

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2308
(Senators Roers, Hogue)
(Representatives Lefor, Louser)

AN ACT to create and enact a new section to chapter 23.1-01, a new section to chapter 54-07, and two new sections to chapter 61-03 of the North Dakota Century Code, relating to standards for well drilling and installation of water well pumps, pitless units, and monitoring wells, a boards review task force, a water well contractors advisory board, and requirements for firms engaged in water well work, installation of water well pump and pitless units, monitoring well work, and drilling of geothermal systems; to amend and reenact section 6-09-43, subdivision j of subsection 2 of section 15.1-01-04, sections 15.1-07-33 and 23-35-02.2, subsection 1 of section 50-06-01.4, sections 52-02-02 and 52-02-08, subsection 1 of section 54-07-01.2, sections 54-54-05, 54-59-26, 54-59-27, 54-59-34, 54-59-36, 54-59-37, 54-59-39, 61-03-01.3, 61-04.1-03, 61-04.1-08, 61-04.1-09, 61-04.1-12, 61-04.1-14, 61-04.1-15, 61-04.1-16, 61-04.1-17, 61-04.1-18, 61-04.1-19, 61-04.1-20, 61-04.1-21, 61-04.1-33, 61-04.1-34, 61-04.1-37, 61-04.1-38, and 61-04.1-39, and subdivision a of subsection 2 of section 65-02-03.1 of the North Dakota Century Code, relating to the wastewater recycling treatment guide, boards and commissions, the unemployment insurance advisory council, gubernatorial appointments, the committee on aging, health information technology advisory committee, statewide longitudinal data system committee, atmospheric resource board, the department of health and human services, the council on the arts, the state engineer, the superintendent of public instruction, job service North Dakota, and workforce safety and insurance coordinating committee; to repeal chapter 8-11.1, sections 12-48-06.1, 15.1-37-05, 15.1-37-06, and 15.1-37-08, chapter 17-07, sections 19-24.1-38, 19-24.1-39, and 23-35-02.3, chapters 34-16 and 43-35, sections 50-06-05.6, 50-06.4-10, 50-11.1-25, 50-11.1-26, 50-11.1-27, 52-02-07, 54-34.3-10, 54-54-10, 54-59-25, 54-59-33, 54-59-35, 54-59-38, 54-60-25, 55-01-13, 55-01-14, 61-04.1-04, 61-04.1-05, 61-04.1-06, 61-04.1-07, and 61-04.1-10, and chapter 61-36 of the North Dakota Century Code, relating to occupational and professional boards, the midwest interstate passenger rail compact, prison industry advisory committee, energy policy commission, medical marijuana advisory committee, onsite wastewater recycling technical committee, state board of water well contractors, committee on aging, brain injury advisory council, early childhood council, unemployment insurance advisory council, commission on the status of women, health information technology advisory committee, poet laureate nominating board, rural development council, America 250 commission, atmospheric resource board, and Devils Lake outlet management advisory committee; to provide for a legislative management report; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-09-43 of the North Dakota Century Code is amended and reenacted as follows:

6-09-43. Health information technology planning loan fund - Appropriation.

1. The health information technology planning loan fund is established in the Bank for the purpose of providing low-interest loans to health care entities to assist those entities in improving health information technology infrastructure. This fund is a revolving loan fund. All moneys transferred into the fund, interest upon moneys in the fund, and collections of interest and principal on loans made from the fund are appropriated for disbursement according to this section.
2. The Bank shall make loans from this fund to health care entities as approved by the health information technology office director, ~~in collaboration with the health information technology~~

~~advisory committee~~, in accordance with the criteria established by the health information technology director under section 54-59-26.

3. The Bank shall administer the health information technology planning loan fund. Funds in the loan fund may be used for loans as provided under this section and the costs of administration of the fund. Annually, the Bank may deduct a service fee for administering the revolving loan fund maintained under this section.
4. An application for a loan under this section must be made to the health information technology office. The health information technology office director, ~~in collaboration with the health information technology advisory committee~~, may approve the application of a qualified applicant that meets the criteria established by the health information technology office director. The health information technology office shall forward approved applications to the Bank. Upon approval of the application by the Bank, the Bank shall make the loan from the revolving loan fund as provided under this section.
5. The Bank may do all acts necessary to negotiate loans and preserve security as deemed necessary, to exercise any right of redemption, and to bring suit in order to collect interest and principal due the revolving loan fund under mortgages, contracts, and notes executed to obtain loans under this section. If the applicant's plan for financing provides for a loan of funds from sources other than the state of North Dakota, the Bank may make a loan subordinate security interest. The Bank may recover from the revolving loan fund amounts actually expended by the Bank for legal fees and to effect a redemption.

SECTION 2. AMENDMENT. Subdivision j of subsection 2 of section 15.1-01-04 of the North Dakota Century Code is amended and reenacted as follows:

- j. The following gubernatorial appointees:
 - (1) An individual representing the statewide longitudinal data system committee;
 - (2) An individual representing tribal school interests;
 - ~~(3)~~(2) An individual employed as a public school administrator;
 - ~~(4)~~(3) An individual employed as a public school principal;
 - ~~(5)~~(4) An individual employed as a public elementary school teacher;
 - ~~(6)~~(5) An individual employed as a public secondary school teacher;
 - ~~(7)~~(6) A director of a special education unit; and
 - ~~(8)~~(7) A director of a regional education association.

SECTION 3. AMENDMENT. Section 15.1-07-33 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-33. Student information system - Exemption.

1. Notwithstanding any other technology requirements imposed by the superintendent of public instruction or the information technology department, each school district shall implement the state student information system administered by the ~~information technology department~~superintendent of public instruction and use it as its principal student information system. Each school district shall use a state course code, assigned by the department of public instruction, to identify all local classes in the state student information system.

