

# Legislative Report

## 67th Legislative Assembly Convenes

The [67th Legislative Assembly](#) kicks off today with the Tribal-State Relationship message, State of the Judiciary, and Governor's State of the State Address.

Positions on water issues and bills will be determined by the North Dakota Water Users Association, North Dakota Water Resource Districts Association, and the North Dakota Irrigation Association, based on [2021 Goals and Policies](#). If you are aware of legislative issues North Dakota Water should know about, please contact us. Legislative Updates will be sent each week during the Legislative Session and will include the status of all bills being monitored and a hearing schedule for the following week.

## 2021-23 State Budget

During his address to state legislators on Dec. 3 during the organizational session Gov. Burgum outlined a \$15 billion budget for the 2021-23 biennium, a record if passed and a two percent increase over the 2019-2021 budget of \$14.7 billion. The detailed executive budget, including the text of the budget address and PowerPoint, is available on the [OMB website](#).

The Governor highlighted his vision to “empower people, improve lives, and inspire success.” He stated a goal to hold down government spending, invest in state priorities and maintain healthy reserves without raising taxes. His total budget proposal reflects a \$15 billion budget from general, federal and special funds, which is second largest state budget presented according to the [Bismarck Tribune](#).

The budget leans heavily on the earnings from the \$7.5 billion Legacy Fund established by voters a decade ago with 30 percent of oil and gas tax collections. He also would use \$240 million from the budget stabilization fund to help balance the 2021-23 budget, noting the fund has reached its cap of \$727 million.

Probably most prominent in Gov. Burgum's budget proposal is a \$1.25 billion Legacy Bond intended for infrastructure projects and permanent revolving loan funds. The proposal includes

- \$700 million for a water, road, bridge, and other infrastructure revolving loan fund
- \$323 for transportation, bridge, and community project grants
- \$45 million cost-sharing match program for local career academies
- \$182 million for state facilities

The Governor suggested investing 20 percent of Legacy Fund earnings to drive economic diversification and community development, 10 percent for research and innovation in higher education and private sector, 10 percent for government innovation, 40 percent for repayment of the Legacy Fund bonding program, and 20 percent for transformational legacy projects (Unmanned Ariel Systems, university research, statewide cybersecurity, state parks). Legacy Fund earnings would be directed to:

- \$131 for maintenance and repair
- \$19 million for higher education
- \$25 million for cybersecurity
- \$14 million for NDSU Agriculture Development Center
- \$10 million state parks infrastructure
- \$7 million to make the Capitol more accessible
- \$5 million for an environmental restoration fund

The Governor also proposed:

- State employee salary increases of two percent in each year of the biennium
- Continued commitment to education with \$2.6 billion for higher education next biennium and 38 percent of the general fund spending for K-12 school aid covering about 80 percent of primary education costs
- \$95 million in ongoing COVID relief funding

### Public Access to Legislature

The House and Senate adopted a joint rule to require everyone in legislative spaces to wear a face mask or shield covering their nose and mouth. The joint rule allows lawmakers to lower or remove their face mask or shield while speaking in a floor session and anyone testifying to remove the mask when recognized to speak. Lawmakers are recommended to self-screen for symptoms.

All committee hearings and floor sessions will be broadcast in real time (with a 45-second delay). Testifying for hearings remotely will be permitted and, in many cases, encouraged to avoid close public interaction. People who wish to testify will need to request a slot in advance of hearing and should plan to submit written comments to supplement their online or personal appearance. Virtual participation will be allowed, including both written and live video testimony. Access the live committee schedules at this link: [https://www.legis.nd.gov/legend/committee\\_hearings/hearings/public-schedule/](https://www.legis.nd.gov/legend/committee_hearings/hearings/public-schedule/)

- There will be a one-hour deadline before the start of a committee meeting to request the opportunity to testify on a bill and for testimony to be uploaded
- Registrants will be able to select “for” or “against” or “neutral” when registering to provide testimony
- After it is reviewed, submitted written testimony will be available to the public to read online
- Those wishing to present oral only testimony will still have to register in advance for “written and oral” testimony and provide a brief statement of position.
- If you are approved to testify, you will be sent an access link that will be available for one device (it cannot be shared) to be able to enter the Zoom meeting room hosting the hearing
- One link will be provided per committee meeting (not per bill).

