



**Western Dakota Energy Association
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Between the ethics measure, which bans lobbyists from giving gifts to legislators, and the pandemic's discouragement of social gatherings, legislative receptions are a rare sight these days. But that didn't stop the Dickinson Chamber from hosting Southwest Night at the Legislature this week at the Ramkota Hotel and Conference Center in Bismarck. Several hundred people attended the social and dinner, including Governor Doug Burgum and dozens of state legislators. The evening was capped with entertainment provided by Clay Jenkinson, who portrayed Teddy Roosevelt, amusing the crowd with a roast of several Dickinson-area legislators, as well as taking a few good-natured jabs at Gov. Burgum.

This was crossover week, the midway point of the legislative session when all bills must have passed their house of origin. Mathematically speaking, it's not quite the midpoint. When legislators return next Wednesday, March 3, it will be the 36th legislative day out of the constitutionally-limited 80 days allowed for the biennial legislative session.

As is typical in every session, many of the more significant bills were considered just before the crossover deadline. Several bills addressing the use of Legacy Fund earnings were approved by the House. Among them was [HB 1380](#), the so-called "streams bill" that directs the use of future Legacy Fund earnings, as well as [HB 1425](#), that would require a portion of the Legacy Fund principal to be invested in North Dakota. The House earlier this session approved [HB 1038](#), which provides for continuation of an interim Legacy Fund Earnings Committee. Also approved this week was [HB 1452](#), which creates a clean sustainable energy authority, which is patterned after existing research councils for oil, gas and coal. The new authority, which would be provided with an initial \$40 million appropriation, is intended to promote technologies aimed at preserving the fossil fuel industry by making its products clean and "sustainable." One of the authority's eight voting members would be a representative appointed by the Western Dakota Energy Association.

Passing by a surprisingly wide margin this week was [HB 1464](#), which would increase the motor fuel tax three cents a gallon. The bill was divided on the House floor, with separate votes on the fuel tax, and another section of the bill that raises the road use fee for electric and hybrid vehicles. In the end the bill passed the House 62-32. It's estimated the three-cent tax would generate \$44 million in the coming biennium to support road and bridge construction. The Senate last week unanimously approved [SB 2012](#), the budget bill of the Department of Transportation, which will provide just over \$1.5 billion for maintenance, construction and operation of NDDOT in the coming biennium. Included in the bill is a section that authorizes borrowing \$50 million from the Bank of North Dakota to match potential federal grant funds that the state may receive to widen Highway 85 to four lanes between Watford City and the LongX Bridge.

The major education funding bills were also approved this week. By a vote of 75-18, the House approved [HB 1013](#), the budget of the state Department of Public Instruction. With a similar 78-16 vote, House members also passed [HB 1388](#), a companion bill which provides several policy changes to the Foundation Aid funding formula, some of which are aimed at getting all public school districts "on the formula." Since the last major revision to the formula in 2013, there remain a number of schools that receive "transition minimum" payments that are higher than the standard \$10,036 per pupil provided in the formula, as well as "transition maximum" districts that receive less than that amount. The legislature approved a provision in 2019 aimed at getting the minimum districts on the formula over a seven-year period, and the policy bill this year includes a plan to get the maximum districts on the formula. Removed from HB 1388 was a proposal to provide a one percent increase in the per pupil payment each year of the biennium. Members of the Appropriations Committee believe districts will be able to make up the difference with federal funds they are expected to receive via the Elementary and Secondary School Emergency Relief fund, which addresses costs associated with the pandemic.

A couple scholarship/workforce bills were "flipped" this week in the House, which means the measures were approved despite receiving a Do Not Pass recommendation from a committee. [HB 1375](#), which would appropriate \$5 million for a scholarship program for students taking dual-credit courses while in high school, passed the House 48-45, and [HB 1430](#), which continues a program that offers a North Dakota academic scholarship or a North Dakota career and technical education scholarship, passed the House 49-44. The Appropriations Committee had voted against both bills, arguing that the spending they contained should not be approved until lawmakers know "the big picture" about the state budget.

Another bill flipped this week was the so-called "straddle well" bill, [SB 2319](#). It received a Do Not pass recommendation in committee, but passed after the bill's effective date was delayed. The bill would give the MHA Nation a share of the tax revenue from oil wells outside the reservation that have laterals underground that go into the reservation.