2. The ~~statewide longitudinal data system committee~~ superintendent of public instruction may exempt a school district from having to implement and utilize the state student information system if the school district demonstrates that:
 - a. The district has acquired and is using a student information system determined to be compatible with the statewide longitudinal data system; or
 - b. In accordance with requirements of the bureau of Indian education, the district has acquired and is utilizing a student information system that is determined to be comparable by the superintendent.

SECTION 4. AMENDMENT. Section 23-35-02.2 of the North Dakota Century Code is amended and reenacted as follows:

23-35-02.2. Public health units to adopt onsite wastewater recycling treatment guide.

Each public health unit shall adopt the statewide technical guide for onsite wastewater recycling treatment technologies and sewage distribution technologies established by the ~~onsite wastewater recycling technical committee~~ department of environmental quality.

SECTION 5. A new section to chapter 23.1-01 of the North Dakota Century Code is created and enacted as follows:

Standards for well drilling and installation of water well pumps, pitless units, and monitoring wells - Reports required.

1. All construction of water wells must comply with the rules adopted by the department of environmental quality.
2. All installation of water well pumps and pitless units must comply with the rules adopted by the department of environmental quality.
3. All monitoring wells constructed must comply with the rules adopted by the department of environmental quality. Each monitoring well contractor shall furnish all reports required by the rules of the department.
4. All drilling of geothermal systems must comply with the rules adopted by the department of environmental quality and the state geologist.

SECTION 6. AMENDMENT. Subsection 1 of section 50-06-01.4 of the North Dakota Century Code is amended and reenacted as follows:

1. The department includes the state hospital, the regional human service centers, a vocational rehabilitation unit, public health division, and other units or offices and administrative and fiscal support services as the commissioner of the department determines necessary. The department must be structured to promote efficient and effective operations and, consistent with fulfilling its prescribed statutory duties, shall act as the official agency of the state in the discharge of the following functions not otherwise by law made the responsibility of another state agency:
 - a. (1) Administration of programs for children and families, including adoption services and the licensure of child-placing agencies, foster care services and the licensure of foster care arrangements, certification of shelter care services, child protection services, children's trust fund, licensure of early childhood programs, refugee services, in-home community-based services, quality control, and administration of the interstate compacts on the placement of children and juveniles, and the early childhood services advisory board.

- (2) Administration of programs to identify all available options for effectively maximizing the provision of early childhood services within the state and address the coordinated utilization of facilities and personnel for the provision of early childhood services within the state.
- b. Administration of programs for individuals with developmental disabilities, including licensure of facilities and services, the establishment funding for family members and corporate guardianships, and the design and implementation of a community-based service system for persons in need of habilitation.
 - c. Administration of aging service programs, including nutrition, transportation, advocacy, social, ombudsman, recreation, and related services funded under the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], home and community-based services, licensure of adult foster care homes, and the committee on aging.
 - d. Administration of behavioral health programs, including reviewing and identifying service needs and activities in the state's behavioral health system in an effort to ensure health and safety, access to services, and quality of services; establishing quality assurance standards for the licensure of substance use disorder program services and facilities; providing policy leadership in partnership with public and private entities; and providing chronic disease management, regional intervention services, and twenty-four-hour crisis services for individuals with behavioral health disorders.
 - e. Administration of economic assistance programs, including temporary assistance for needy families, the supplemental nutrition assistance program, home energy assistance, child care assistance, refugee assistance, work experience, work incentive, and quality control.
 - f. Administration of medical service programs, including medical assistance for children's health insurance program, Medicaid waivers, early and periodic screening, diagnosis and treatment, utilization control, autism services, and claims processing.
 - g. Administration of general assistance.
 - h. Administration of child support.
 - i. Administration of program, services, and licensing outlined in title 23 and other previous duties of the state department of health and state health council.
 - j. Administration of a program to improve the quality of life for an individual with brain injury and the individual's family through brain injury awareness, prevention, research, education, collaboration, support services, and advocacy.

SECTION 7. AMENDMENT. Section 52-02-02 of the North Dakota Century Code is amended and reenacted as follows:

52-02-02. Powers, duties, organization, and methods of procedure of bureau - Seal.

The bureau may adopt, amend, or rescind ~~such~~ rules and regulations, make ~~such~~ expenditures, require ~~such~~ reports, make ~~such~~ investigations, and take ~~such~~ other action as it deems necessary or suitable in the administration of the North Dakota unemployment compensation law. ~~Such rules~~ All rules and regulations are effective upon publication in the manner, not inconsistent with the provisions of the North Dakota unemployment compensation law, which the bureau shall prescribe. The bureau shall determine its own organization and methods of procedure in accordance with the provisions of the North Dakota unemployment compensation law and shall have an official seal which shall be noticed judicially.

SECTION 8. AMENDMENT. Section 52-02-08 of the North Dakota Century Code is amended and reenacted as follows:

52-02-08. Bureau and ~~advisory~~ councils to take steps to stabilize employment.

The bureau, ~~with the advice and aid of its advisory councils,~~ and through its appropriate divisions, shall take appropriate steps to:

1. Reduce and prevent unemployment.
2. Encourage and assist in the adoption of practical methods of career and technical education training, retraining, and career development counseling.
3. Investigate, recommend, advise, and assist in the establishment and operation, by municipalities, counties, school districts, and the state, of reserves for public works to be used in times of business depression and unemployment.
4. Promote the re-employment of unemployed workers throughout the state in every other way that may be feasible.
5. Carry on and publish the results of investigations and research studies.