### Budgeting Process

In 2021, the legislature will introduce all agency appropriation bills at a “baseline” 2021-23 biennium level. The governor’s executive budget recommendation will be provided as a column on each bill for members of the Appropriations Committees to reference during the budgeting process.

### Prefiled Bills

Prefiled bills are accessible before session begins via the state’s [legislative website](#) or free [Legislative Bill Tracking System](#). A mobile app connected to the tracking system is also available.

### Legislative Leaders Chosen

The [67th Legislative Assembly](#) includes 80 Republicans and 14 Democrats in the House of Representatives and 40 Republicans and seven Democrats in the Senate. Thirteen legislators are new this session.

The following leaders have been selected for the 2021 Legislative Session:

#### Senate Leadership

- Majority Leader - Senator Rich Wardner
- Assistant Majority Leader – Senator Jerry Klein
- Minority Leader – Senator Joan Heckaman
- Assistant Minority Leader – Senator Erin Oban
- President Pro Tempore – Senator Randy Burckhard

#### Senate Committee Chairs

- Agriculture – Senator Larry Luick
- Appropriations – Senator Ray Holmberg
- Education – Senator Donald Schaible
- Energy and Natural Resources – Senator Curt Kreun
- Finance and Taxation – Senator Jessica Unruh Bell
- Government and Veterans Affairs – Senator Shawn Vedaa
- Human Services – Senator Judy Lee
- Industry, Business and Labor – Senator Jerry Klein
- Judiciary – Senator Diane Larson
- Political Subdivisions – Senator Randy A. Burckhard
- Transportation – Senator David A. Clemens

## House Leadership

- Majority Leader - Representative Chet Pollert
- Assistant Majority Leader – Representative Scott Louser
- Speaker of the House - Representative Kim Koppelman
- Minority Leader – Representative Joshua A. Boschee
- Assistant Minority Leader – Representative Alisa Mitskog

## House Committee Chairs

- Agriculture – Representative Dennis Johnson
- Appropriations – Representative Jeff Delzer
  - Education and Environment – Representative David Monson
  - Government Operations Division – Representative Don Vigesaa
  - Human Resources Division – Representative Jon O. Nelson
- Education - Representative Mark S. Owens
- Energy and Natural Resources – Representative Todd Porter
- Finance and Taxation – Representative Craig Headland
- Government and Veterans Affairs – Representative Jim Kasper
- Human Services – Representative Robin Weisz
- Industry, Business and Labor – Representative Mike Lefor
- Judiciary – Representative Lawrence R. Klemin
- Political Subdivisions – Representative Jason Dockter
- Transportation – Representative Dan Ruby

The standing committees for the [House](#) and the [Senate](#) include:

- Agriculture – [Senate](#) and [House](#)
- Appropriations - [Senate](#) and [House](#)
  - [Appropriations - Education and Environment Division - House](#)
  - [Appropriations - Government Operations Division - House](#)
  - [Appropriations - Human Resources Division - House](#)
- Education – [Senate](#) and [House](#)
- Energy and Natural Resources – [Senate](#) and [House](#)
- Finance and Taxation - [Senate](#) and [House](#)
- Government and Veterans Affairs – [Senate](#) and [House](#)
- Human Services – [Senate](#) and [House](#)
- Industry, Business and Labor – [Senate](#) and [House](#)
- Judiciary – [Senate](#) and [House](#)
- Political Subdivisions - [Senate](#) and [House](#)
- Transportation – [Senate](#) and [House](#)

## Legislative Bond Idea

There is anticipation of an announcement of major infrastructure bond initiative from legislators that is different from the Governor’s bond proposal. Senate Majority Leader Rich Wardner may be joined by other legislators in promoting a \$1 billion bond issue, with half of the funds to be invested in state cost-share for the Fargo-Moorhead Diversion, Mouse River Flood Control, Red River Water Supply and municipal water projects. If approved and issued, the bond proceeds could free State Water Commission money for other rural water and rural drainage cost-share.

The proposal would also invest an additional \$140 million in roads and bridges and restore the funds unlikely to be delivered in 2019 Project Prairie Dog. The concept would also fund \$50 million for the NDSU Ag Development Center and \$60 million to career and technical education.

