

Testimony – HB 1445
House Government and Veterans Affairs
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Chairman Schauer and members of the House Government and Veterans Affairs Committee, my name is Cody Schulz. I am the Director of the North Dakota Parks and Recreation Department, and I offer this testimony in support of HB 1445.

In the previous legislative session, we strongly supported SB 2347, which sought to raise thresholds for hiring architects and engineers for pre-engineered structures. While the bill passed the Senate, it was voted down in the House due to two primary concerns:

1. The term "unit" was undefined, leading to fears that it might unintentionally apply to regulated infrastructure like wastewater systems.
2. Concerns were raised about the safety of pre-engineered buildings if they did not meet North Dakota standards.

In response, our agency approached this issue with a commitment to refining the language and addressing these concerns comprehensively. We consulted with the North Dakota Department of Transportation (NDDOT), the North Dakota Department of Environmental Quality (NDDEQ), the Insurance Department, and the State Fire Marshal. Their expertise, along with the leadership Representative Brandenburg shaped the language now before you in HB 1445. Notably, this final language received no opposition from these key departments, reinforcing its practicality and alignment with state safety and regulatory standards.

Key Improvements in HB 1445:

1. Replacing the term "unit" with "building" to clearly define the scope and eliminate any potential overlap with regulated infrastructure, such as water or wastewater systems.
2. Including a precise definition of "pre-engineered building" and requiring compliance with North Dakota Building Code, addressing safety concerns while preserving the cost-saving and efficiency goals of the legislation.

It is also important to note that HB 1445 works within a framework of existing safeguards in the North Dakota Century Code that ensure public safety, particularly for schools:

- **NDCC 18-12-05:** Requires the State Fire Marshal and local fire departments to approve plans and specifications for school buildings before construction begins. This ensures fire safety standards are met and maintained through the building process.
- **NDCC 15.1-36-01:** Requires approval from the Superintendent of Public Instruction for school construction projects exceeding \$150,000. This additional oversight ensures that large-scale school improvement projects are reviewed for safety and appropriateness before construction.

These statutory provisions demonstrate that North Dakota has robust checks in place for public projects, ensuring safety and accountability even as thresholds are updated to reflect modern costs and needs.

We feel that HB 1445 provides us with a common-sense solution to the statutory challenges placed on many state agencies, particularly in three main categories:

1. Clarity and Safety:

- HB 1445 resolves the ambiguities of its predecessor, SB 2347, by narrowly defining its scope and mandating compliance with state safety standards. These refinements directly address feedback from last session and ensure public confidence in the legislation.

2. Efficiency and Fiscal Responsibility:

- Under current thresholds, many simple pre-engineered structures—such as comfort stations, cabins, and storage buildings – require unnecessary architectural and engineering oversight. In many cases forcing us to spend taxpayer dollars twice for the same service. These requirements add costs and delays without adding value. Increasing the threshold to \$1 million for pre-engineered buildings allows agencies to focus resources where they are most needed.

3. Collaborative and Balanced Approach:

- The development of this bill reflects meaningful consultation with regulatory and safety authorities, demonstrating that HB 1445 is a well-balanced and thoroughly vetted solution to streamline public improvement processes.

In closing, HB 1445 is a thoughtful and well-refined approach to modernizing public improvement thresholds. It incorporates lessons from the past legislative session and provides a commonsense solution to save taxpayer dollars, streamline government processes, and ensure safety standards are upheld.

On behalf of North Dakota Parks and Recreation, I strongly encourage a "Do Pass" on HB 1445. Thank you for your time, and I am happy to answer any questions.