SECTION 9. AMENDMENT. Subsection 1 of section 54-07-01.2 of the North Dakota Century Code is amended and reenacted as follows:

1. Notwithstanding sections 2-05-01, 4.1-05-02, 4.1-26-02, 6-01-03, 6-09-02.1, 12-55.1-02, 12-59-01, 15-39.1-05.1, 15.1-01-01, 15.1-13-02, 20.1-02-23, 23.1-01-02, 36-01-01, 37-18.1-01, ~~50-06-05.6, 54-34.3-10,~~ 54-54-02, 55-01-01, and 61-02-04, all members of the following boards and commissions must, subject to the limitations of this section, be considered to have resigned from such boards and commissions effective January first of the first year of each four-year term of the governor:
 - a. The aeronautics commission.
 - b. The milk marketing board.
 - c. The dairy promotion commission.
 - d. The state banking board.
 - e. The state credit union board.
 - f. The advisory board of directors to the Bank of North Dakota.
 - g. The pardon advisory board.
 - h. The state parole board.
 - i. The state board of public school education.
 - j. The education standards and practices board.
 - k. The board of trustees of the teachers' fund for retirement.
 - l. The state game and fish advisory board.
 - m. The environmental review advisory council.
 - n. The board of animal health.
 - o. The administrative committee on veterans' affairs.

- p. ~~The committee on aging.~~
- q. ~~The commission on the status of women.~~
- r. The North Dakota council on the arts.
- s-q. The state historical board.
- t-r. The state water commission.

SECTION 10. A new section to chapter 54-07 of the North Dakota Century Code is created and enacted as follows:

Boards review task force - Report to legislative management.

1. The office of the governor shall provide staffing and administrative services to the boards review task force. The task force shall:
 - a. Review and assess all boards, commissions, committees, councils, and task forces for inefficiencies and duplication of responsibilities; and
 - b. Make recommendations to the legislative assembly regarding minimizing and streamlining government operations through the consolidation or elimination of boards, commissions, committees, councils, and task forces.
2. In addition to the governor or the governor's designee, who shall serve as the presiding officer of the task force, the task force must include:
 - a. A member of the senate, appointed by the senate majority leader.
 - b. A member of the house of representatives, appointed by the house of representatives majority leader.
 - c. A representative of an organization representing cities, appointed by the governor.
 - d. A representative of an organization representing counties, appointed by the governor.
 - e. A representative of the business community, appointed by the governor.
 - f. A representative of an occupational licensing board, appointed by the governor.
 - g. A member at large, appointed by the governor.
3. A member of the task force who is not a state employee is entitled to reimbursement for mileage and expenses as provided by law for state officers and employees, to be paid by the office of the governor. A state employee who is a member of the task force is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency. A member of the task force who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the task force. The legislative council shall pay the per diem compensation and reimbursement for travel and expenses as provided by law for any member of the task force who is a member of the legislative assembly.
4. Before October 1, 2026, the task force shall provide a report of its findings and recommendations and any proposed legislation necessary to implement the recommendations to the legislative management.

SECTION 11. AMENDMENT. Section 54-54-05 of the North Dakota Century Code is amended and reenacted as follows:

54-54-05. Duties of council.

The duties of the council are:

1. To stimulate and encourage throughout the state the study and presentation of the performing and fine arts and public interest and participation therein.
2. To make such surveys as may be deemed advisable of public and private institutions engaged within the state in artistic and cultural activities, including but not limited to, music, theater, dance, painting, sculpture, architecture, and allied arts and crafts, and to make recommendations concerning appropriate methods to encourage participation in and appreciation of the arts to meet the legitimate needs and aspirations of persons in all parts of the state.
3. To take such steps as may be necessary and appropriate to encourage public interest in the cultural heritage of our state and to expand the state's cultural resources.
4. To encourage and assist freedom of artistic expression essential for the well-being of the arts.
5. To determine the artistic value of property as provided by section 1-08-04.1.
6. To administer a poet laureate program that selects the poet laureate and requires the poet laureate to participate in at least four public events around the state each year.

SECTION 12. AMENDMENT. Section 54-59-26 of the North Dakota Century Code is amended and reenacted as follows:

54-59-26. Health information technology office - Duties - Loan and grant programs.

1. ~~The health information technology office is created in the department. The health information technology advisory committee shall make recommendations to the health information technology office for implementing an interoperable health information infrastructure that is consistent with emerging national standards; promote the adoption and use of electronic health records and other health information technologies; and promote interoperability of health information systems for the purpose of improving health care quality, patient safety, and the overall efficiency of health care and public health services.~~
2. The health information technology office director, ~~in collaboration with the health information technology advisory committee,~~ shall:
 - a. Apply for federal funds that may be available to assist the state and health care providers in implementing and improving health information technology.
 - b. Implement and administer a health information exchange that utilizes information infrastructure and systems in a secure and cost-effective manner to facilitate the collection, storage, and transmission of health records.
 - c. Adopt rules under chapter 28-32 for the use of health information, use of the health information exchange, and participation in the health information exchange.
 - d. Adopt rules under chapter 28-32 for accessing the health information exchange to ensure appropriate and required privacy and security protections and relating to the authority of the director to suspend, eliminate, or terminate the right to participate in the health information exchange.
 - e. Establish a health information technology planning loan program to provide low-interest loans to health care entities to assist those entities in improving their health information technology infrastructure under section 6-09-43.