The bonds in Senator Wardner’s plan would be repaid with Legacy Fund earnings. Read the summary of the “[GAP Bonding Proposal.](#)”

## How to Contact Your Legislators

During the session, legislators can be reached at the Capitol through [Contact My Legislators](#) or by leaving a message at 888-NDLEGIS (635-3447) or 701-328-3373 (local). A legislator can also be reached by email, phone or mail as listed in the legislator's online bio: [Senate](#) or [House](#). Detailed information on legislative activities is available on the [Legislative Assembly website](#).

#### Legislative Calendar

- Jan. 5: Legislature convenes
- Jan. 18: Deadline for representatives to introduce bills
- Jan. 25: Deadline for senators to introduce bills
- Feb. 26: Crossover
- Feb. 27-28: Recess
- April 28: Final day of session (limited to 80 days)

For more details, check out the complete list of [legislative deadlines](#).

#### Anticipated 2021 North Dakota Legislative Issues

The 2019-2020 Interim has seen extraordinary changes to our state's economy due to the COVID-19 Pandemic. The challenged energy and agriculture economies, coupled with a downturn in commerce and tax collections, will likely reduce state revenues and affect budgets. As a result, the 2021 Legislature is sure to spend considerable time on state agency budgets, education and human services funding, transportation, water, and property tax relief.

The \$140 million downturn in Resources Trust Funds available for water project funding during the 2019-21 biennium is not expected to recover during 2021-23, and Water will not be immune to budget challenges. The revenue forecast for the Resources Trust Fund (RTF) for the 2021-23 biennium has dropped slightly to \$254.8 million from prior estimate of \$269.1 million. The Water Coalition found 2021-23 state cost-share funding needs for water projects total \$645 million as submitted for the State Water Development Plan.

The following issues may be prominent water and agriculture during the 2021 North Dakota Legislative Session:

- State Water Commission Appropriations- [House Bill 1020](#)

On Jan. 7, 2021 from 2:00 to 3:30 p.m. the House Appropriations Committee will hold an overview hearing on House Bill 1020, the budget bill for the operations and grants of the State Water Commission.

On Jan. 11, the House Appropriation Education and Environment Division will continue the hearing on HB 1020 from 8:30 to 11:00 a.m.

Water project supporters and advocates for state cost-share should be prepared to offer testimony on Jan. 11 with the E and E Division. Testifiers can present to the committees in-person, but remote participation via Zoom is an option and may be encouraged by some chairmen to promote social distancing. Registration and a portal to upload testimony is available on the hearing [web site](#)

On Jan. 8, the House Energy and Natural Resources Committee will hold overview hearings on the State Water Commission at 9:15 a.m.

All hearings schedules and links to view hearings are available at this [web site](#)

Other water hearings this week:

<b>January 7, 2021</b>		<b>Bill</b>	<b>Description</b>
Senate Energy and Natural Resources Committee	09:15 AM	<a href="#">2079</a>	State engineer's authority to require operating plan
	10:15 AM	<a href="#">2080</a>	State engineer's authority regarding construction thresholds for dams and dikes
	11:00 AM	<a href="#">2081</a>	Permissible uses in the floodway and flood fringe under flood insurance program

- NDSU Extension and Research [Senate Bill 2020](#)  
Governor Burgum recommended a 15% reduction for both NDSU Experiment Station and Extension as well as a 5% reduction for the Research Extension Center network. This represents a nearly \$13 million biennial reduction. These reductions may have a significant impact on NDSU Extension and Research as 2017 saw dramatic cuts and 2019 only stabilized operational budgets. Agriculture will want to monitor the NDSU Extension and Research funding bill closely and organizations will need to work together to advance priorities and minimize additional appropriation cuts.
- Water Resource Districts and Drainage (no bill numbers yet)  
The state cost-share opportunities for assessment drains and rural flood control projects has declined the budget drop for the State Water Commission, which is funded entirely by oil tax revenue. Some changes are likely to be offered in 2021 to alter drain permit processes and cost-share authority for assessed drains. There is likely to be a bill that will address an issue brought up by a recent attorney general opinion that the State Water Commission is interpreting to not allow it to cost-share funds for drain maintenance or extraordinary maintenance. The legislature will be asked to ensure that assessment drain reconstruction costs again become eligible state cost-share.

Also, drain tile advocates and water resource districts may introduce a bill to simplify tile permit requests and timelines. The proposed bill will increase the application fee to cover some of the costs of project evaluation and required all projects to obtain a permit, not just those involving more than 80 acres.