1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS
HB 1045

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1045

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 1-14-1999

Tape Number	Side A	Side B	Meter #			
1	X		3.5 - 6.2			
2		X	38.6 - 44.0			
Committee Clerk Signature Committee Clerk Signature						

<u>Minutes</u>: Some of the individuals testifying submit written testimony. When noted please refer to it for more detailed information.

Representative Klein, Chairman of the GVA Committee opened the hearing on January 14, 1999.

Summary of the Bill: Relating to technical corrections and improper, inaccurate, redundant, missing, or obsolete references.

Testimony in Favor:

John Walstad, Co. - Director for the Legislative Council appeared before the committee to explain the bill. What it does is change things in the code but not substantively. Each session there are problems created by legislation that is drafted by someone other than our staff and we find these things after session. Provisions and errors from the past, are the types of things were talking about. I am also submitting amendments. I am for this bill.

<u>Testimony in Opposition</u>: None.

Page 2 House Government and Veterans Affairs Committee Bill/Resolution Number HB 1045 Hearing Date 1-14-1999

Representative Klein, Closed the hearing on HB 1045.

Representative Klein, Reopened the hearing on HB 1045. Tape 2, Side B, Meter # 38.6.

Representative Klein, These amendments fit in as a similar version where they updated out of the

judiciary committee all the right words that has to go with this.

Committee Action:

Representative Grande, Made a motion for a Do Pass on the amendments.

Representative Brekke, Seconded the motion.

Motion Passes: Do Pass on the amendments.

Representative Haas, Made a motion for a Do Pass on the amended bill.

Representative Brekke, Seconded the motion.

Motion Passes: Do Pass 14-0-1.

Representative Hawken, Is the carrier for the bill.

Prepared by the Legislative Council staff for the House Government and Veterans Affairs Committee

January 14, 1999

19/3

HOUSE AMENDMENTS TO HOUSE BILL NO. 1045

GVA 1-18-99

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 57-15-10 of the North Dakota Century Code, relating to correct placement of a reference to a city band levy;"

Page 1, line 12, after the fourth comma insert "21-10-06,"

Page 1, line 16, after the third comma insert "37-15-16, 37-15-17, 37-15-21,"

Page 1, line 20, replace "sections" with "section"

Page 1, line 21, after the first comma insert "subdivision b of subsection 2 of section 57-35.3-05, sections"

HOUSE AMENDMENTS TO HOUSE BILL NO. 1045

GVA 1-18-99

Page 27, after line 14, insert:

"SECTION 37. AMENDMENT. Section 21-10-06 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

21-10-06. Funds under management of board - Accounts. The board is charged with the investment of the following funds:

- 1. State bonding fund.
- 2. Teachers' fund for retirement.
- 3. State fire and tornado fund.
- 4. Workers' compensation fund.
- 5. Veterans' home improvement fund, in accordance with section 37-15-14.1.
- 6. National guard tuition trust fund.
- 7. 6. Public employees retirement system.
- 8. 7. Insurance regulatory trust fund.
- 9. 8. State risk management fund.
- 10. 9. Veterans' cemetery trust fund.

Separate accounting must be maintained for each of the above funds. When it is deemed advantageous, the moneys of the individual funds may be commingled for investment purposes.

The state investment board may provide investment services to, and manage the money of, any agency, institution, or political subdivision of the state, subject to agreement with the industrial commission. The scope of services to be provided by the state investment board to the agency, institution, or political subdivision must be

2063

specified in a written contract. The state investment board may charge a fee for providing investment services and any revenue collected must be deposited in the state retirement and investment fund."

HOUSE AMENDMENTS TO HOUSE BILL NO. 1045 GVA 1-18-99

Page 32, after line 10, insert:

"SECTION 52. AMENDMENT. Section 37-15-16 of the North Dakota Century Code is amended and reenacted as follows:

37-15-16. Commandant shall take charge of unclaimed estates of small value. If a member of the veterans' home dies leaving property of the value of three thousand dollars or less, the commandant immediately shall take charge of such property. If within forty-five days of the date of death no valid claim of any heir or devisee is made for the property and no application or petition has been filed for issuance of letters of administration, the commandant shall convert the property into cash without probate or other proceedings and make payment in the following order:

- 1. Reasonable funeral expenses.
- 2. Reasonable and necessary medical and hospital expenses of the last illness of the decedent.

