

**2021 HOUSE POLITICAL SUBDIVISIONS**

**HB 1179**

# 2021 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Room JW327B, State Capitol

HB1179  
1/22/2021  
House Political Subdivisions

Relating to reporting requirements for schools and counties receiving oil and gas gross production tax allocations
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**Vice Chairman Pyle: (9:30).** Opened the hearing.

Representatives	
Representative Jason Dockter	Y
Representative Brandy Pyle	Y
Representative Mary Adams	Y
Representative Claire Cory	Y
Representative Sebastian Ertelt	Y
Representative Clayton Fegley	Y
Representative Patrick Hatlestad	Y
Representative Mary Johnson	Y
Representative Lawrence R. Klemin	Y
Representative Donald Longmuir	Y
Representative Dave Nehring	Y
Representative Marvin E. Nelson	Y
Representative Luke Simons	Y
Representative Nathan Toman	Y

All members present.

### Discussion Topics:

- Distributions in general fund
- Reporting requirements

**Chairman Dockter: (9:31).** Introduced the bill.

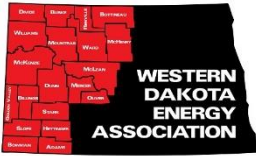
**Linda Svihovec: (9:36). Association of Counties.** No written testimony, in support.

**Stephanie Dassinger: (9:42). ND League of Cities.** No written testimony.

**Geoff Simon: Lobbyist Western Dakota Energy Association (9:44).** Testimony #2199.

**Chairman Dockter: (9:46).** Closed the hearing.

*Carmen Hickie, Committee Clerk*



# WESTERN DAKOTA ENERGY ASSOCIATION

## EXECUTIVE COMMITTEE

Shannon Holter  
President  
City of Bowbells

Trudy Ruland  
Vice President  
Mountrail County

Supt. Leslie Bieber  
Alexander PSD

Daryl Dukart  
Dunn County

Zach Gaaskjolen  
City of Stanley

Supt. Shon Hocker  
Dickinson PSD

Supt. Tim Holte  
Stanley PSD

Lyn James  
City of Bowman

David Montgomery  
Williams County

John Phillips  
Coal Conversion  
Counties

Supt. Brad Rinas  
Washburn PSD  
Coal Conversion  
Counties

January 22, 2021

Testimony of:  
Geoff Simon, Lobbyist #144  
in support of HB 1179  
House Political Subdivisions Committee

Chairman Dockter and members of the committee:

This testimony is presented on behalf of the Western Dakota Energy Association and the 17 oil-producing counties which are WDEA members. While everyone appreciates the need for transparency and accountability in government spending, we also recognize the importance of efficiency and avoidance of unnecessary bureaucratic mandates.

HB 1179 proposes the repeal of a section of law intended to ensure accountability of counties which are allocated revenue through the gross production tax distribution formula, but the practical application of this section of Century Code has demonstrated that it is an unnecessary reporting burden imposed on auditors in counties that receive GPT revenue.

While most counties have dutifully complied with the reporting requirement, we believe the record will indicate there has been little if any public interest in the financial documentation that has been provided. Rest assured, if and when a request for the information now required in these reports is requested, it will be promptly provided to the legislature or any member of the public who requests it.

However, in the absence of such public demand, we would encourage the committee to support repeal of this burdensome reporting requirement.

Thank you for the opportunity to submit testimony.

Geoff Simon  
Executive Director

# 2021 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Room JW327B, State Capitol

HB1179  
1/29/2021  
House Political Subdivisions

<b>Relating to reporting requirements for schools and counties receiving oil and gas gross production tax allocations</b>
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**Chairman Dockter: (9:01).** Opened for committee work.

