



**Western Dakota Energy Association
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Occasionally, legislators are able to break up the routine lawmaking process with a special guest who drops by and makes a few remarks. Last week the House heard from Congressman Kelly Armstrong, and this week's guest was Miss North Dakota Haley Wolfe. She's had a longer reign than previous title holders due to the pandemic. Miss Wolfe said she had traveled more than 55,000 miles across the state and spoken to more than 20,000 North Dakota students of all ages. Each Miss North Dakota picks an organization or topic that is the focal point of their speaking engagements. She said her choice was an obvious one. Miss Wolfe speaks about suicide prevention because it took the life of an 18-year-old cousin.

As the 2021 session nears its end, major legislation is either being discussed or has completed its journey through the legislative process. Two-thirds of what Senate Majority Leader Rich Wardner has called the "trifecta" have received final approval, leaving only [HB 1380](#), the so-called "streams" bill that would create numerous categories to which spending of future Legacy Fund earnings would be directed. One bill in the trio, [HB 1425](#), has been signed into law by Governor Doug Burgum, directing investment of Legacy Fund principal in the state. And the other bill, [HB 1431](#), a bonding package, is on the governor's desk. The streams debate was complicated this week with word that House Appropriations Committee Chairman Jeff Delzer had floated an alternative streams bill with a hoghouse amendment to [SB 2046](#), which addresses employer and employee contributions to the ND Public Employee Retirement System (PERS). The amendment raised alarm bells for city and county lobbyists because the language would provide funding to close the gap in unfunded liabilities in the pension plan for state employees, but would not provide any assistance to local governments whose employees are also participants in the retirement plan. Advocates of additional transportation funding were also upset because Delzer's version of the streams bill would not direct any Legacy earnings to support road and bridge projects. His proposal is scheduled to be heard Monday morning in the House Government and Veterans Affairs Committee.

An apparent compromise was reached last week on [SB 2319](#), the so-called straddle well bill, which would provide a share of oil tax revenue to the MHA Nation from wells outside the boundary of the Ft. Berthold Reservation that have underground laterals that go inside the boundary. The House Finance and Taxation Committee approved a hoghouse amendment to the original bill, substituting its language to provide a new method of sharing tax revenue, with a direct appropriation to MHA from taxes on production from the 132 wells around the perimeter. The new language received an overwhelming 81-11 vote of approval in the House, but the Senate refused to concur, and members of a conference committee are now asking questions to determine if any further improvements can be made.

Two significant coal-related bills received final approval in the House yesterday and will soon be on their way to the governor's desk. [HB 1452](#), a bill that establishes a Clean Sustainable Energy Authority, was approved on a 76-12 vote. The authority is modeled after the existing Oil and Gas Research Council and the Lignite Research Council, and is similarly aimed at supporting the research and development of new energy technologies, but will focus on reducing emissions and minimizing the footprint of energy production. The authority will be guided by a group of eight with expertise in the energy sector, including a member to be appointed by the Western Dakota Energy Association. Also approved yesterday was [HB 1412](#), a measure that will reduce the coal conversion tax by 85 percent for the next five years. It's intended to help the lignite industry cope with the current unfavorable, unfair energy market, while CO2 capture technology is developed and advocates continue to press for compensation for baseload generation.

The lignite industry has now accomplished three of its four goals this session, the other accomplishment being passage of [SB 2287](#) earlier this session. The legislation provides for a study to determine if the state can find a solution to rising insurance costs that have increased the financial burden on the coal industry. Still to be determined is how legislators will establish up to a \$250 million revolving loan fund that would complement the Sustainable Energy Authority.

A couple of the more controversial bills affecting North Dakota school districts were acted upon this week. Gov. Burgum signed into law [SB 2308](#), a bill that allows schools to have a display of Ten Commandments in classrooms if they are displayed with "other historical documents." In a statement from Burgum upon signing the bill, he said it "clarifies the existing authority in state law that allows a school to display a religious object or document of cultural, legal, or historical significance together with similar documents." Both houses of the legislature have also approved [HB 1298](#), a bill that will prohibit K-12 schools from "knowingly" allowing a student to join an athletic team exclusively for their opposite gender, but does allow girls to play on boys teams. Supporters of the bill say it ensures fairness in girls sports. Numerous states have passed similar legislation this year. It's uncertain if Gov. Burgum will sign the bill.