If any cash remains the commandant shall deposit the cash with the state treasurer who shall credit it to the veterans' home improvement operating fund. The commandant shall make a report of the commandant's action to the administrative committee on veterans' affairs. The report must be audited by, and included in the records of, the committee.

SECTION 53. AMENDMENT. Section 37-15-17 of the North Dakota Century Code is amended and reenacted as follows:

37-15-17. Intestate members leaving estates valued in excess of three thousand dollars - Commandant to administer. If a member of the veterans' home dies leaving property in excess of three thousand dollars in value not disposed of by will, the commandant is entitled to letters of administration upon such estate. He The commandant shall make application apply to the proper court for letters of administration, qualify as administrator, and distribute and dispose of such estate as is provided by this code. If no valid claim is made to such estate by the heirs or the next of kin of the deceased member for a period of one year after the granting of letters of administration, the residue of the estate must be deposited with the state treasurer for the benefit of the veterans' home improvement operating fund.

SECTION 54. AMENDMENT. Section 37-15-21 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

37-15-21. Commandant may accept gifts, donations, or bequests. The commandant for and in behalf of the veterans' home is hereby authorized to accept and expend funds from any source, including federal or private sources and donations, gifts, or bequests offered or tendered to, or for the benefit of, the veterans' home to be used to benefit the veterans' home. All such moneys received or accepted must be used for the specific purposes for which they were given or donated. This authority shall apply and be retroactive to any or all gifts, donations, or bequests heretofore tendered, offered, or made. The veterans' home may establish and maintain its own local fund to administer moneys received under this section. All interest, rent, or income from moneys or property received under this section must be deposited in the veterans' home improvement operating fund unless by the terms of acquisition, the moneys are required to be maintained in a different manner."



Page 39, after line 16, insert:

"SECTION 70. A new subsection to section 57-15-10 of the North Dakota Century Code is created and enacted as follows:

Taxes levied for support of a city band may be levied in an amount not exceeding one mill.

SECTION 71. AMENDMENT. Subdivision b of subsection 2 of section 57-35.3-05 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- b. For purposes of determining distributions to and from the counties under section 57 38.3 09 57-35.3-09:
 - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
 - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
 - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee."

L 1-13

Roll Call Vote #:	-14-99
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1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. \U\S

House GOVERNMENT AND VETERANS AFFAIRS				Committee		
Subcommittee on						
Conference Committee						
Legislative Council Amendment Number						
Action Taken Do PASS AS AMENNEN						
Motion Made By Seconded By By						
Representatives	Yes	No	Representatives	Yes	No	
CHAIRMAN KLEIN	V		REP. WINRICH	~		
VICE-CHAIR KLINISKE						
REP. BREKKE			B.			
REP. CLEARY	~					
REP. DEVLIN	V	7	1			
REP. FAIRFIELD	V			1		
REP. GORDER						
REP. GRANDE						
REP. HAAS	V					
REP. HAWKEN						
REP. KLEMIN	V			-		
REP. KROEBER	1/		· · ·			
REP. METCALF	1	<u> </u>		├──	\vdash	
REP. THORESON	1					
Total (Yes) No O						
Absent						
Floor Assignment HAWKEN						
If the vote is on an amendment, briefly indicate intent:						

Module No: HR-10-0724 Carrier: Hawken

Insert LC: 90131.0301 Title: .0400

REPORT OF STANDING COMMITTEE

HB 1045: Government and Veterans Affairs Committee (Rep. Klein, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1045 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 57-15-10 of the North Dakota Century Code, relating to correct placement of a reference to a city band levy;"

Page 1, line 12, after the fourth comma insert "21-10-06,"

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Page 1, line 21, after the first comma insert "subdivision b of subsection 2 of section 57-35.3-05, sections"

Page 27, after line 14, insert:

"SECTION 37. AMENDMENT. Section 21-10-06 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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The state investment board may provide investment services to, and manage the money of, any agency, institution, or political subdivision of the state, subject to agreement with the industrial commission. The scope of services to be provided by the state investment board to the agency, institution, or political subdivision must be specified in a written contract. The state investment board may charge a fee for

Module No: HR-10-0724 Carrier: Hawken

Insert LC: 90131.0301 Title: .0400

providing investment services and any revenue collected must be deposited in the state retirement and investment fund."