Representatives	
Representative Jason Dockter	P
Representative Brandy Pyle	P
Representative Mary Adams	P
Representative Claire Cory	P
Representative Sebastian Ertelt	A
Representative Clayton Fegley	P
Representative Patrick Hatlestad	P
Representative Mary Johnson	A
Representative Lawrence R. Klemin	A
Representative Donald Longmuir	P
Representative Dave Nehring	P
Representative Marvin E. Nelson	P
Representative Luke Simons	P
Representative Nathan Toman	P

### Discussion Topics:

- Distributions in general fund
- Reporting requirements

**Rep. Nelson:** Made a motion to adopt amendment 21.0659.01001

**Vice Chairman Pyle:** Second the motion.

**Voice vote carried.**

**Rep. Nelson:** Made a do pass as amended.

**Vice Chairman Pyle:** Second the motion.

Representatives	Vote
Representative Jason Dockter	Y
Representative Brandy Pyle	Y
Representative Mary Adams	Y

Representative Claire Cory	Y
Representative Sebastian Ertelt	A
Representative Clayton Fegley	Y
Representative Patrick Hatlestad	Y
Representative Mary Johnson	A
Representative Lawrence R. Klemin	A
Representative Donald Longmuir	Y
Representative Dave Nehring	Y
Representative Marvin E. Nelson	Y
Representative Luke Simons	N
Representative Nathan Toman	N

**Roll call vote 9-2-3 carried.**

**Rep. Nelson:** Will carry the bill.

**Chairman Dockter: (10:59).** Closed committee work.

*Carmen Hickle, Committee Clerk*

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1179

Page 1, line 1, after "Code" insert "and section 12 of chapter 471 of the 2013 Session Laws"

Page 1, line 2, replace the first "and" with a comma

Page 1, line 2, after "counties" insert ", and hub cities"

Page 9, after line 26, insert:

**"SECTION 2. AMENDMENT.** Section 12 of chapter 471 of the 2013 Session Laws is amended and reenacted as follows:

**SECTION 12. HUB CITIES - REPORT TO BUDGET SECTION.** A representative of a hub city as defined in section 57-51-01 shall report to the budget section annually on the use of funding received from allocations under section 57-51-15 for the period beginning July 1, 2013, and ending June 30, 2021."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1179: Political Subdivisions Committee (Rep. Dockter, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (9 YEAS, 2 NAYS, 3 ABSENT AND NOT VOTING). HB 1179 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Code" insert "and section 12 of chapter 471 of the 2013 Session Laws"

Page 1, line 2, replace the first "and" with a comma

Page 1, line 2, after "counties" insert ", and hub cities"

Page 9, after line 26, insert:

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Renumber accordingly

**2021 SENATE POLITICAL SUBDIVISIONS**

**HB 1179**



# 2021 SENATE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Sakakawea, State Capitol

HB 1179  
3/12/2021

A Bill relating to reporting requirements for schools and counties receiving oil and gas gross production tax allocations.

**8:31:21 AM Senator Burckhard** opened the hearing on HB 1179 . Senators present: Burckhard, Anderson, Heitkamp, Lee, Kannianen, Larson, Oban

### Discussion Topics:

- Tax allocations
- Gross production tax

**8:31:28 AM** Roll call

**8:31:52 AM Representative Dockter** introduced the bill

**8:36:48 AM Jeff Simon Western Dakota Energy Association** – oral testimony in favor

**8:38:30 AM Stephanie Dassinger ND League of Cities** - -oral testimony in favor

**8:39:30 AM Senator Burckhard** closed the hearing

**8:39:33 AM Senator Anderson** moved to DO PASS

**8:39:45 AM Senator Larson** seconded the motion

Senators	Vote
Senator Randy A. Burckhard	Y
Senator Howard C. Anderson, Jr.	Y
Senator Jason G. Heitkamp	Y
Senator Jordan Kannianen	Y
Senator Diane Larson	Y
Senator Judy Lee	Y
Senator Erin Oban	Y

**8:40:08 AM Roll call vote - motion passed 7-0-0**

**8:41:00 AM Senator Anderson** will carry the bill.

**8:41:00 AM Chairman Burckhard** adjourned

*Patricia Lahr, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HB 1179, as engrossed: Political Subdivisions Committee (Sen. Burckhard, Chairman)**  
recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
Engrossed HB 1179 was placed on the Fourteenth order on the calendar.