



Dakota Resource Council



Legislative Update March 11

Hearings Attended Week of March 6

SB 2336- A bill that gives tax breaks for new mining equipment at new mine permitted in North Dakota after December 31, 2010.

Scott Skokos attended this hearing and testified in opposition to this bill arguing that the reclamation records of mining companies and the destructive nature of coal mining do not warrant tax relief. BNI coal

also testified in opposition to this bill arguing that the bill creates a situation of unfair competition for other coal mines in North Dakota.

The Lignite Energy Council did not testify regarding this bill, likely due to coal industry opposition. North American Coal testified in favor of the bill. The outlook for this bill is questionable.

HCR 3007- A resolution to study eminent domain laws in North Dakota as they relate with pipeline siting.

Paul Matthews of DRC spoke in support of this bill. The Farmers Union and the Stockmans Association also testified in support. The bill was given a do pass recommendation.

HB 1241- The surface rights “package deal”

This bill had numerous supporters and no opposition. Supporters were Rep. Bob Huntskor (dist. 6), Speaker David Drovdal (dist. 39), Myron Hansen of the Northwest Landowners Association, Rep. Glen Froseth (dist. 6), Ron Ness of the North Dakota Petroleum Council, Todd Kranda of the North Dakota Petroleum Council, Bruce Hicks of the Department of Mineral Resources, Sandy Clarke from Farm Bureau, Julie Elingson from Stockmen's Asso., Woodie Barth from Farmer's Union, Wildlife Society, and several landowners including member Gary Sorenson of Keene.

There are many hog housed amendments on this bill called the Nathe Amendments (after Rep. Nathe). The most recent version was not publicly available at the time of the hearing, and there are some major changes that deserve review.

Speaker Drovdal delivered a powerful and impassioned speech on behalf of landowners and articulated critical issues with oil and gas development. “Remember, it'll be 2 years before we can address these issues again. Let's protect North Dakota landowners now.”

HB 1462- The “ag mediation service”

This bill had many supporters swooning, but only 1 voice posing worthy questions- DRC. Supporters were Rep. Glen Froseth (dist. 6), the ND Ag Mediation Service, Woodie Barth from Farmer's Union, Myron Hansen of the Northwest Landowners Association, Julie Elingson from Stockmen's Asso., Ron Ness of the North Dakota Petroleum Council, and Sandy Clarke from Farm Bureau. All of the testimony praised the oil and gas companies for doing such a good job compromising and waxed poetical about how all disputes would be solved through this service.

DRC delivered some wake-up calls with hard-hitting points. We opposed this bill because of 4 main reasons:

1. The bill does not address specifically the mechanics of how the service will handle cases, including compensation or compliance. There is no language addressing enforcement.
2. Should any party asked to mediate deny the request, mediation *does not* occur and the initiator is directed to litigation. Surface owners can still be forced to litigate to resolve surface disagreements.
3. The service has the right to *refuse* cases- because it uses federal funding, the service can rule on what are 'allowable' cases. The process for this ruling are not articulated in the bill.
4. There is a qualitative difference between the work that Ag Mediation has traditionally done and the task that lies ahead. The bill puts undue burden on an agency that might not be capable of handling the volume of mediation cases.

HCR 3028- The “Clean Air Act prohibition”

This resolution had a handful of supporters, including the Industrial Commission, the Lignite Energy Council, Farm Bureau, and Stockmen's Asso., but the opposition had *dozens* of testimonies. Almost all of the opposition came from regular, earnest North Dakotans speaking on their own behalf- not for any lobbying group.

DRC testified against the resolution on the basis that it weakens environmental regulations, including the Clean Air Act, at the federal and state level, targets EPA's regulations for greenhouse gas emissions, and outlines strategies for evading climate change mitigation, including increasing frivolous and unnecessary regulatory review in an effort to slow down implementation. DRC stated that we must protect the health and well-being of our people and land first, because devastating air toxics not only come from industry, but from hydraulic fracturing too.

Industry, Business and Labor (Sen. Klein, Jerry) Roosevelt Park Room

Tues 03/15 09:15 AM HB 1221 relating to advance determination of prudence. The bill protects ratepayers from additional charges when a project given an ADP fails. If a similar law were in place during the Big Stone II proceedings, MDU customers would have saved approximately \$900,000. This bill already passed the House with relative ease. – **SUPPORT**

Tues 03/15 02:15 PM HB 1419 relating to immunity from civil liability for liquefied petroleum gas dealers. – **STRONGLY OPPOSE**

Energy and Natural Resources (Rep. Porter, Todd) Pioneer Room

Thur 03/17 09:00 AM SCR 4011 To study the feasibility and desirability of creating a 25- year sustainability vision plan for state facilities. This is the Greening the Government study this state has likely needed for a long time. The senate adopted this bill with relative ease; it is our hope the resolution will be adopted by the house as well.– **SUPPORT**

Agriculture (Rep. Johnson, Dennis) Peace Garden Room

Fri 03/18 10:00 AM SCR 4018 A resolution urging the Secretary of the United States Department of Agriculture to rely on sound scientific research to support regulatory decision making with respect to the deregulation of alfalfa and all other similar circumstances. – **STRONGLY OPPOSE**