Page 32, after line 10, insert:

"SECTION 52. AMENDMENT. Section 37-15-16 of the North Dakota Century Code is amended and reenacted as follows:

- **37-15-16.** Commandant shall take charge of unclaimed estates of small value. If a member of the veterans' home dies leaving property of the value of three thousand dollars or less, the commandant immediately shall take charge of such property. If within forty-five days of the date of death no valid claim of any heir or devisee is made for the property and no application or petition has been filed for issuance of letters of administration, the commandant shall convert the property into cash without probate or other proceedings and make payment in the following order:
 - 1. Reasonable funeral expenses.
 - 2. Reasonable and necessary medical and hospital expenses of the last illness of the decedent.

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SECTION 54. AMENDMENT. Section 37-15-21 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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REPORT OF STANDING COMMITTEE (410) January 16, 1999 6:31 a.m.

Module No: HR-10-0724 Carrier: Hawken Insert LC: 90131.0301 Title: .0400

Page 39, after line 16, insert:

"SECTION 70. A new subsection to section 57-15-10 of the North Dakota Century Code is created and enacted as follows:

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SECTION 71. AMENDMENT. Subdivision b of subsection 2 of section 57-35.3-05 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- b. For purposes of determining distributions to and from the counties under section 57 38.3 09 57-35.3-09:
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 - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
 - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee."

1999 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1045

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1045

Senate Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date February 26, 1999

Tape Number	Side A	Side B	Meter #		
1	X		520-1839		
Committee Clerk Signature					

Minutes: CHAIRMAN KREBSBA&H opened the hearing on HB 1045 which relates to correct placement of a reference to city bond levy and relates to obsolete provisions. This is basically a technical corrections bill. Appearing before the committee to explain the legislation was John Walstad, representing the Legislative Council. He indicated that this is the one case in which he can indicate he is in favor of this bill because what we are doing with this bill is correcting mistakes and he indicated he hates mistakes because he is the one who has to fix them. He showed the committee the file for this bill indicating that there have been several versions of this bill while it has been in the making. Every time we find a mistake we tuck it into our technical corrections act and that's what this is. He indicated that since this bill has come over from the house side he has found several more mistakes. As such he has proposed amendments to this legislation. Copies have been handed out to the committee. These amendments relate to the corporate farming law. As you recall last session and again this session we had this huge bill that

Page 2 Senate Government and Veterans Affairs Committee Bill/Resolution Number HB 1045 Hearing Date February 26, 1999

the bar association brought forth on corporations, limited liability companies, a 247 page whopper this time. I don't remember how big it was last time. But last time it created all kinds of problems. I just noticed one. There were three places where we had to fix it. Last time in that bill, rather than deal with the corporate farming law they repealed that chapter, rewrote the chapter and put in limited liability companies along with corporations as being prohibited from engaging in farming unless they meet certain qualifications. So, the chapter was moved from 10-06 to 10-06.1 and I just found three references to 10-06 where you can't engage in farming unless you are in compliance with 10-06 and that has to be changed to 10-06.1 because that's where it is now. So that is what the amendments he has prepared take care of. I won't inflict on you a section by section analysis of the technical corrections act. If there are any things in here that catch your eye we can certainly cover it. Most of it, I think the first half of the bill deals with corrections of cross references and things like that that were created by that corporations revision last time. It must go up to about section 30 of the bill. Some of these are pretty old. There is one in the probate code that we caught during the interim that has been there for like 20 years. There was a bad reference. You would think that that kind of thing would be noticed but it took 20 years for someone to catch it. If you have any questions I can certainly answer them. SENATOR STENEHJEM indicated that there is a section by section analysis available. It may be useful for us to have in our books for whoever is carrying it on the floor. Further questions or comments were offered by SENATORS THANE and KREBSBACH. There were no further questions. CHAIRMAN KREBSBACH closed the hearing on HB 1045. A motion to adopt amendments to HB 1045 was made by SENATOR STENEHJEM, seconded by SENATOR KILZER. ROLL CALL VOTE indicated 7 YEAS, 0 NAYS, 0 ABSENT OR NOT VOTING. A

Senate Government and Veterans Affairs Committee
Bill/Resolution Number HB 1045
Hearing Date February 26, 1999
motion for DO PASS AS AMENDED was made by SENATOR W. STENEHJEM, seconded by
SENATOR DEMERS, ROLL CALL VOTE indicated 7 YEAS, 0 NAYS, 0 ABSENT OR NOT
VOTING. SENATOR W. STENEHJEM will carry the bill.