- f. Facilitate and expand electronic health information exchange in the state, directly or by awarding grants.
 - g. Establish an application process and eligibility criteria for and accept and process applications for loans and grants under subdivisions e and f. The eligibility criteria must be consistent with federal requirements associated with federal funds received under subdivision a. The eligibility criteria for loans under subdivision f must include a requirement that the recipient's approved health information technology be strategically aligned with the state's health information technology plan and the associated federal standards and that the recipient has passed an onsite electronic medical record readiness assessment conducted by an assessment team determined by ~~the health information technology advisory committee~~ and the health information technology office director.
 - h. Determine fees and charges for access and participation in the health information exchange. Any moneys collected under this subdivision must be deposited in the electronic health information exchange fund.
 - i. Consult and coordinate with the department of health and human services to facilitate the collection of health information from health care providers and state agencies for public health purposes, including identifiable health information that may be used by state agencies, departments, or institutions to comply with applicable state or federal laws.
3. ~~If the health information technology advisory committee determines that establishing a health information exchange with another state or states will assist in providing health information exchange services in a cost-effective manner, the~~The health information technology office director, ~~in collaboration with the health information technology advisory committee,~~ may join with another state or states to establish, implement, and administer a health information exchange consistent with other provisions of this chapter.

SECTION 13. AMENDMENT. Section 54-59-27 of the North Dakota Century Code is amended and reenacted as follows:

54-59-27. Health information technology office - Electronic health information exchange fund.

- 1. There is created an electronic health information exchange fund. The fund consists of moneys deposited in the fund from federal or other sources or moneys transferred into the fund as directed by the legislative assembly. The health information technology office shall administer this fund and shall distribute moneys in the fund accordingly. The moneys in the fund must be used to facilitate and expand electronic health information exchange. Moneys in the fund may be used, subject to legislative appropriations, to provide services directly, for grants as provided under this section, and for the costs of administration of the fund.
- 2. A grant applicant shall submit an application to the health information technology office, which shall determine the applicant's eligibility based upon criteria established by the health information technology office director ~~in collaboration with the health information technology advisory committee.~~
- 3. This section does not create an entitlement to any funds available for grants under this section. The health information technology office may award these grants to the extent funds are available and, within the office's discretion, to the extent such applications are approved.

SECTION 14. AMENDMENT. Section 54-59-34 of the North Dakota Century Code is amended and reenacted as follows:

54-59-34. Statewide longitudinal data system committee - Information technology department - Duties.

1. The ~~statewide longitudinal data system committee~~department shall manage a statewide longitudinal data system among education, workforce, and training entities that:
 - a. Provides for the dissemination of management information to stakeholders and partners of state education, training, and employment systems;
 - b. Is required to provide on an annual basis to education and workforce development programs, to the extent permitted by federal law, the wage record interchange system 2 data sharing agreement and the state wage interchange system data sharing agreement and state performance reports that measure the aggregate outcomes of participants in the workforce and continuing education programs, including private workforce and education programs that request the reports; and
 - c. Uses data from educational and workforce systems as central sources of statewide longitudinal data.
2. The department may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system, under the Family Educational Rights and Privacy Act [20 U.S.C. 1232(g); 34 CFR 99].
3. The ~~statewide longitudinal data system committee~~department shall establish policies and adopt rules addressing access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws.
- 3.4. The ~~statewide longitudinal data system committee~~department shall provide operational oversight for information sharing activities and make recommendations for and provide oversight of information sharing budgets.
- 4.5. The ~~statewide longitudinal data system committee in consultation with the information technology department~~ shall:
 - a. Establish the terms and conditions under which a person may be authorized to access data through the statewide longitudinal data system;
 - b. Direct that all statewide longitudinal data system administrators implement approved data protection practices to ensure the security of electronic and physical data, provided that the practices include requirements for encryption and staff training;
 - c. Provide for biennial privacy and security audits of the statewide longitudinal data system;
 - d. Establish protocols, including procedures, for the notification of students and parents in the event of a data breach involving the statewide longitudinal data system;
 - e. Require that data retention and disposition by the statewide longitudinal data system be governed by the same policies as those instituted for the information technology department; and
 - f. Require the provision of annual training regarding data protection to any individuals who have access to the statewide longitudinal data system, including school district employees, employees of the North Dakota university system office and institutions under the control of the state board of higher education, and elected or appointed state or local governmental officials.

6. The department may authorize studies to benefit and improve workforce training and education.

SECTION 15. AMENDMENT. Section 54-59-36 of the North Dakota Century Code is amended and reenacted as follows:

54-59-36. Statewide longitudinal data system ~~committee~~ - Report to legislative management.

During each interim the ~~statewide longitudinal data system committee~~department shall provide a report regarding the statewide longitudinal data system to one or more committees designated by the legislative management and shall provide recommendations for further development, cost proposals, proposals for legislation, and recommendations for data sharing governance.

SECTION 16. AMENDMENT. Section 54-59-37 of the North Dakota Century Code is amended and reenacted as follows:

54-59-37. Statewide longitudinal data system ~~committee~~ - Continuing appropriation.

The ~~statewide longitudinal data system committee~~department may solicit and receive gifts, grants, and donations from public and private sources. Any moneys received in accordance with this section are appropriated on a continuing basis for the support of the statewide longitudinal data system.

SECTION 17. AMENDMENT. Section 54-59-39 of the North Dakota Century Code is amended and reenacted as follows:

54-59-39. State agencies - Mandatory provision of information - Confidentiality.

1. The information technology department may request from any state agency:
 - a. All information required by 20 U.S.C. 9871(e)(2)(D);
 - b. Any other educational information ~~the statewide longitudinal data system committee determines is~~ required for a longitudinal data system to comply with state or federal law; and
 - c. Unemployment insurance wage data from job service North Dakota for education and workforce development program evaluations, except that the information technology department may not redisclose any data identifying an individual unless the redisclosure is expressly permitted by a written agreement between job service North Dakota and the department or is otherwise expressly permitted or required by federal or state law.
2. A state agency providing information requested under subsection 1 shall enter an interagency agreement with the department which identifies applicable federal and state privacy laws and agency-established restrictions relating to its confidential information the agency has determined is required to comply with federal and state privacy laws.
3. Subject to applicable restrictions on the use and disclosure of confidential information required to comply with federal and state privacy laws and the terms of the interagency agreement, any state agency receiving a request for information under subsection 1 shall provide the information at the time and in the manner required by the information technology department.

