

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2130

2005 SENATE POLITICAL SUBDIVISIONS

SB 2130

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **SB 2130**

Senate Political Subdivisions Committee

☐ Conference Committee

Hearing Date January 13, 2005

Tape Number	Side A	Side B	Meter #
1	X		0 - 1091
Committee Clerk Signature <i>Shirley Borg</i>			

Minutes:

**Chairman Cook** called the committee to order. Roll call was taken with all members (6) present.

**Chairman Cook** opened the hearing on SB 2130 relating to the industrial commission's authority to set the compensation for various advisory boards.

**Karlene Fine**, Executive Director and Secretary, Industrial Commission of ND, testified in support of SB 2130. (See Attachment #1)

**Senator Fairfield** - In section 3, removing that section that may take that out of the lignite research fund mean that they can no longer do that?

**Karlene Fine** - No, the Industrial Commission Statute which is 54-17-03 would then be the predominant statute and would allow the commission to establish the compensation level.

**Senator Gary Lee** - Confused on Section 2, line 5 using that word notwithstanding. What is its intent? Does it mean regardless of any other law or because of?

**Karlene Fine** - The section was drafted by the council in Attorney Generals office. I will clarify it.

**Senator Cook** - What is the Oil and Gas Research Council.

**Karlene Fine** - It is a new council that was established by the legislature last session. It consists of nine members that are appointed by the governor. They represent the oil and gas industry, the oil and gas producing counties and the head of the oil and gas divisions state geologist. They make recommendations to the commission regarding the expenditures for the oil and gas research fund.

**Senator Cook** - When you have people serving on one of these councils that also have another capacity in state government, then they would get no compensation.

**Karlene Fine** - That is correct.

**Senator Triplett** - Can you tell me are these different boards currently compensated at about the same rate or is there variations between the rates.

**Karlene Fine** - The industry commission has established that the rate be the same as the legislative rate of one hundred dollars.

**Senator Hacker** - Was there a purpose when they put these boards into statute for the reason of not providing compensation or was it just left out.

**Karlene Fine** - It was more of an oversight of being put in the statute when it was drafted.

**Senator Cook** - Is the list of commissions that you oversee on the list all of them?

**Karlene Fine** - There are some entities within the Bank of North Dakota that the commission has authority over that don't have an advisory committee. This is a pretty inclusive list of all entities that the Industrial Commission works with.

**Senator Cook** - Do you have the authority to say we want this organization to start advising us on issues and therefore expand the list of who you might be compensating?

**Karlene Fine** - Yes, that flexibility would be contained in that section. The commission could set compensation within the limits of legislation appropriations for the members of new boards or committees.

**Ron Ness**, North Dakota Petroleum Council, appeared in support of SB 2130. He found one inconsistency that he feels this would be a good time to change. In section 4 line 23 and 24, it refers to the list provided by the ND Oil and Gas Association, which is his organization and in line 30 it says ND Petroleum Council, which is also his organization. He feels those two should be changed to read the same to provide consistency.

No further testimony for or against SB 2130.

**Chairman Cook** closed the hearing.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2130

Senate Political Subdivisions Committee

☐ Conference Committee

Hearing Date January 21, 2005 (Action)

Tape Number	Side A	Side B	Meter #
1	X		5795 - End
Committee Clerk Signature <i>Shirley Borg</i>			

Minutes:

**Senator Cook** called the committee to order for discussion on SB 2130. All members (6) present.

Amendments were presented. Changing the Oil and Gas Association to Petroleum Council.

