



Western Dakota Energy Association
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WDEA's top three priority bills had their first committee hearing this week with mixed results. One bill sailed through committee, another ran into a Do Not Pass motion, and the fate of the third is still undetermined.

[HB 1320](#), a bill that would resolve issues with WDEA's [Uniform Truck Permit System](#), came out of the House Transportation Committee with a 12-0 vote, Do Pass as amended. The committee approved three changes to the bill:

- 1) Added language that provides the means to enforce road restrictions due to inclement weather.
- 2) Modified the bill's original language to allow negotiated agreements to use roads when a permit is denied.
- 3) Added language that requires the Highway Patrol to notify counties or townships if it denies a permit to use a state highway when frost law restrictions are in effect. Read more details about the legislation [here](#).

[HB 1368](#), legislation that would grant counties the authority to appeal a decision of the State Board of Equalization to district court, was rejected by the House Finance & Taxation Committee on a 9-5 vote. The full House will act on the committee's Do Not Pass recommendation next week. WDEA supports the bill because counties aggrieved by a state board decision currently do not have a right to appeal on behalf of other taxpayers. If the board makes an unwarranted reduction in the valuation of a large industrial facility, for example, its owner is not paying its fair share of taxes, which are then shifted to other property owners in the county. A sunset clause has been added to the bill that means the county appeal right would exist only through June 30, 2019.

[HB 1366](#), legislation that would adjust the Hub City funding formula and fulfill oil impact grant commitments, received considerable support at its committee hearing Tuesday. The mayors of all three Hub Cities of Williston, Minot and Dickinson testified before the committee, as well as the mayors of New Town and Stanley. In all, 15 different individuals and groups testified in support of the legislation. The bill's fate is uncertain however, given the murky revenue picture in North Dakota. Action on the bill will occur in committee on Monday, but it's likely the state's major funding issues will not be resolved until the closing days of the legislative session in April.



Williston Mayor Howard Klug

Future wind generation projects in North Dakota will cost more after legislators refused to extend a sales tax exemption on the materials used in the construction of a wind farm. The House voted overwhelmingly 86-9 to defeat [HB 1028](#) that would have made the tax exemption permanent. The financial impact of the bill is tough to determine because no one knows how much additional wind generation will be built, or if the loss of the tax exemption will affect construction plans of any would-be developers. However, the fiscal note attached to the bill indicates every 500 megawatts of wind energy coming online would generate sales tax revenues of \$20 to \$30 million.

Another bill to impose a "supplemental" tax on wind generation was soundly defeated in the House Finance and Taxation Committee. [HB 1372](#), introduced by Rep. Roscoe Streyle, R-Minot, would have imposed a 10% tax on the production tax credit claimed by for-profit wind energy generators. Streyle proposed an amendment that would have earmarked the additional tax money for coal, oil & gas research. The bill was rejected on a 14-0 vote.

A bill aimed at reducing the number of broken windshields in the Bakken had its first hearing Friday. The legislation, [SB 2341](#), would make it mandatory for all large trucks in North Dakota to be equipped with mud flaps. The bill's sponsor, Senator Brad Bekkedahl, R-Williston, said he learned that other states require mud flaps on trucks, but current North Dakota law does not. Bekkedahl's legislation would also require that tarps be used to cover trucks carrying sand, gravel or other loose cargo, but only if the truck is already equipped with a tarp. The legislation would only apply to commercial vehicles, not those operated by the state or a political subdivision.