SECTION 18. AMENDMENT. Section 61-03-01.3 of the North Dakota Century Code is amended and reenacted as follows:

61-03-01.3. Director - State engineer - Powers and duties.

1. The director shall:
 - a. Enforce all rules adopted by the department;

- b. Hire a state engineer who is a qualified professional engineer, has appropriate hydrology experience, and will report to the director;
 - c. Hire other employees as necessary to carry out the duties of the department and director;
 - d. Organize the department in an efficient manner; and
 - e. Take any other action necessary and appropriate for administration of the department.
 - f. Adopt rules to license water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
 - g. Advise the governor and the state water commission regarding operations of Devils Lake outlets.
 - h. Recommend an operational plan for the Devils Lake outlet based on Sheyenne River capacity and water quality considerations.
2. The state engineer is responsible for and shall manage the department's oversight of dam safety, water appropriations, and construction and drainage permits, and associated technical duties related to public safety and property protection.

SECTION 19. A new section to chapter 61-03 of the North Dakota Century Code is created and enacted as follows:

Water well contractors advisory board.

1. The water well contractors advisory board is established and consists of:
- a. The director, or director's designee.
 - b. Three water well contractors, appointed by the governor.
 - c. One geothermal system driller or one monitoring well contractor, appointed by the governor.
 - d. One water well pump and pitless unit installer, appointed by the governor.
 - e. One member at large, appointed by the governor.
2. The advisory board:
- a. Shall advise the department in the adoption and implementation of rules for the certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
 - b. May receive reports from the department on the status and activities of the certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
 - c. May provide recommendations to the department and the legislative management on the certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
 - d. Shall collaborate with the department to manage the fiduciary responsibilities of certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.

SECTION 20. A new section to chapter 61-03 of the North Dakota Century Code is created and enacted as follows:

Requirements for firms engaged in water well work, installation of water well pumps and pitless units, monitoring well work, and drilling of geothermal systems - Exceptions.

1. A person, partnership, association, corporation, or limited liability company may not engage in the business of constructing a water well in this state unless at all times a certified water well contractor, who is responsible for the proper construction or alteration of a water well, is in charge. This section does not prohibit any person, partnership, association, corporation, or limited liability company from constructing any water well on the person's or entity's own premises for the person's or entity's own use.
2. A person may not engage in the business of installing water well pumps and pitless units in the state after July 1, 1986, unless a certified installer, who is responsible for the proper installation of the pump and pitless unit, is in charge of the installation. This chapter does not prohibit any person from installing water well pumps and pitless units on that person's own premises for that person's own use.
3. A person may not engage in the business of constructing a monitoring well in this state unless at all times a certified monitoring well contractor, who is responsible for the proper construction or alteration of the monitoring well, is in charge. This section does not prohibit any person from installing a monitoring well on that person's own premises for that person's own use.
4. A person may not engage in the business of drilling geothermal systems in the state after July 1, 2008, unless a certified driller, who is responsible for the proper drilling of the geothermal system, is in charge of the drilling. This section does not prohibit a person from drilling geothermal systems on that person's own premises for that person's own use.
5. Within thirty days after the completion of each well, each water well contractor shall report to the department, on forms provided by the department, any information required by the department, including a log of formations penetrated, well depth, and casing size and weight. Each water well contractor shall provide a copy of the report to the customer. All information submitted to the department must remain the property of the department.

SECTION 21. AMENDMENT. Section 61-04.1-03 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-03. Definitions.

As used in this chapter, unless the context otherwise requires:

1. ~~"Board" means the North Dakota atmospheric resource board which, in the exercise of the powers granted under this chapter, has all of the powers of an administrative agency as defined in chapter 28-32.~~
2. "Controller" refers to any licensee duly authorized in this state to engage in weather modification operations.
- 3.2. "Geographical region" means a geographical area with a contiguous boundary that may enclose a portion of any county or counties.
- 4.3. "Hail suppression" refers to the activation of any process that will reduce, modify, suppress, eliminate, or soften hail formed in clouds or storms.
- 5.4. "Increasing precipitation" refers to the activation of any process that will actually result in greater amounts of moisture reaching the ground in any area from a cloud or cloud system than would have occurred naturally.

- 6-5. "Initiating precipitation" refers to the process of causing precipitation from clouds which could not otherwise have occurred naturally or inducing precipitation significantly earlier than would have occurred naturally.
- 7-6. "Operation" means the performance of any weather modification activity undertaken for the purpose of producing or attempting to produce any form of modifying effect upon the weather within a limited geographical area or within a limited period of time.
- 8-7. "Research and development" means exploration, field experimentation, and extension of investigative findings and theories of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production of models, devices, equipment, materials, and processes.
- 9-8. "Weather modification" means and extends to the control, alteration, and amelioration of weather elements, including man-caused changes in the natural precipitation process, hail suppression or modification, and alteration of other weather phenomena, including clouds, temperature, wind direction, and velocity, and the initiating, increasing, decreasing, and otherwise modifying by artificial methods of precipitation in the form of rain, snow, hail, mist, or fog through cloud seeding, electrification, or by other means to provide immediate practical benefits.
- 10-9. "Weather modification authority" means the governing body created by a board of county commissioners under section 61-04.1-22.1, 61-04.1-23, 61-04.1-27, 61-04.1-29, or 61-04.1-31.

SECTION 22. AMENDMENT. Section 61-04.1-08 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-08. Powers and duties of ~~board~~the department.

