dakota and the venue requirements for bringing a civil action in the state and whether these requirements need to be changed. The bill passed the House amended in a 92- 1 vote and passed the Senate unanimously. Signed by President. Signed by Speaker of the House. Sent to the Governor. **Signed by Governor 3/29/11.**

[SB 2033](#) Energy Development Impact Office

Creates an energy development impact office in the Land Department and broadens the possible use of grants by cities and others for infrastructure uses. Do not pass, 6-1-0. **Killed in the Senate, 2-44.**

[SB 2138](#) Withholding of Accrued Time Off

Senate bill 2138 allows for employers to withhold employee's payment of accrued paid time off if the employee was employed with the company less than two years, the employee fails to give a minimum of 10 days notice and the employer provides written notices of the accrued time off policy prior to the start of employment.

Bill Status: House Industry, Business and Labor Committee, Rep. George Keiser – Chair (R-47). Passed Amended, 90-0. Returned to the Senate, refused to confer. Conference Committee appointed by President: Sens. Adrist, Laffen, Murphy.

[SB 2300](#) Higher Education Commission

Senate bill 2300 creates a Commission on Higher Education relating to funding issues. SB 2300 specifies the make-up of the commission and their duties. The purpose of the commission is to ensure the delivery and financing of quality education in North Dakota. The commission would focus on increasing the number of degrees awarded, on-time graduations, the number of degrees awarded to low-income students and increases in the number of students retained beyond their first year. Passed Senate Amended, 43-1.

Bill Status: Referred to House Education Committee, RaeAnn Kelsch – Chair (R-34). Do pass recommendation, 13-1-1. Amendment placed on calendar.

[SB 2356](#) Special Assessment for Business Partnerships

Senate bill 2356 would allow for business districts to allow for special assessments from the city to provide for services. Maintenance projects such as snow removal would be paid for by the district through special assessments through the city if the businesses enter into the agreement.

Passed Senate 43-3, Referred to House Finance and Taxation Committee with a Do Not Pass Recommendation. Referred to the House Finance and Taxation Committee. Amendment Adopted. Do Pass Recommendation 10-3-1. Amendment adopted, passed as amended 83-11. **Returned to the Senate.**