

Dakota Resource Council Legislative Update March 18, 2011



STANDING UP FOR OUR CONVICTIONS: DRC Chair Marie Hoff and BARC Chair Linda Weiss let the public know about the problems with hydraulic fracturing and coal mining at South Heart.

BILLS HEARD THIS WEEK:

HB 1467 - Relating to lowering the oil extraction tax from 11.5% to 9% and simplifying oil tax exemptions - ACTIVELY TRACKING

This bill's text was entirely hog-housed. It's nearly identical to an earlier bill, HB 1420, that failed. DRC is tracking the bill, because while lowers the extraction tax, it does away with some tax exemptions that, after adjustment, render the extraction tax paid below 11.5% anyway. However, DRC believes that such gluttonous exemptions should not be given in the first place. We believe excessive exemptions should be done away with, but not at the expense of an appropriate extraction tax rate.

Committee has not given a recommendation yet.

SCR 4018 - Deregulation of Alfalfa - STRONGLY OPPOSE

This bill deals with GMO alfalfa and includes misleading statements about the commercialization of transgenic crops such as Roundup Ready alfalfa. The language of the resolution places all the burden for purity on the grower who chooses not to use transgenic technology. In other words, the early adapter of transgenic technology gets a free ride on the backs of his/her identity-preserved, or organic, neighbors. But here's the main point about GMOs: You can't recall them the way you can a car or a plastic toy. They're out there for good. And no one knows what their full impact will be.

Committee has not given a recommendation yet.

SCR 4011- A resolution to start a 25-year sustainability study regarding energy use in North Dakota's public buildings (Greening the Government Study) - **SUPPORT**

Scott Skokos testified in favor of this resolution. The Bill Sponsor Sen. Laffen (Grand Forks) also testified in favor of the bill. There was no opposition. Following testimony, the committee members concluded that there was a similar study in the 2009 legislature. The adoption of this resolution is still likely.

HCR 3031- A concurrent resolution aimed to prevent the Office of Surface Mining from continuing to study/implement the proposed Stream Protection Rule - **STRONGLY OPPOSE**

The Stream Protection Rule if implemented will further protect ND's water resources by requiring mining companies to prove streams are ecologically sound following mining.

North American Coal testified in favor of this resolution. North American Coal contended in their testimony that the Stream Protection Rule if implemented would sterilize a great deal of North Dakota Coal.

Scott Skokos of DRC testified in opposition. In his testimony Scott asserted that new coal reserves in ND have already been sterilized by lack of marketability of Lignite coupled with regulatory uncertainty regarding carbon. Scott concluded his testimony by asserting, "It would be shortsighted to block a federal agency from studying and implementing a rule that will help protect North Dakotas most vital natural resource, water"

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BILLS HEARD NEXT WEEK:

Tuesday 03/22 AT 9AM

Senate Finance and Taxation Committee in the Lewis and Clark Room

HB 1451 - Relating to deposit of oil and gas tax revenue; elimination of the lands and minerals trust and creation of state infrastructure fund; relating to elimination of the permanent oil tax trust fund. - **OPPOSE**

State share of oil and gas taxes - The state treasurer shall deposit the first three hundred million dollars of the state general fund share of revenue derived from taxes imposed on oil and gas under chapters 57-51 and 57-51.1 into the general fund, the next three hundred million dollars of the state general fund share of revenue from these taxes into the property tax relief sustainability fund, and any additional state general fund share of revenue from these taxes into the state infrastructure fund.

EFFECTIVE DATE. This Act is effective July 1, 2011.