The ~~board~~department has the following powers and duties:

1. ~~The board shall appoint an executive director to serve at the board's discretion and to perform duties assigned by the board.~~
2. ~~The board shall authorize the employment of staff the board deems necessary to carry out the provisions of this chapter. The executive director shall hire the staff, subject to the approval of the board.~~
3. ~~The board~~department shall adopt rules concerning qualifications, procedures, and conditions for issuance, revocation, suspension, and modification of licenses and permits; standards and instructions governing weather modification operations, including monitoring and evaluation, recordkeeping, and reporting, and the ~~board~~department shall establish procedures and forms for this recordkeeping and reporting. The ~~board~~department may adopt all other rules necessary to the administration of this chapter. The provisions of chapter 28-32 apply to this chapter and rules of the ~~board~~department must be published in the North Dakota Administrative Code.
- 4-2. ~~The board~~department may contract with any person to carry out weather modification operations and, in connection with regulated weather modification operations in a county or geographical region, shall carry on monitoring and evaluation activities.
- 5-3. ~~The board~~department may order any person who is conducting weather modification operations in violation of this chapter or any rules adopted to implement this chapter, to cease and desist from those operations and the order is enforceable in any court of competent jurisdiction within this state.

- 6.4. The ~~board~~department may cooperate and contract with any person engaged in activities similar to the work of the ~~board~~department and may make contracts and agreements to carry out programs consistent with the purpose and intent of this chapter. The ~~board~~department may request and accept any grants of funds or services from any person and expend these funds or use these services to carry out this chapter.
- 7.5. The ~~board~~department shall monitor the current state of knowledge regarding the magnitude and impacts of possible regional and global climatic changes and shall provide information to other state agencies that may benefit from this knowledge.
- 8.6. The ~~board~~department shall administer and enforce the provisions of this chapter and do all things reasonably necessary to effectuate the purposes of this chapter.
- 9.7. The ~~board~~department may plan and study a hail suppression pilot program that would provide urban and rural hail suppression operations statewide or to any portion of the state.

SECTION 23. AMENDMENT. Section 61-04.1-09 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-09. BoardDepartment of water resources to establish research and development program - Hail suppression pilot program.

1. The ~~board~~department of water resources shall establish a program of weather modification research and development in this state. The ~~board~~department shall supervise and coordinate all research and development activities in the state or research and development activities outside of the state participated in or conducted by any state institution or state or county agency.
2. If the ~~board~~department plans and studies a hail suppression pilot program, the ~~board~~department may conduct a planning phase that includes studying the impact on the environment, providing public education, and formulating an operations plan.

SECTION 24. AMENDMENT. Section 61-04.1-12 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-12. Exemptions.

The ~~board~~department of water resources may provide by rule for exemption of the following activities from the license and permit requirements of section 61-04.1-11:

1. Research and development conducted by the state, political subdivisions of the state, colleges and universities of the state, agencies of the federal government, or bona fide research corporations.
2. Weather modification operations of an emergency nature taken against fire, frost, or fog.

Exempted activities ~~shall~~must be conducted so as not to unduly interfere with weather modification operations conducted under a permit issued in accordance with this chapter.

SECTION 25. AMENDMENT. Section 61-04.1-14 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-14. Issuance of license - Fee.

The ~~board~~department of water resources shall provide, by rule, the procedure and criteria for the issuance of a license. The ~~board~~department, in accordance with its rules, shall issue a weather modification license to each applicant who:

1. Pays a license fee of fifty dollars.

2. Demonstrates competence to engage in weather modification operations, to the satisfaction of the ~~board~~department.
3. Designates an agent for the service of process pursuant to section 61-04.1-13 or chapter 10-19.1.

Each license issued by the ~~board~~department is nontransferable and ~~shall expire~~expires on December thirty-first of the year of issuance. A license ~~shall be~~is revocable for cause at any time prior to such date if, after holding a hearing upon due notice, the ~~board~~department ~~determines~~determines that cause for revocation exists. License fees collected by the ~~board~~department ~~must~~must be paid into the general fund in the state treasury.

SECTION 26. AMENDMENT. Section 61-04.1-15 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-15. Revocation or suspension of license.

The ~~board~~department of water resources may suspend or revoke a license for any of the following reasons:

1. Incompetency.
2. Dishonest practice.
3. False or fraudulent representations made in obtaining a license or permit under this chapter.
4. Failure to comply with any provisions of this chapter or any rules adopted by the ~~board~~department pursuant to this chapter.

SECTION 27. AMENDMENT. Section 61-04.1-16 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-16. Permit required - Issuance of permit - Fee.

1. A weather modification permit ~~shall be~~is required for each geographical area, as set out in the operational plan required by subdivision b, in which a person intends to conduct weather modification operations. Each permit issued by the ~~board~~department of water resources ~~expires~~expires on December thirty-first of the year of issuance. A person applying for a weather modification operational permit shall file an application with the ~~board~~department, in such form as the ~~board~~department ~~prescribes~~prescribes, which application ~~shall~~must be accompanied by an application fee of twenty-five dollars and contain such information as the ~~board~~department, by rule, may require, and in addition, each applicant for a permit shall:
 - a. Furnish proof of financial responsibility as provided by section 61-04.1-19.
 - b. Set forth a complete operational plan for the proposed operation which ~~shall~~must include a specific statement of its nature and object, a map of the proposed operating area which specifies the primary target area for the proposed operation and shows the area that is reasonably expected to be affected by such operation, a statement of the approximate time during which the operation is to be conducted, a list of the materials and methods to be used in conducting the operation, and such other detailed information as may be needed to describe the operation.
2. The ~~board~~department may issue the permit if it determines that:
 - a. The applicant holds a valid weather modification license issued under this chapter.
 - b. The applicant has furnished satisfactory proof of financial responsibility in accordance with section 61-04.1-19.