**Senator Triplett** made a motion to move the Amendments

**Senator Hacker** seconded the motion.

Roll call vote: 5 Yes 0 No 1 Absent

**Senator Hacker** moved a Do Pass on SB 2130

**Senator Fairfield** seconded the motion.

Roll call vote: 6 Yes 0 No 0 Absent

Carrier: **Senator Hacker**

# FISCAL NOTE

Requested by Legislative Council  
12/23/2004

Bill/Resolution No.: SB 2130

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$0	\$4,400	\$0	\$4,400
<b>Appropriations</b>	\$0	\$0	\$0	\$4,400	\$0	\$4,400

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The Industrial Commission has adopted a policy of paying all its advisory board and council members the same compensation that legislators receive for attendance at interim committee meetings. This legislation would allow the Industrial Commission to pay compensation to four citizen members of the Lignite Research Council (two citizen members and two legislators) and citizen members of the Oil and Gas Research Council (up to seven). These two Councils receive their funding from special funds.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Lignite Research Council meets twice a year. If the four citizen members are in attendance the cost would be \$400 per meeting for compensation. The Oil and Gas Research Council meets twice a year. If the seven citizen members are in attendance the cost would be \$700 per meeting for compensation.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

The Lignite Research Council funding comes from the Lignite Research Fund. The appropriation for the Lignite Research Program is included in the Industrial Commission budget grants line item. The Oil and Gas Research Council funding comes from the Oil and Gas Research Fund which has a continuing appropriation and is not reflected in the appropriations bill.

<b>Name:</b>	Karlene Fine	<b>Agency:</b>	Industrial Commission
<b>Phone Number:</b>	328-3722	<b>Date Prepared:</b>	01/04/2005



Date: 1-21-05  
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2130

Senate Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass on Amendment

Motion Made By Senator Triplett Seconded By Senator Hacker

Senators	Yes	No	Senators	Yes	No
Senator Dwight Cook, Chairman	X				
Senator Nicholas P. Hacker, VC	X				
Senator Dick Dever	X				
Senator Gary A. Lee	A				
Senator April Fairfield	<del>X</del>				
Senator Constance Triplett	X				

Total (Yes) 5 No 0

Absent 1

Floor Assignment \_\_\_\_\_

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

Change "oil and gas association" to petroleum council  
Page 2 lines 24 + 25

Date: 1-21-05  
Roll Call Vote #: 2

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO SB 2130

Senate Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 58227.0101 Title .0200

Action Taken Do Pass as Amended

Motion Made By Senator Hacker Seconded By Senator Fairfield

Senators	Yes	No	Senators	Yes	No
Senator Dwight Cook, Chairman	X				
Senator Nicholas P. Hacker, VC	X				
Senator Dick Dever	X				
Senator Gary A. Lee	X				
Senator April Fairfield	X				
Senator Constance Triplett	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Hacker

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

**REPORT OF STANDING COMMITTEE**

**SB 2130: Political Subdivisions Committee (Sen. Cook, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2130 was placed on the Sixth order on the calendar.**

Page 2, line 24, overstrike "oil and gas association" and insert immediately thereafter "petroleum council"

Page 2, line 25, overstrike "association" and insert immediately thereafter "council"

Renumber accordingly

2005 HOUSE POLITICAL SUBDIVISIONS

SB 2130

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2130

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date March 3, 2005

Tape Number	Side A	Side B	Meter #
2	x		25.5 to 52.9
2		x	31.8 to 37.7
Committee Clerk Signature <i>Louise B. Fine</i>			

Minutes: **Rep. Devlin, Chairman** opened the hearing on SB 2130, a bill for an Act to amend and reenact sections 6-09-02.1, 54-17-03., 54-17.5-02, and 54-17.6-05 of the North Dakota Century Code, relating to the industrial commission's authority to set the compensation for various advisory boards.

**Karlene Fine** Executive Director and Secretary for the Industrial Commission -- explained the background for the bill. A copy of her prepared remarks is attached.

**Rep. Kretschmar ( 28.3 )** I believe the new language at the top of page 2 would -- would that be the Industrial commission's authority to give expenses that already expressed in state law for all state employees and the legislators and everybody?

**Karlene Fine** -- I don't know for sure --

**Robert Harms** representing the Northern Alliance of Independent Producers. His testimony was basically to request a revision of the membership make up of some of the boards which report to the Commission and to bring consistency in the method of reimbursement as some under the law

are for actual expenses and some are for per diem and some maybe include salary. Mr. Harms also presented an amendment which he proposed to the committee. A copy of his prepared remarks and his amendment are attached.

