2021 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1386

2021 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee

Room JW327C, State Capitol

HB 1386 2/1/2021

Executive orders issued during a declared state of disaster or emergency.

(10:30) Chairman Lefor calls the hearing to order.

Representatives	Attendance
Chairman Lefor	Р
Vice Chairman Keiser	Р
Rep Hagert	Р
Rep Jim Kasper	Р
Rep Scott Louser	Р
Rep Nehring	Р
Rep O'Brien	Р
Rep Ostlie	Р
Rep Ruby	Р
Rep Schauer	Р
Rep Stemen	Р
Rep Thomas	Р
Rep Adams	Р
Rep P Anderson	Р

Discussion Topics:

• Governmental limitations on hours.

Rep Becker~District 7. Attachment #4535.

(10:49) End time.

Ellen LeTang, Committee Clerk

21.0925.01001 Title.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1386

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapters 40-01 and 54-06 of the North Dakota Century Code, relating to prohibition of governmental limitations on hours of business.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-01 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation.

- 1. A political subdivision, including a local health department or officer, may not limit or otherwise regulate the hours of operation of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - <u>a. Either:</u>
 - (1) The hours are expressly set by a state law, federal law, or federal regulation:
 - (2) <u>A state law, federal law, or federal regulation expressly specifies</u> the number of hours that the entity must be available to provide services; or
 - (3) A state law expressly authorizes a state agency to limit or otherwise regulate the hours; and
 - b. <u>State law expressly authorizes the political subdivision to enforce the state law.</u>
- 2. A rule, ordinance, or other policy that is inconsistent with this section is void.

SECTION 2. A new section to chapter 54-06 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation.

- 1. A state agency may not limit or otherwise regulate the hours of operation of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - a. <u>The hours are expressly set by a state law, federal law, or federal</u> regulation;

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21.0925.01001

- <u>b.</u> <u>A state law, federal law, or federal regulation expressly specifies the</u> <u>number of hours the entity must be available to provide services; or</u>
- <u>c.</u> <u>A state law expressly authorizes the state agency to limit or otherwise</u> regulate the hours.
- 2. An executive order issued under section 37-17.1-05 and any other executive order issued by the governor, an administrative rule of the state department of health, and an order of the state health officer are subject to this section.
- 3. <u>An administrative rule or an executive order that is inconsistent with this</u> section is void."

Renumber accordingly

2021 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee

Room JW327C, State Capitol

HB 1386 2/3/2021

Executive orders issued during a declared state of disaster or emergency.

(3:52) Chairman Lefor called the hearing to order.

Representatives	Attendance
Chairman Lefor	Р
Vice Chairman Keiser	Р
Rep Hagert	Р
Rep Jim Kasper	Р
Rep Scott Louser	Р
Rep Nehring	Р
Rep O'Brien	Р
Rep Ostlie	Р
Rep Ruby	Р
Rep Schauer	Р
Rep Stemen	Р
Rep Thomas	Р
Rep Adams	Р
Rep P Anderson	Р

Discussion Topics:

• Governmental limitations on hours.

Rep Becker amendment 21.0925.01001. Attachment #4535.

Rep Schauer moved the amendment 21.0925.01002. Attachment #5286.

Rep Kasper second.

Voice vote Motion carried.

Rep Rep Schauer moved a Do Pass as Amended.

Rep Kasper second.

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Representatives	Vote
Chairman Lefor	N
Vice Chairman Keiser	Ν
Rep Hagert	Ν
Rep Jim Kasper	Y
Rep Scott Louser	Y
Rep Nehring	N
Rep O'Brien	N
Rep Ostlie	N
Rep Ruby	Y
Rep Schauer	Y
Rep Stemen	N
Rep Thomas	Y
Rep Adams	N
Rep P Anderson	N

Vote roll call taken Motion failed 5-9-0

Vice Chairman Keiser moved a Do Not Pass as Amended.

Rep Adams second.

Representatives	Vote
Chairman Lefor	Y
Vice Chairman Keiser	Y
Rep Hagert	Y
Rep Jim Kasper	N
Rep Scott Louser	N
Rep Nehring	Y
Rep O'Brien	Y
Rep Ostlie	Y
Rep Ruby	N
Rep Schauer	N
Rep Stemen	Y
Rep Thomas	N
Rep Adams	Y
Rep P Anderson	Y

Vote roll call taken Motion carried 9-5-0 & Rep Nehring is the carrier.

(4:06) End time.

Ellen LeTang, Committee Clerk

February 1, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1386

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapters 40-01 and 54-06 of the North Dakota Century Code, relating to prohibition of governmental limitations on hours of business and capacity.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-01 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation and capacity.