- c. The applicant has paid the required application fee.
- d. The operation:
 - (1) Is reasonably conceived to improve water quantity or quality, reduce loss from weather hazards, provide economic benefits for the people of this state, advance scientific knowledge, or otherwise carry out the purposes of this chapter.
 - (2) Is designed to include adequate safeguards to minimize or avoid possible damage to the public health, safety, welfare, or the environment.
 - (3) Will not adversely affect another operation for which a permit has been issued.
- e. The applicant has North Dakota workforce safety and insurance coverage for all employees working in this state.
- f. The applicant has furnished a performance bond as required by section 61-04.1-34.
- g. The applicant has complied with such other requirements for the issuance of permits as may be required by the rules and regulations of the ~~board~~department.
- h. The applicant has furnished a bid bond.
- i. The applicant has registered, with the North Dakota aeronautics commission, any aircraft intended to be used in connection with the operation.

To carry out the objectives and purposes of this chapter, the ~~board~~department may condition and limit permits as to primary target areas, time of the operation, materials, equipment, and methods to be used in conducting the operation, emergency shutdown procedure, emergency assistance, and such other operational requirements as may be established by the ~~board~~department.

- 3. The ~~board shall~~department may issue only one permit at a time for operations in any geographical area if two or more operations conducted in such an area according to permit limitations might adversely interfere with one another.
- 4. All permit fees collected by the ~~board shall~~department must be paid into the general fund of the state treasury.

SECTION 28. AMENDMENT. Section 61-04.1-17 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-17. Hearings.

The ~~board~~department of water resources shall give public notice, in the official county newspaper or newspapers in the area of the state reasonably expected to be affected by operations conducted under a permit, that it is considering an application for such permit, and, if objection to the issuance of the permit is received by the ~~board~~department within twenty days, the ~~board~~department may hold a public hearing for the purpose of obtaining information from the public concerning the effects of issuing the permit. The ~~board~~department may also hold such hearings upon its own motion.

SECTION 29. AMENDMENT. Section 61-04.1-18 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-18. Revocation, suspension, or modification of permit.

The ~~board~~department of water resources may suspend or revoke a permit if it appears that the permittee no longer has the qualifications necessary for the issuance of an original permit or has violated any provision of this chapter, or any of the rules adopted under it.

The boarddepartment may revise the conditions and limits of a permit if:

1. The permittee is given notice and a reasonable opportunity for a hearing, to be held in accordance with chapter 28-32.
2. It appears to the boarddepartment that a modification of the conditions and limits of a permit is necessary to protect the public's health, safety, welfare, or the environment.

If it appears to the boarddepartment that an emergency situation exists or is impending which could endanger the public's health, safety, welfare, or the environment, the boarddepartment may, without prior notice or hearing, immediately modify the conditions or limits of a permit, or order temporary suspension of a permit. The issuance of such an order ~~shall~~must include notice of a hearing to be held within ten days thereafter on the question of permanently modifying the conditions and limits or continuing the suspension of the permit. Failure to comply with an order temporarily suspending an operation or modifying the conditions and limits of a permit ~~shall be~~is grounds for immediate revocation of the license and permit of the person controlling or engaged in the operation.

SECTION 30. AMENDMENT. Section 61-04.1-19 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-19. Proof of financial responsibility.

Proof of financial responsibility is made by showing to the satisfaction of the boarddepartment of water resources that the permittee has the ability to respond in damages to liability which might reasonably result from the operation for which the permit is sought. ~~Such proof~~Proof of financial responsibility may be shown by:

1. Presentation to the boarddepartment of proof of a prepaid noncancelable insurance policy against such liability, in an amount approved by the boarddepartment.
2. Filing with the boarddepartment a corporate surety bond, cash, or negotiable securities in an amount approved by the boarddepartment.

SECTION 31. AMENDMENT. Section 61-04.1-20 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-20. BoardDepartment of water resources may create operating districts - Representation of noncontracting counties.

The boarddepartment of water resources may place any county or geographical region for which a person contracts with the state for weather modification operations in any operational district the boarddepartment determines necessary to best provide that county or geographical region with the benefits of weather modification. In determining the boundaries of an operating district, the boarddeparatment shall consider the patterns of crops within the state, climatic patterns, and the limitations of aircraft and other technical equipment. The boarddepartment may assign any county that has not created a weather modification authority under this chapter to an operating district solely for the purpose of representation on the operations committee of that district.

SECTION 32. AMENDMENT. Section 61-04.1-21 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-21. District operations advisory committees created - Duties.

1. There must be a district operations advisory committee in each operations district created in accordance with section 61-04.1-20. Each committee must be composed of one commissioner of the weather modification authority, if a weather modification authority exists, from each county within the district; a representative of each person contracting for a geographical region assigned to the district; and one member of the board of county commissioners from each county assigned to the district. Each advisory committee, upon majority vote, with the

concurrence of the ~~board~~department of water resources, shall adopt rules and bylaws necessary to govern that committee's procedures and meetings. Each committee shall evaluate weather modification operations within that committee's district and make recommendations and proposals to the ~~board~~department concerning these operations.

2. The weather modification authority of any county authorized to contract for weather modification operations under this chapter which is not assigned to an operations district shall assume the functions of the district operations committee and may exercise the powers and duties assigned to the operations committees by this chapter and by the rules of the ~~board~~department.

SECTION 33. AMENDMENT. Section 61-04.1-33 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-33. Bids required - When.