**Rep. Koppelman ( 32.9 )** Is the Governor's office asking for these changes?

**Mr. Harms --** No

**Rep. Koppelman --** Are they in favor of them.

**Mr. Harms --** I don't think they are opposed to them. We haven't spoken to the Governor's Office about them. This is really an issue between the Petroleum council and the Northern Alliance.

**Rep. Herbal, Vice Chairman ( 34.1 )** How many voices do you have on this now?

**Mr. Harms -** We have thirty members In regards to which amendment the committee would chose -- the one on the bottom would be the better approach.

**Rep. Ekstrom ( 36.0 )** I want to give flexibility to the Governor but I don't want to express a preference -- its like saying which of your grandkids you like better -- I will defer to the committee on that --

**Mr. Harms -** that is what we were struggling with too as to how to structure the amendment so that you would look at line 23 on page 2 -- so that it wasn't too convoluted maybe there could be two sets of lists or some other way -- we didn't come up with a method that makes much sense.

**Rep. Ekstrom ( 37.9 )** Are you thinking that at some future date you might be locked out and not allowed to participate?

**Mr. Harms** -- No but it is a little awkward for one association having to go to another association to see if they will allow a members name to be advance to the Governor for consideration to be appointed to a board.

**Rep. Koppelman ( 38.9 )** You stated you have 30 members and how long has the Petroleum Council be around and how many members do they have?

**Mr. Harms** -- The Petroleum council has been around I would guess 30-40 years and they have 100 or more members.

**Rep.Devlin, Chairman** You said they operate mostly in North Dakota -- yours is all over--

**Mr. Harms** -- Its a mix they have some from other states -- they have companies the office in Dallas, Texas as we do -- they have companies that are located here in Bismarck and Dickinson We are just trying to -- the members felt strongly about this ---so they would like to advance names to the Governor for consideration as we feel strongly about the future here too.

**Rep. N. Johnson ( 40.8 )** If we were to take the second alternative --and have the board down to 7 members -- how do you propose the terms of office for these appointments?

**Mr. Harms** -- Those are already in current law in place -- its in the bill.

**Rep.Devlin, Chairman** I am in my 5th session and I have always considered the Petroleum council as a very effective lobbyist for an industry that I have ever seen anywhere -- I am little reluctant to change something that has been that effective for our business community -- sure I want to help you out with you problem and would rather not dilute their effectiveness. You must have some problem working with them or you wouldn't be here.

**Mr. Harms** I agree with you about the Petroleum Council -- when I was in the Governor's Office and even today I think they are a well organized group that represents their industry well -- I have

always thought that -- the Alliance is a little different bent in terms of its membership and their direction - we don't have refineries, we don't have pipeline companies -- that is why the Alliance was formed by some of the same members that are in our industry -- so that we could speak with one voice for that particular sector of the industry. What we are saying here is that we want to give the Governor a greater pool to chose from.

**Rep.Devlin, Chairman ( 45.4 )** You said there was an overlap -- out of your 30 and their 120 how many ? --

**Mr. Harms** We have 5 in common. About 20 of our members are members of the Petroleum Council.

**Rep. N. Johnson ( 46.9 )** This does need some work on it because it doesn't talk about who make the appointments, etc.

**Rep. Kretschmar ( 47. 8 )** The current law call it the Oil and Gas Association --has that got something to do with this?

**Mr. Harms --** Yes they changes their name.

**Rep. N. Johnson ( 48.8 )** I would like to ask Ron Ness a question.

**Ron Ness --** North Dakota Petroleum Council -- I will answer questions.

**Rep. N. Johnson** Do you have a problem in your association in drawing nominations to submit to the Governor.

**Ron Ness** I have not had a chance to take this to my board. Referring back to the previous legislative session the language referring to the list coming from the Petroleum Council was something that was put in by the House. We wanted to be sure that we had industry appropriate people filling these positions because they are dealing with technologies and production related



issues. In 2003 we went through a list of what we thought was fair -- the council was operating and doing a fine job. We will continue to work together with Northern Alliance. The language came primarily from the Finance and Tax committee last session.