Page 3

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1045

Page 1, line 3, after "1-04-09" insert ", 1-08-08"

Page 1, line 19, replace the second "section" with "sections 42-04-01,"

Page 1, line 20, after "45-10.1-02" insert ", section 47-10.1-02"

Page 1, line 25, after "sections" insert "10-19.1-03,"

Page 2, after line 13, insert:

"SECTION 2. AMENDMENT. Section 1-08-08 of the North Dakota Century Code is amended and reenacted as follows:

1-08-08. Validation of land titles acquired by corporations prior to before March 7, 1935. The title and ownership of any real estate acquired in any manner by any domestic or foreign corporation after July 29, 1932, and prior to before March 7, 1935, is hereby declared to be valid for all purposes, subject, however, to all of the provisions contained in chapter 10-06 10-06.1."

Page 36, after line 18, insert:

"SECTION 61. AMENDMENT. Section 42-04-01 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

42-04-01. "Agricultural operation" defined. As used in this chapter, "agricultural operation" means the science and art of production of plants and animals useful to man people, by a corporation as provided in chapter 10-06, or a limited liability company as allowed under chapter 10-06.1, a partnership, or a proprietorship, and including, to a variable extent, the preparation of these products for man's people's use and their disposal by marketing or otherwise, and includes horticulture, floriculture, viticulture, forestry, dairy, livestock, poultry, bee, and any and all forms of farm products, and farm production."

Page 38, after line 18, insert:

"SECTION 66. AMENDMENT. Section 47-10.1-02 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

47-10.1-02. Restriction on acquisition - Exceptions. A person who is not a citizen of the United States or a citizen of Canada, except a permanent resident alien of the United States, may not acquire directly or indirectly any interest in agricultural land. A partnership, limited partnership, limited liability company, trustee, or other business entity may not, directly or indirectly, acquire or otherwise obtain any interest, whether legal, beneficial, or otherwise, in any title to agricultural land unless the ultimate beneficial interest of the entity is held directly or indirectly by citizens of the United States or permanent resident aliens of the United States. This section does not apply to

agricultural land that may be acquired by devise, inheritance, as security for indebtedness, by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise; provided, that all agricultural land acquired in the collection of debts or by the enforcement of a lien or claim shall be disposed of within three years after acquiring ownership, if the acquisition would otherwise violate this section. This section does not apply to a foreign corporation or a foreign limited liability company which acquires agricultural land for use as an industrial site where construction contracts are entered into by the corporation or limited liability company within one hundred fifty days after acquisition of the land; provided, that this exception shall only apply to so much agricultural land as is reasonably necessary for industrial purposes. A foreign corporation or a foreign limited liability company which owns agricultural land for industrial purposes but which discontinues using the land for industrial purposes shall dispose of the land as provided by chapter 10-06.1. A foreign corporation or foreign limited liability company shall dispose of agricultural land acquired for industrial purposes within one year after acquisition if construction contracts are not entered into within one hundred fifty days after acquisition of the land. This section does not apply to citizens or subjects of a foreign country whose rights to hold land are secured by treaty or to common carriers by railroad subject to the jurisdiction of the interstate commerce commission."

Page 44, line 29, after "Sections" insert "10-19.1-03,"

Date: 2/26/99 Roll Call Vote #:

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. HB 1043

Senate GOVERNMENT AND VETERAN'S AFFAIRS				_ Comn	Committee	
Subcommittee on						
or		,				
Conference Committee						
Legislative Council Amendment Num	_					
Action Taken Adapt	- /	men	dments .0401			
Motion Made By Sey. Sten	ehjom	Sec By	Sen. Kila	ze (
Senators	Yes	No	Senators	Yes	No	
SENATOR KREBSBACH	V					
SENATOR WARDNER	Bonne					
SENATOR KILZER	VI					
SENATOR STENEHJEM	V,					
SENATOR THANE	1//					
SENATOR DEMERS	V		<			
SENATOR MUTZENBERGER	V					
		1				
7			Λ			
Total (Yes)/		No)			
Absent	(<u></u>				
Floor Assignment						
If the vote is on an amendment, briefl	ly indica	ite inter	nt:			