~~Whenever~~If the board shall undertake to contract~~department of water resources contracts~~ with any licensed controller in an amount in excess of ten thousand dollars in any one year, the ~~board~~department shall advertise for proposals for such weather modification activities and, in its proceedings with respect to bids therefor, shall substantially follow the manner and form required by the laws of this state for the purchase of supplies by the office of management and budget. The ~~board shall~~department may not enter into ~~no~~a contract or agreement for weather modification services except with a controller, holding the permit as required by this chapter, except for the purpose of gathering technical information, and making studies or surveys.

SECTION 34. AMENDMENT. Section 61-04.1-34 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-34. Performance bond, cash, or negotiable securities required.

Before the ~~board shall contract~~department of water resources contracts with any controller, ~~it~~the ~~department~~ shall require the controller to furnish a surety bond or cash or negotiable securities for the faithful performance of the contract in such amount as determined by the ~~board~~department, conditioned that the licensee and the licensee's agents will in all respects faithfully perform all weather modification contracts undertaken with the ~~board~~department and will comply with all provisions of this chapter and the contract entered into by the ~~board~~department and the licensee.

SECTION 35. AMENDMENT. Section 61-04.1-37 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-37. Liability of controller.

1. An operation conducted under the license and permit requirements of this chapter is not an ultrahazardous or abnormally dangerous activity which makes the permittee subject to liability without fault.
2. Dissemination of materials and substances into the atmosphere by a permittee acting within the conditions and limits of the permittee's permit ~~shall~~do not constitute trespass.
3. Except as provided in this section and in section 61-04.1-36, ~~nothing in this chapter shall~~does ~~not~~ prevent any person adversely affected by a weather modification operation from recovering damages resulting from negligent or intentionally harmful conduct by a permittee.
4. The fact that a person holds a license or was issued a permit under this chapter, or that the person has complied with the rules adopted by the ~~board pursuant to~~department of water resources under this chapter, is not admissible as a defense in any legal action which may be brought against the person.

SECTION 36. AMENDMENT. Section 61-04.1-38 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-38. BoardDepartment of water resources may receive and expend funds.

1. The ~~board~~department of water resources may receive and accept in the name of the state any funds that are offered or become available from any federal grant or appropriation, private gift, donation, or bequest, county funds, or funds from any other source except license and permit fees, and to expend these funds for the expense of administering this chapter, and, with the exception of county funds and funds from any other person contracting with the ~~board~~department for weather modification operations, for the encouragement of research and development in weather modification by any private person, the North Dakota state university, the university of North Dakota, or any other appropriate state, county, or public agency in this state by direct grant, contract, or other means.
2. All federal grants, federal appropriations, private gifts, donations, or bequests, county funds, or funds from any other source except license and permit fees, received by the ~~board~~department must be paid over to the state treasurer, who shall credit this amount to a ~~special fund in the state treasury known as the state weather modification fund~~the water commission fund. All proceeds deposited by the state treasurer in the ~~state weather modification~~water commission fund are appropriated to the ~~board~~department and, if expended, must be disbursed by warrant-check prepared by the office of management and budget upon vouchers submitted by the ~~board~~department and must be used for the purpose of paying for the expense of administration of this chapter and, with the exception of county funds or funds from any other person contracting with the ~~board~~department for weather modification operations, for the encouragement of research and development in weather modification by any private person, the North Dakota state university, the university of North Dakota, or any other appropriate state, county, or public agency by direct grant, contract, or other means.

SECTION 37. AMENDMENT. Section 61-04.1-39 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-39. Payment for weather modification - State to provide funds.

Any weather modification authority or person that contracted with the ~~board~~department of water resources for weather modification operations under this chapter shall appropriate to the ~~state weather modification~~water commission fund the amount determined by the ~~board~~department to be necessary to provide that weather modification authority or person with weather modification operations. The ~~board~~department may expend, from the ~~state weather modification~~water commission fund, the funds the ~~board~~department deems necessary to provide a contracting weather modification authority or person with weather modification operations.

SECTION 38. AMENDMENT. Subdivision a of subsection 2 of section 65-02-03.1 of the North Dakota Century Code is amended and reenacted as follows:

- a. A departing member representing an employer must be replaced by a member representing an employer, most of whose employees are in a different rate classification than those of the employer represented by the departing member. The governor shall appoint the member for an employer representative from a list of three potential candidates submitted by a ~~coordinating committee appointed by the governor, composed of an organization of business associations. The organization shall accept qualified candidate recommendations received from~~ representatives from the associated general contractors of North Dakota, the North Dakota petroleum council, the greater North Dakota chamber of commerce, the North Dakota motor carriers association, the North Dakota hospital association, the national federation of independent business, the lignite energy council, and other statewide business interests.

SECTION 39. REPEAL. Chapter 8-11.1, sections 12-48-06.1, 15.1-37-05, 15.1-37-06, and 15.1-37-08, chapter 17-07, sections 19-24.1-38, 19-24.1-39, and 23-35-02.3, chapters 34-16 and 43-35, sections 50-06-05.6, 50-06.4-10, 50-11.1-25, 50-11.1-26, 50-11.1-27, 52-02-07, 54-34.3-10, 54-54-10, 54-59-25, 54-59-33, 54-59-35, 54-59-38, 54-60-25, 61-04.1-04, 61-04.1-05, 61-04.1-06, 61-04.1-07, and 61-04.1-10, and chapter 61-36 of the North Dakota Century Code are repealed.

SECTION 40. REPEAL. Sections 55-01-13 and 55-01-14 of the North Dakota Century Code are repealed.

SECTION 41. EFFECTIVE DATE. Section 40 of this Act is effective December 31, 2026.

SECTION 42. EXPIRATION DATE. Sections 10 and 19 of this Act are effective through December 1, 2026, and after that date are ineffective.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2308.

Senate Vote: Yeas 27 Nays 19 Absent 1

House Vote: Yeas 78 Nays 12 Absent 4

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State