**Rep. Koppelman** ( 51.3 ) In putting forward these names --is there any reason you wouldn't put forth names from the Northern Alliance?

**Ron Ness** - No and we have received a letter sent to the Governor suggesting that we consider all people in the industry and I certainly --think --on these lists you try to appoint North Dakotans to North Dakota boards --so that has been one of the criteria that we looked when we made the suggestions to the Governor -- you all know how the process works. We want good people on there and will do our best to get them.

There being no further testimony **Rep.Devlin, Chairman** closed the hearing on SB 2130.(52.9 ).

In work session **Rep. Koppelman** moved a 'Do Pass' motion for SB 2130. **Rep. Dietrich** seconded the motion. On a roll call vote the motion carried **11 ayes 0 nays 1 absent. Rep. Dietrich** was designated to carry SB 2130 on the floor. End of record ( 37.7 )

Date: March 3, 2005  
Roll Call Vote:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2130

House POLITICAL SUBDIVISIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken

Do Pass

Motion Made By

Rep. Koppelman

Seconded By

Rep. Herbel

Representatives	Yes	No	Representatives	Yes	No
Rep. Devlin, Chairman	✓		Rep. Ekstrom	✓	
Rep. Herbel, Vice Chairman	✓		Rep. Kaldor	✓	
Rep. Dietrich	✓		Rep. Zaiser	✓	
Rep. Johnson	✓				
Rep. Koppelman	✓				
Rep. Kretschmar	✓				
Rep. Maragos	A				
Rep. Pietsch	✓				
Rep. Wrangham	✓				

Total

(Yes)

11

No

0

Absent

1

Floor Assignment

Rep. Dietrich

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

**REPORT OF STANDING COMMITTEE (410)**  
**March 7, 2005 8:32 a.m.**

**Module No: HR-41-4234**  
**Carrier: Dietrich**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2130, as engrossed: Political Subdivisions Committee (Rep. Devlin, Chairman)**  
**recommends DO PASS (11 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).**  
**Engrossed SB 2130 was placed on the Fourteenth order on the calendar.**

2005 TESTIMONY

SB 2130



# INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven  
Governor

Wayne Stenehjem  
Attorney General

Roger Johnson  
Agriculture Commissioner

Testimony on Senate Bill No. 2130  
By Karlene Fine  
Executive Director & Secretary  
Industrial Commission of North Dakota  
January 13, 2005  
Senate Political Subdivisions Committee

Mr. Chairman and members of the Senate Political Subdivisions Committee, my name is Karlene Fine and I am Executive Director and Secretary for the Industrial Commission.

The Industrial Commission oversees a number of entities---Bank of North Dakota, Housing Finance Agency, State Mill, Municipal Bond Bank, Oil and Gas Division, Geological Survey and is responsible for the Lignite Research, Development and Marketing Program and the Oil and Gas Research Program. Either by statute or by policy the Commission may be advised by a group of individuals interested in the functions of that particular agency or program.

This past year the Attorney General issued an opinion (2004-L-48) that clarified whether county planning commission members were entitled to a salary or per diem when the statute stated actual expenses. That opinion, which is attached, stated that planning commission members are entitled to actual expenses incurred in serving on the commission but are not entitled to a salary or per diem. . . .

The State Auditor when auditing the Industrial Commission this past year had also raised that question as it related to the various advisory board/committees that advise the Industrial Commission. Some of the advisory boards had specific authority---such as the Bank Advisory Board to receive compensation in addition to actual expenses but others such as the Lignite Research Council and the Oil and Gas Research Council only referred to actual and necessary expenses.

