

Legislative Report

As of this morning, more than 600 bills and resolutions have been introduced. This coming Monday marks the final day for representatives to introduce bills, so it is anticipated a number of new bills will drop early next week. January 14 is also the day after which no more than three bills may be introduced by each senator. In addition, a Senate bill containing an appropriation clause may not be introduced after Monday.

Hearing Schedule (January 14 – January 18).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

[HB 1013](#) was heard before the House Appropriations Government Operations Division Committee on Tuesday, January 8. This bill provides an appropriation for defraying the expenses of the commissioner of university and school lands; and to provide for distributions from permanent funds.

[HB 1026](#) was heard before the House Agricultural Committee on Tuesday, January 8. This bill relates to mandatory training for soil conservation district supervisors.

[SB 2040](#) was heard before the Senate Finance and taxation Committee on Wednesday, January 9. This bill excludes property owned by a political subdivision from consideration in protests against special improvement districts.

[HB 1014](#) was heard before the House Appropriations Government Operations Division Committee on Thursday, January 10. This bill provides 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.

[SB 2020](#) was heard before the Senate Appropriations Committee on Thursday, January 10. This is the appropriations bill for the State Water Commission. Water project sponsors presented their recommendations during the hearing which included status of projects and funding needs for the upcoming biennium. State Engineer Garland Erbele and members of his staff gave an overview of water projects across the state on behalf of the State Water Commission. Members of the committee presented questions having to do with funding and carryover. Water project sponsors also presented their recommendations during the hearing which included status of projects and funding needs for the upcoming biennium. Governor Burgum testified on behalf of the F-M Area Diversion project.

[HB 1087](#) was heard before the House Agricultural Committee on Thursday, January 10. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer.

[SB 2095](#) was heard before the Senate Government and Veterans Affairs Committee on Thursday, January 10. This bill amends the process of expending funds from the disaster relief fund and requires quarterly reports detailing expenditures made from the appropriation.

[SB 2109](#) was heard before the Senate Energy and Natural Resources Committee on Thursday, January 10. This bill creates and amends several sections in NDCC 23.1 regarding the duties and responsibilities of the department of environmental quality.

[HB 1024](#) was heard before the House Appropriations Human Resources Division Committee on Thursday, January 10. This bill provides an appropriation for defraying the expenses of the department of environmental quality.

[SB 2139](#) was heard before the Senate Political Subdivisions Committee on Thursday, January 10. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations.

[HB 1020](#) was heard before the House Appropriations Education and Environment Division on Friday, January 11. This bill provides 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.

[SCR 4001](#) was heard before the was heard before the House Appropriations Committee on Thursday, January 10. This bill amends the process for approving constitutional amendments.

[SB 2091](#) was heard before the Senate Energy and Natural Resources Committee on Friday, January 11. This bill allows permissible structures within a flood fringe to be constructed on piers or columns, or other methods allowed by FEMA.

[SB 2090](#) was heard before the Senate Energy and Natural Resources Committee on Friday, January 11. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a social for all North Dakota legislators **Tuesday, February 12** from **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

Date	Topic
January 14	Deadline for representatives to introduce bills
January 21	Deadline for senators to introduce bills
February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 14-18 2019

Date and Time	Bill Number	Short Title	Committee	Room
01/15/2019 8:30 AM	HB 1013	A BILL for an Act to provide an appropriation for defraying the expenses of the commissioner of university and school lands; and to provide for distributions from permanent funds.	House Appropriations – Government Operations Division	Medora
01/15/2019 09:00 AM	SCR 4005	Relating to use of the principal and earnings of the legacy fund to create the North Dakota first fund for the purpose of funding permanent infrastructure projects.	Senate Finance and Taxation	Lewis and Clark
01/15/2019 10:00 AM	HB 1066	Relating to infrastructure funds; to amend and reenact subsection 5 of section 57-51-01 and sections 57-51-15, 57-51.1-07.3, and 57-51.1-07.5 of the North Dakota Century Code, relating to oil and gas tax revenue allocations; to provide a continuing appropriation; to provide for a report; and to provide an effective date.	House Finance and Taxation	Fort Totten
01/16/2019 8:30 AM	HB 1014	A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the	House Appropriations – Government Operations Division	Medora

