

Western Dakota Energy Association Legislative Report, March 18, 2017 Geoff Simon, Executive Director

Monday will be the 50th day of the 2017 legislative session, and crunch time to move bills is once again approaching. Thursday is the deadline for bills with a monetary impact to clear the policy committee to which they were assigned, and be re-referred to the Appropriations Committee. The last day for bills to clear their second house arrives April 6, which will be the 63rd day of the session. Legislative leaders have set a goal of wrapping up in 70 days, which would fall the week after Easter Sunday, April 16.



Alexander School Superintendent Leslie Bieber responds to a question from Sen. Jim Dotzenrod

School and local government interests from all across North Dakota packed the spacious Brynhild Haugland room this week for a hearing on HB 1361, a bill that would set a maximum 3% annual increase in local property taxes. Local officials told the Senate Finance and Tax Committee that revenue caps would make it difficult to respond to extraordinary circumstances and local emergencies. Alexander Superintendent Leslie Bieber said her school district is challenged to keep pace with teacher pay obligations, and that caps could force the school to cut programs. Others said enrollment increases make it necessary to hire additional teachers, but a property tax cap would make that difficult. City and county officials testified that a cap could limit their ability to respond to flooding or other natural disasters. And a municipal bond attorney said the legislation could increase financing costs because it

would create uncertainty in a local entity's revenue stream. The committee took no action on the bill, which earlier passed the House 56-34. The legislation was introduced by House Majority leader Al Carlson, R-Fargo.

One of WDEA's major bills of the session, <u>HB 1320</u>, had a hearing in the Senate Transportation Committee this week. The legislation contains provisions aimed at improving the operation of WDEA's Uniform Truck Permit System for overweight and overlength trucks in the oil-producing counties. The North Dakota Petroleum Council proposed an amendment that would remove language in the bill directing the state Department of Transportation to "allow for the most efficient routing of oversized or overweight loads through the state highway system." The language was intended to address concerns of oilfield truckers who are often routed off state highways and onto county and township roads, sometimes adding many miles to their trip. Rather than being directed to do so in law, NDDOT developed <u>guidelines</u> for its district engineers to follow that should alleviate some of the industry's concerns.

No further action occurred this week on <u>SB 2286</u>, at least not in a legislative committee. The bill would make the Public Service Commission the final authority in the siting of gas and liquid transmission pipelines. WDEA and county planning and zoning interests continue to have behind-the-scenes negotiations to work out remaining differences in language of an amendment that should address many concerns about loss of local control. The amendment contains a must-have provision that the new siting process will be studied by the legislature during the 2017-19 interim.

The Senate Transportation Committee this week approved the "large truck network" bill. HB 1255 has been promoted by the ND Trade Office as a way to make the state's commodities more competitive by improving the efficiency of the state's transportation system. The bill would allow the movement of trucks weighing up to 129,000 pounds on state highways 2, 83, 85 and Hwy 52 from Minot to the Canadian border. The heavier trucks would also have more axles to minimize any damage to roads and bridges. Eventually, Interstates 29 and 94 would be added to the network, but that provision requires approval of Congress.

<u>HCR 3031</u>, a resolution that asks the legislature to study ways to bring natural gas to unserved communities in the state, could be in trouble. The bill received a 6-1 Do Not Pass recommendation from the Senate Energy and Natural Resources Committee. A lobbyist representing propane gas retailers argued against the bill. Propane dealers say energy supply should be left to the free market, and natural gas providers should not receive state assistance to expand their service.