Therefore, the reason for this bill. To provide consistency throughout the statutes regarding compensation for the Commission's various advisory boards/committees the Commission is proposing that an amendment be made to Section 54-17-03, the Commission statute, (Section 2 of the Senate Bill 2130) permitting the Commission to set the compensation, within the limits of legislative appropriation, for those advisory committees. Sections 1, 3 and 4 of Senate Bill 2130 then repeal the specific statutory references to compensation as it relates to the Bank Advisory Board, the Lignite Research Council and the Oil and Gas Research Council.

Thank you for the opportunity to present testimony on Senate Bill 2130. On behalf of the Commission, I would request your approval of this legislation.

LETTER OPINION  
2004-L-48

July 16, 2004

Mr. Tom Henning  
Stark County State's Attorney  
PO Box 130  
Dickinson, ND 58602-0130

Dear Mr. Henning:

Thank you for your letter asking how county planning commission members are compensated. It is my opinion that county planning commission members are entitled to compensation pursuant to N.D.C.C. § 11-33-05 for the actual expenses they incur by serving on the commission but are not entitled to a salary or per diem under N.D.C.C. § 11-10-10(4).

ANALYSIS

Section 11-33-05, N.D.C.C., states in part: "Members of the [county planning] commission may be compensated for their actual expenses in the same manner as members of the board of county commissioners." (Emphasis added.) As you noted, county commissioners are entitled to "receive an annual salary or per diem as provided by resolution of the board." N.D.C.C. § 11-10-10(4). You ask whether N.D.C.C. § 11-33-05 entitles the planning commission members to compensation in the form of a salary or per diem under N.D.C.C. § 11-10-10(4). The phrase "actual expenses" in N.D.C.C. § 11-33-05 indicates that members of a county planning commission are only entitled to the actual expenses they incur in participating on the county planning commission. There is no provision requiring or authorizing them to be paid a salary for serving on the commission.

This interpretation is supported by the legislative history for N.D.C.C. § 11-33-05. Until a 1969 amendment added the phrase "actual expenses," N.D.C.C. § 11-35-05 provided that planning commission members served without any compensation. The legislative history indicates that the language was added in order to compensate planning commission members for the expenses they incurred to attend the meetings. See Hearing on H.B. 455 Before the House Comm. on Political Subdivisions, 1969 N.D. Leg.

LETTER OPINION 2004-L-48

July 16, 2004

Page 2

("[T]he county zoning people have a long distance to travel. . . . This just takes care of expenses, this is not a salary . . .") (Feb. 4) (Statement of Rep. Strinden).

Thus, in my opinion, planning commission members are entitled to actual expenses incurred in serving on the commission but are not entitled to a salary or per diem under N.D.C.C. § 11-10-10(4).

Sincerely,

Wayne Stenehjem  
Attorney General

sam/pg

This opinion is issued pursuant to N.D.C.C. § 54-12-01. It governs the actions of public officials until such time as the question presented is decided by the courts. See State ex rel. Johnson v. Baker, 21 N.W.2d 355 (N.D. 1946).



# INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven  
Governor

Wayne Stenehjem  
Attorney General

Roger Johnson  
Agriculture Commissioner

Testimony on Engrossed Senate Bill No. 2130

By Karlene Fine

Executive Director & Secretary

Industrial Commission of North Dakota

March 3, 2005

House Political Subdivisions Committee

Mr. Chairman and members of the House Political Subdivisions Committee, my name is Karlene Fine and I am Executive Director and Secretary for the Industrial Commission.

The Industrial Commission oversees a number of entities including the Bank of North Dakota, Housing Finance Agency, Municipal Bond Bank and is responsible for the Lignite Research, Development and Marketing Program and the Oil and Gas Research Program. Either by statute or by policy the Commission may be advised by a group of individuals interested in the functions of that particular agency or program.

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The State Auditor when auditing the Industrial Commission this past year had also raised that question as it related to the various advisory board/committees that advise the Industrial Commission. Some of the advisory boards had specific authority—such as the Bank Advisory Board to receive compensation in addition to actual expenses but others such as the Lignite Research Council and the Oil and Gas Research Council only referred to actual and necessary expenses.