		management of the industrial commission; and to provide for a transfer.		
01/16/2019 2:00 PM	HB 1014	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.	House Appropriations – Government Operations Division	Medora
01/17/2019 9:00 AM	HB 1356	Relating to bids, plans, and specifications for public improvements and bond thresholds.	House Political Subdivisions	Prairie
01/17/2019 9:00 AM	SB 2166	Relating to increasing liability limits for political subdivisions.	Senate Political Subdivisions	Red River
01/18/2019 09:00 AM	SB 2044	Relating to tampering with or damaging a critical infrastructure facility or a public service; and to provide a penalty.	Senate Energy and Natural Resources	Fort Lincoln
01/18/2019 10:00 AM	SB 2174	Relating to the election, appointment, terms, and number of water resource board managers.	Senate Energy and Natural Resources	Fort Lincoln
01/18/2019 10:30 AM	HB 1086	Relating to waters of the state. This bill modernizes references to water of which the State Engineer has jurisdiction.	House Agriculture	Peace Garden

VII. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
HB 1013	Appropriation for Defraying Expenses of the Commissioner of School Lands		
HB 1014	Appropriation for Defraying the Expenses of the Industrial Commission		
HB 1020	Appropriation for NDSU		
HB 1024	Appropriation for Defraying Expenses of the Department of Environmental Quality		
HB 1026	Soil Conservation District Manager Training	PASSED	
HB 1067	Municipal Bid Requirements	PASSED	
HB 1085	Drought Disaster Livestock Water Assistance Program	PASSED	
HB 1086	Waters of the State		

HB 1087	Permit to Construct or Modify a Dam, Dike, or Other Device		
HB 1356			
SB 2020	Appropriation for Defraying the Expenses of the State Water Commission		
SB 2040	Political Subdivision Property Exclusion from Protests Against Special Improvement Districts		
SB 2037	Disposal and Transportation of High-Level Radioactive Waste		
SB 2090	Permits for the Appropriation of Water		
SB 2091	Floodplain Management Community Standards		
SB 2095	Expending Funds from the Disaster Relief Fund		
SB 2109	Duties and Responsibilities of the Department of Environmental Quality		
SB 2139	Snagging and Clearing		
SB 2166	Increased Liability Limits for Political Subdivisions		
SCR 4001	Process of Approving Constitutional Amendments		

VIII. Appropriations Committees Adopt Revenue Numbers

The Senate and House Appropriations Committees convened Monday morning in a joint meeting to hear the [legislative revenue forecast](#) for four major tax types (sales and use, motor vehicle excise, individual income, and corporate income) presented by IHS Market. The legislative forecast for the 2019-21 biennium was \$141 million lower than the executive forecast. This is the first session the legislature has hired its own firm to complete a revenue forecast, as this is also a responsibility of the executive branch.

On Wednesday, the Appropriations Committees adopted the revenue numbers they will be utilizing to pass appropriations bills and manage the budget in the coming weeks. Legislators adopted 2019-21 general fund revenues of \$4.17 billion, down slightly from the executive forecast of \$4.24 billion. Both the executive and legislative revenue forecasts will be updated in March.

Because the legislature is using a \$42.50 oil forecast, instead of the Governor's \$46.00 forecast, it has a marked effect on the Resources Trust Fund. The previous revenue projections for water funding totaled \$403M for the 2019-2021 biennium, the legislative revenue forecast will drop that by \$50M.

[Budget information](#) for the 2019-21 biennium is posted on the legislative website.

IX. SCR 4005

SCR 4005 is an important concept that could provide more funding to water projects throughout the state. This measure would create a North Dakota infrastructure fund to be known as the North Dakota first fund to be administered by the North Dakota infrastructure board. The fund would serve as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest

loans for permanent infrastructure projects. It is incredibly important that the water community shows support for this resolution this session.

The full bill text can be found [here](#).