Date: 2/26/99 Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. +16 1045

Senate GOVERNMENT AND VETERAN'S AFFAIRS					Committee	
Subcommittee on or Conference Committee						
Legislative Council Amendment Num	_		<i>(</i>)			
Mation Made Du		So	Amended			
Sen Sten	ehjem	By		ers	-	
Senators	Yes	No	Senators	Yes	No	
SENATOR KREBSBACH	V					
SENATOR WARDNER	V					
SENATOR KILZER	V					
SENATOR STENEHJEM	V					
SENATOR THANE	V					
SENATOR DEMERS	V					
SENATOR MUTZENBERGER	1					
Total (Yes)	7	No	>			
Absent						
Floor Assignment Sen. W. Stenehjem						

If the vote is on an amendment, briefly indicate intent:

Module No: SR-36-3739 Carrier: W. Stenehjem Insert LC: 90131.0401 Title: .0500

REPORT OF STANDING COMMITTEE

HB 1045, as engrossed: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1045 was placed on the Sixth order on the calendar.

Page 1, line 3, after "1-04-09" insert ", 1-08-08"

Page 1, line 19, replace the second "section" with "sections 42-04-01,"

Page 1, line 20, after "45-10.1-02" insert ", section 47-10.1-02"

Page 1, line 25, after "sections" insert "10-19.1-03,"

Page 2, after line 13, insert:

"SECTION 2. AMENDMENT. Section 1-08-08 of the North Dakota Century Code is amended and reenacted as follows:

1-08-08. Validation of land titles acquired by corporations prior to before March 7, 1935. The title and ownership of any real estate acquired in any manner by any domestic or foreign corporation after July 29, 1932, and prior to before March 7, 1935, is hereby declared to be valid for all purposes, subject, however, to all of the provisions contained in chapter 10-06 10-06.1."

Page 36, after line 18, insert:

"SECTION 61. AMENDMENT. Section 42-04-01 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

42-04-01. "Agricultural operation" defined. As used in this chapter, "agricultural operation" means the science and art of production of plants and animals useful to man people, by a corporation as provided in chapter 10 06, or a limited liability company as allowed under chapter 10-06.1, a partnership, or a proprietorship, and including, to a variable extent, the preparation of these products for man's people's use and their disposal by marketing or otherwise, and includes horticulture, floriculture, viticulture, forestry, dairy, livestock, poultry, bee, and any and all forms of farm products, and farm production."

Page 38, after line 18, insert:

"SECTION 66. AMENDMENT. Section 47-10.1-02 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

47-10.1-02. Restriction on acquisition - Exceptions. A person who is not a citizen of the United States or a citizen of Canada, except a permanent resident alien of the United States, may not acquire directly or indirectly any interest in agricultural land. A partnership, limited partnership, limited liability company, trustee, or other business entity may not, directly or indirectly, acquire or otherwise obtain any interest, whether legal, beneficial, or otherwise, in any title to agricultural land unless the ultimate beneficial interest of the entity is held directly or indirectly by citizens of the United States or permanent resident aliens of the United States. This section does not apply to agricultural land that may be acquired by devise, inheritance, as security for indebtedness, by process of law in the collection of debts, or by any procedure for the enforcement of a lien or claim thereon, whether created by mortgage or otherwise; provided, that all agricultural land acquired in the collection of debts or by the enforcement of a lien or claim shall be disposed of within three years after acquiring

REPORT OF STANDING COMMITTEE (410) March 1, 1999 8:41 a.m.

Module No: SR-36-3739 Carrier: W. Stenehjem Insert LC: 90131.0401 Title: .0500

ownership, if the acquisition would otherwise violate this section. This section does not apply to a foreign corporation or a foreign limited liability company which acquires agricultural land for use as an industrial site where construction contracts are entered into by the corporation or limited liability company within one hundred fifty days after acquisition of the land; provided, that this exception shall only apply to so much agricultural land as is reasonably necessary for industrial purposes. A foreign corporation or a foreign limited liability company which owns agricultural land for industrial purposes but which discontinues using the land for industrial purposes shall dispose of the land as provided by chapter 10-06 10-06.1. A foreign corporation or foreign limited liability company shall dispose of agricultural land acquired for industrial purposes within one year after acquisition if construction contracts are not entered into within one hundred fifty days after acquisition of the land. This section does not apply to citizens or subjects of a foreign country whose rights to hold land are secured by treaty or to common carriers by railroad subject to the jurisdiction of the interstate commerce commission."

Page 44, line 29, after "Sections" insert "10-19.1-03,"