

Western Dakota Energy Association Legislative Report, January 7, 2017 Geoff Simon, Executive Director

The 2017 Legislature gaveled in Tuesday, January 3, after yet another 9.6 inches of snow dumped on the capital city. Thankfully, the snow wasn't as heavy as the Christmas blizzard, which clogged some neighborhoods three days or more before city crews could plow them out. Bismarck's street department has gotten much more aggressive with its removal efforts, employing side dump tractor-trailers to haul snow from downtown streets. Even at that, the Bismarck Tribune article that accompanied this photo said the city hauled 1,600 truckloads from 5th and 6th streets.



Governor Doug Burgum delivered his first state-of-the-state message to open the legislative session. The speech repeated many of the themes of his campaign about reinventing government and managing growth. Burgum said he thought Gov. Dalrymple's proposed budget was a good start, but indicated he plans to offer additional cuts with amendments in the coming weeks. The legislature's Appropriations Committee also expects additional budget reductions, approving lower revenue projections based on a \$48/bbl oil price.

WDEA has scheduled a presentation of its Six-City study January 9 at the Capitol. Shawn Gaddie, project manager for AE2S Nexus, will deliver a Powerpoint in the Brynhild Haugland room at 3:00 p.m. Shawn is preparing poster boards with details from each of the six cities. Invitations to the gathering were distributed this week to legislators in both chambers, as well as the Governor's office, DOT, Commerce, State Lands, the State Water Commission and the Department of Mineral Resources.

There was good news Thursday when the Senate Finance and Taxation committee unanimously approved <u>SB 2045</u>. The bill removes the sunset clause on a provision that allows counties to receive civil penalties imposed for overweight truck violations. The law was first enacted by the 2013 Legislature, and was intended to encourage enforcement. It was reviewed by the interim Transportation Committee, which endorsed the legislation.

The House Appropriations Committee will consider a vexing bill Monday morning that would have a financial impact on Oliver County. HB 1065 is the budget bill for the state treasurer's office. Contained within it is language that strikes a provision that partially reimburses Oliver County for coal severance revenue that was taken away several sessions ago to compensate Morton County for impacts associated with the coal mining operations in southern Oliver County. It's not a huge amount – about \$228,000 – but it undoubtedly means a lot more to local government in Oliver County than it does in the context of a multi-billion dollar state budget. We've spoken with each of the legislators representing Oliver County and District 33, as well as John Phillips from the Coal Conversion Counties Association.

Ron Ness from the ND Petroleum Council arranged a meeting with Larry Syverson, lobbyist for the Association of Townships, to discuss problems we've had with townships and the <u>Uniform Truck Permit System</u>. Also attending were lobbyists for the Motor Carriers and the Association of Counties. The group is talking about legislation to resolve the township issues, as well as concerns with the state permit system and its practice of routing heavy truck traffic to county roads when frost laws are in effect.

We've heard concerns from members about <u>HB 1151</u> that would no longer require the oil industry to report spills of less than 10 barrels that are confined to a well pad. I spoke with the bill's sponsor, Rep. Roscoe Streyle of Minot. His concern is that a lot of minor spills are being reported and become public information, which the media and environmentalists have used to make it appear the industry is causing major pollution problems. Hopefully, there's a way to find some middle ground.