

# AGRICULTURE AND TRANSPORTATION COMMITTEE

Thursday, October 8, 2020 Roughrider Room, State Capitol Bismarck, North Dakota

Representative Dennis Johnson, Chairman, called the meeting to order at 10:00 a.m.

**Members present:** Representatives Dennis Johnson, Tracy Boe, Mike Brandenburg, Jay Fisher, Dan Ruby, Kathy Skroch, Wayne A. Trottier, Greg Westlind; Senators Jim Dotzenrod, Kathy Hogan, Oley Larsen, Randy D. Lemm, Larry Luick, Janne Myrdal, Terry M. Wanzek

Members absent: Representatives Craig Johnson and Dwight Kiefert

Others present: See Appendix A.

It was moved by Representative Trottier, seconded by Senator Myrdal, and carried on a voice vote that the minutes of the July 30, 2020, meeting be approved as distributed.

#### TRANSPORTATION NETWORK COMPANIES

Chairman Johnson called on Mr. Dustin Assel, Counsel, Legislative Council, to present a bill draft [21.0177.01000] regarding the repeal of transportation network reporting requirements.

In response to a question from Senator Dotzenrod, Mr. Assel said other than North Dakota Century Code Section 39-34-09, the section included in the bill draft, he is unaware of other statutory provisions that require transportation network companies to report information to the Department of Transportation.

In response to questions from Senator Luick, Mr. Assel said the transportation network companies are required to report information to the Department of Transportation twice each year, but the department only is required to report the information to the Legislative Management each biennium. He said the repeal would eliminate the reporting requirements of both the transportation network companies to the department, and the department to the Legislative Management.

In response to questions from Senator Luick, Representative Ruby said he requested the bill draft be prepared for committee consideration. He said the reporting requirement was enacted during the same session when laws were enacted to ensure transportation network companies had insurance coverage on the vehicles offering ridership. He said the reporting requirement has been in effect for at least three interims, but nothing is required to be done with the information reported. He said representatives of the Department of Transportation do not have any issue with repealing the reporting requirement.

It was moved by Senator Myrdal, seconded by Representative Fisher, and carried on a roll call vote that the bill draft [21.0177.01000] relating to the repeal of transportation network company reporting requirements be approved and recommended to the Legislative Management. Representatives D. Johnson, Fisher, Ruby, Skroch, Trottier, and Westlind and Senators Dotzenrod, Hogan, Larsen, Lemm, Luick, and Myrdal voted "aye." No negative votes were cast.

### **AGRICULTURAL ISSUES STUDY**

Chairman Johnson called on Mr. Assel to present a bill draft [21.0032.02000] regarding changes to Title 60 as recommended by the Department of Agriculture and the North Dakota Grain Dealers Association. Mr. Assel said the bill draft has been revised to incorporate revisions requested by the stakeholders.

Chairman Johnson called on Mr. Doug Goehring, Agriculture Commissioner, for a presentation (<u>Appendix B</u>) regarding the bill draft [21.0032.02000].

In response to a question from Chairman Johnson, Mr. Goehring said he would recommend the language on page 8, line 9, be revised to read "trust fund or credit-sale contract indemnity fund."

In response to a question from Senator Wanzek, Mr. Goehring said the language on page 8 which makes a producer lose protection if the producer fails to convert a scale ticket in a timely manner, stems from issues with producers who refuse to convert a scale ticket within the time frame required by law and who then demand the ticket be converted after the time requirement has lapsed. He said some producers will threaten to take their business to a different grain buyer if the buyer does not accommodate the producer. He said with the language added in the bill draft, the producer is responsible for converting the scale ticket or else the producer loses protections under the law.

In response to a question from Senator Hogan, Mr. Assel said the commissioner would have the ability to enact rules to clarify the requirements on page 5 of the draft related to the conditions to obtain a public warehouse license.

Mr. Stu Letcher, Executive Vice President, North Dakota Grain Dealers Association, testified in support of the bill draft [21.0032.02000].

It was moved by Senator Wanzek, seconded by Representative Fisher, and carried on a roll call vote that the bill draft [21.0032.02000] relating to changes to Title 60 as recommended by the Department of Agriculture and the North Dakota Grain Dealers Association be revised on page 8, line 9, to replace "bond" with "trust fund"; on page 8, line 9, to insert "indemnity fund" after "contract"; and that the bill draft, as revised, be approved and recommended to the Legislative Management. Representatives D. Johnson, Brandenburg, Fisher, Ruby, Skroch, Trottier, and Westlind and Senators Dotzenrod, Hogan, Larsen, Lemm, Luick, Myrdal, and Wanzek voted "aye." No negative votes were cast.

