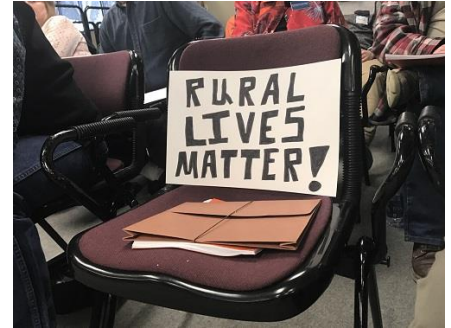




Western Dakota Energy Association
Legislative Report, March 4, 2017
[Geoff Simon](#), Executive Director

It was a short week at the Capitol, with legislators returning on Wednesday from the crossover break. Committee work got underway in earnest with aggressive hearing schedules. One House committee scheduled hearings on 11 bills in a single day. The pace this session has legislators well ahead of schedule, and on target to meet the stated goal of completing their work in 70 days. The legislature is allotted 80 days by the state constitution, but leadership announced plans to shorten the schedule early in the session, with the intention of saving 10 days to reconvene in the event budget shortfalls or other emergencies require the body's attention.

A large crowd of rural North Dakotans packed a committee room Thursday to oppose a proposal in the ND Department of Transportation appropriations bill ([SB 2012](#)) to close eight regional highway maintenance shops. The move is intended as a cost cutting measure, estimated to save \$2.1 million per year. It would affect just one community on WDEA turf, the highway shop at New England in Hettinger County. Others are Courtenay, Fessenden, Gackle, Litchville, Finley, Mayville and Starkweather. Most of the witnesses were emergency responders who were concerned the plan could mean delays clearing roads blocked by snow, creating safety concerns for local residents.



When the bill was debated on the Senate floor, opponents were unsuccessful in their attempt to amend it to require DOT to keep the shops open during the 2017-18 interim, giving the legislature time to study the impact to services in the areas affected, including the possibility of the state DOT working in cooperation with affected political subdivisions.

WDEA testified in support of a study resolution approved by the House Energy & Natural Resources Committee that asks the legislature to investigate ideas to bring natural gas service to unserved communities in North Dakota. [HCR 3031](#), introduced by Rep. Marvin Nelson, D-Rolla, notes that natural gas service is essential to promote economic development and diversification, but that 11 ND communities with a population of 1,500 or greater do not have natural gas service. At least four of those – Beulah, Bottineau, Hazen and New Town – are on WDEA turf. Rep. Nelson introduced another bill, [HB 1408](#), that would have used money from the Legacy Fund to establish a loan pool to expand natural gas pipeline infrastructure. That bill was defeated on a 72-18 vote in the House.

The House Energy & Natural Resources Committee also approved a resolution that calls for an interim legislative study of the estimated fiscal impact to the state of re-fracturing existing oil wells. [HCR 3027](#), introduced by Representative Roscoe Streyle, R-Minot, notes that research has shown that a small increase in the percentage of oil recovered can result in billions of barrels of additional oil production. Streyle's resolution asks legislators to study whether the state should offer financial incentives to encourage companies to re-frack Bakken wells.

What's become known as the "mud flap bill" ran into opposition in the House Transportation Committee this week. Members voted to send the bill to the House floor with a Do NOT Pass recommendation. [SB 2341](#), introduced by Sen. Brad Bekkedahl, R-Williston, would require all commercial trucks to have mud flaps that cover the rear wheels. Some committee members felt the legislation wasn't necessary, even though Bekkedahl said North Dakota is one of just 11 states that doesn't require mud flaps.

Next week, WDEA will be watching [SB 2013](#), the budget bill of the state office of university and school lands. The legislation will be discussed by the Government Operations subcommittee of the House Appropriations Committee. The lands department budget bill is the "vehicle" most likely to be used to carry Hub City funding provisions in [HB 1366](#), which was defeated on the House floor. House leaders have assured western legislators their financial needs will be addressed. Also on our radar next week will be [SB 2286](#), which will be heard in the House Energy & Natural Resources Committee on Thursday. The bill is intended to streamline the siting process of natural gas and oil transmission pipelines, but would allow PSC decisions to "supersede and pre-empt any local land use or zoning regulation."