Therefore, the reason for this bill. To provide consistency throughout the statutes regarding compensation for the Commission's various advisory boards/committees the Commission is proposing that an amendment be made to Section 54-17-03, the Commission statute, (Section 2 of the Senate Bill 2130) permitting the Commission to set the compensation, within the limits of legislative appropriation, for those advisory committees. Sections 1, 3 and 4 of Senate Bill 2130 then repeal the specific statutory references to compensation as it relates to the Bank Advisory Board, the Lignite Research Council and the Oil and Gas Research Council.



Testimony on Senate Bill No. 2130

Page 2

March 3, 2005

When this legislation was considered by the Senate a representative from the North Dakota Petroleum Council proposed the changes noted on lines 24 and 25 of Page 2 regarding the name of their organization. This was the only change that was made by the Senate to the legislation as proposed by the Industrial Commission.

Thank you for the opportunity to present testimony on Engrossed Senate Bill 2130. On behalf of the Commission, I would request your approval of Senate Bill 2130.

SB 2130  
March 3, 2005

Political Subdivisions Committee  
ND House of Representatives  
State Capitol  
Bismarck, North Dakota

My name is Robert Harms, I am president of the Northern Alliance of Independent Producers, which is an oil and gas trade association of producers doing business in North Dakota, South Dakota and Montana. The Alliance was formed by independent producers in 2003 to represent the interests of the independent producer and to capitalize on their unified voices within the three states in which they operate. The Alliance has 30 members, who include some of the largest producers in North Dakota and some of the most aggressive oil and gas exploration companies doing business in our state, employing hundreds of North Dakota residents, and investing tens of millions of dollars here annually.

The reason for my appearance today is to ask you to allow the Northern Alliance to participate more fully in the membership of the Oil and Gas Research Council which is part of SB 2130.

The Oil and Gas Research Council was created in the 2003 Legislative Session. It was actually the brain child of some of our members, and was aggressively supported by them both with Governor Hoeven and the Legislature. The Alliance members are strong advocates of the Oil and Gas Research Council and feel it may pave the way for many

new and exciting discoveries in new technology and methods in oil and gas exploration and production.

Our proposed amendments allow the Alliance more opportunity to have the Governor appoint one of our members to the Oil and Gas Research Council board. The amendments offer two different approaches:

1. The first simply expands the board to 8 members, eliminates the list mechanism for appointing the 4 members shown at line 23 on page 2, and adds the president of the Northern Alliance as an additional member.

2. Alternatively (and what I believe is better long term public policy) the amendment simply eliminates the lists from which the Governor is to make appointments, and allows him to make whatever appointments he chooses (provided that 4 members have at least 5 years experience in the oil and gas business.)

The Northern Alliance believes deeply in the value of the Oil and Gas Research Council and the opportunity it presents for our state and would like a greater opportunity to have one of its members appointed to the Board by the Governor. As currently structured however, the statute limits our ability to be appointed unless a member is included in a list offered by the North Dakota Petroleum Council. The proposed amendments give the Governor greater flexibility, increases the talent pool from which he may select members and increases the value of the Oil and Gas Research Council to the State and to the industry. For these reasons we ask for your favorable consideration of these amendments.

*Robert Harns -  
Northern Alliance*

Proposed Amendments to SB 2130  
March 3, 2005

Political Subdivisions Committee  
ND House of Representatives  
William R. Devlin, Chairman

Page 2, Line 19: Replace "seven" with "eight"

Page 2, Line 23: Remove everything after "from" through line 26.

Page 3, Line 1: At the beginning of the sentence, insert "The president of the northern alliance of independent producers or his designee and"

Renumber accordingly

ALTERNATIVE amendment:

Page 2 Line 21: Remove everything beginning with "The" through line 30.

Page 3, Line 1 through Line 4: Remove

Renumber accordingly