# **ROAD TRAIN STUDY**

Chairman Johnson called on Senator Larsen to review a bill draft [21.0175.01000] relating to the governor's authority to exceed size and weight limitations on motor vehicles. Senator Larsen said the bill does not address specific vehicle weights. He said the vehicle weights would be determined by the governor.

Senator Myrdal said she likes the innovation of road trains. She said she would like to see if road trains are something that would be beneficial in the state. She said the bill draft does not mandate a road train pilot program be enacted. She said the bill draft gives the governor the opportunity to permit road trains in the state. She said she would like the discussion of road trains in the state to continue in the 2021 legislative session.

Representative Fisher said he is in support of recommending the bill draft and learning more in the 2021 legislative session.

Senator Hogan said she is interested in discussing road trains further, but her concern with the bill draft is providing the governor the authority to address road trains in the state. She said the Legislative Assembly should be responsible for enacting provisions and rules related to road trains if the idea progresses. She said she is not in support of delegating the authority to the governor.

Representative Ruby said under a pilot program, the governor likely would consult with the Department of Transportation regarding truck sizes, weights, axle configurations, and routes.

In response to a question from Representative Trottier, Senator Luick said the sizes and weights of potential road trains referenced in the comments by interested persons came from information he provided to the media in an interview earlier in the interim. He said when asked what the maximum size and weight of a road train could be, he said he gave a rough calculation of three full-length trailers, at 52 feet per trailer, with triple axles, the hitch between the trailers, and the semi. He said his calculations indicated 19 axles at 8 tons per axle. He said the potential at that size could be 360,000 pounds of gross vehicle weight at a length of 191 feet. He said the intent is for the majority of configurations to consist of full-length double trailers and to not reach the size or weight he referenced as the potential maximum.

Senator Dotzenrod said he is not sure if he would be supportive of the bill draft being enacted into law, but he is supportive of recommending it to the Legislative Management to learn more during legislative session.

Mr. Assel distributed written comments (Appendices C, D, E, F, G, H, I, J, K, and L) submitted by interested persons regarding the road train study.

It was moved by Senator Larsen, seconded by Representative Westlind, and carried on a roll call vote that the bill draft [21.0175.01000] relating to the governor's authority to exceed size and weight limitations on motor vehicles be approved and recommended to the Legislative Management. Representatives D. Johnson, Fisher, Ruby, Skroch, Trottier, and Westlind and Senators Dotzenrod, Larsen, Lemm, Luick, Myrdal, and Wanzek voted "aye." Senator Hogan voted "nay."

# **CENTRAL INDEXING SYSTEM STUDY**

Chairman Johnson said in previous meetings, the Secretary of State's office indicated it could enhance the central indexing system to provide notice to an originating lender when a priority lien is filed in the system, but the office was looking for legislative guidance before taking the steps to enhance the system. He said the committee could pass a recommendation that would be included in the committee's final report.

In response to a question from Senator Wanzek, Mr. Assel said an enhancement of the central indexing system would not alter the priority of liens under the law. He said it would provide a notification mechanism to lenders when a priority lien was filed in the system on the same collateral.

It was moved by Senator Wanzek, seconded by Senator Myrdal, and carried on a roll call vote that the Secretary of State be encouraged to enhance the central indexing system to provide notice to originating lenders when a priority lien is filed in the system on the same collateral. Representatives D. Johnson, Fisher, Ruby, Skroch, Trottier, and Westlind and Senators Dotzenrod, Hogan, Larsen, Lemm, Luick, Myrdal, and Wanzek voted "aye." No negative votes were cast.

### COMMITTEE DISCUSSION AND STAFF DIRECTIVES

It was moved by Senator Larsen, seconded by Representative Fisher, and carried on a voice vote that the Chairman and the Legislative Council staff be requested to prepare a report and the bill drafts recommended by the committee and to present the report and the recommended bill drafts to the Legislative Management.

It was moved by Senator Myrdal, seconded by Representative Trottier, and carried on a voice vote that the committee be adjourned sine die.

No further business appearing, Chairman Johnson adjourned the meeting sine die at 12:05 با	ss appearing. Chairman John	on adiourned the meetin	g sine die at 12:05 i	o.m.
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Dustin Assel Counsel

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