- <u>A political subdivision, including a local health department or officer, may</u> 1. not limit or otherwise regulate the hours of operation or capacity of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - Either: a.
 - (1) The hours or capacity are expressly set by a state law, federal law, or federal regulation:
 - (2) <u>A state law, federal law, or federal regulation expressly specifies</u> the number of hours the entity must be available to provide services or the number of patrons who physically may be present on the entity's premises; or
 - (3) A state law expressly authorizes a state agency to limit or otherwise regulate the hours or capacity; and
 - If the relevant provision in subdivision a is a state law, state law b. expressly authorizes the political subdivision to enforce the state law.
- 2. A rule, ordinance, or other policy that is inconsistent with this section is void.

SECTION 2. A new section to chapter 54-06 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation and capacity.

- A state agency may not limit or otherwise regulate the hours of operation 1. or capacity of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - The hours or capacity limits are expressly set by a state law, federal а. law, or federal regulation:

- De 2/3/21 2082
- <u>b.</u> A state law, federal law, or federal regulation expressly specifies the number of hours the entity must be available to provide services or the number of patrons who physically may be present on the entity's premises; or
- <u>c.</u> <u>A state law expressly authorizes the state agency to limit or otherwise</u> regulate the hours or capacity.
- 2. An executive order issued under section 37-17.1-05 and any other executive order issued by the governor, an administrative rule of the state department of health, and an order of the state health officer are subject to this section.
- <u>3.</u> <u>An administrative rule or an executive order that is inconsistent with this section is void.</u>"

Renumber accordingly

REPORT OF STANDING COMMITTEE

- HB 1386: Industry, Business and Labor Committee (Rep. Lefor, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO NOT PASS (9 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). HB 1386 was placed on the Sixth order on the calendar.
- Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapters 40-01 and 54-06 of the North Dakota Century Code, relating to prohibition of governmental limitations on hours of business and capacity.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-01 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation and capacity.

- 1. A political subdivision, including a local health department or officer, may not limit or otherwise regulate the hours of operation or capacity of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - a. Either:
 - (1) The hours or capacity are expressly set by a state law, federal law, or federal regulation;
 - (2) <u>A state law, federal law, or federal regulation expressly</u> specifies the number of hours the entity must be available to provide services or the number of patrons who physically may be present on the entity's premises; or
 - (3) A state law expressly authorizes a state agency to limit or otherwise regulate the hours or capacity; and
 - b. If the relevant provision in subdivision a is a state law, state law expressly authorizes the political subdivision to enforce the state law.
- 2. <u>A rule, ordinance, or other policy that is inconsistent with this section is void.</u>

SECTION 2. A new section to chapter 54-06 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation and capacity.

- 1. <u>A state agency may not limit or otherwise regulate the hours of operation</u> or capacity of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - a. <u>The hours or capacity limits are expressly set by a state law, federal</u> <u>law, or federal regulation;</u>
 - b. <u>A state law, federal law, or federal regulation expressly specifies the</u> <u>number of hours the entity must be available to provide services or</u> <u>the number of patrons who physically may be present on the entity's</u> <u>premises; or</u>

- c. <u>A state law expressly authorizes the state agency to limit or</u> <u>otherwise regulate the hours or capacity.</u>
- 2. <u>An executive order issued under section 37-17.1-05 and any other</u> <u>executive order issued by the governor, an administrative rule of the state</u> <u>department of health, and an order of the state health officer are subject</u> <u>to this section.</u>
- 3. <u>An administrative rule or an executive order that is inconsistent with this</u> section is void."

Renumber accordingly

21.0925.01001 Title.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1386

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapters 40-01 and 54-06 of the North Dakota Century Code, relating to prohibition of governmental limitations on hours of business.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-01 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation.

- 1. A political subdivision, including a local health department or officer, may not limit or otherwise regulate the hours of operation of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - <u>a. Either:</u>
 - (1) The hours are expressly set by a state law, federal law, or federal regulation:
 - (2) <u>A state law, federal law, or federal regulation expressly specifies</u> the number of hours that the entity must be available to provide services; or
 - (3) A state law expressly authorizes a state agency to limit or otherwise regulate the hours; and
 - b. <u>State law expressly authorizes the political subdivision to enforce the state law.</u>
- 2. A rule, ordinance, or other policy that is inconsistent with this section is void.

SECTION 2. A new section to chapter 54-06 of the North Dakota Century Code is created and enacted as follows:

Prohibition on limiting hours of operation.

- 1. A state agency may not limit or otherwise regulate the hours of operation of a private business or other nongovernmental entity, including a sole proprietorship or association, regardless of whether the entity is declared to be essential or nonessential, except to the extent:
 - a. <u>The hours are expressly set by a state law, federal law, or federal</u> regulation;

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- <u>b.</u> <u>A state law, federal law, or federal regulation expressly specifies the</u> <u>number of hours the entity must be available to provide services; or</u>
- <u>c.</u> <u>A state law expressly authorizes the state agency to limit or otherwise</u> regulate the hours.
- 2. <u>An executive order issued under section 37-17.1-05 and any other</u> <u>executive order issued by the governor, an administrative rule of the state</u> <u>department of health, and an order of the state health officer are subject to</u> <u>this section.</u>
- 3. <u>An administrative rule or an executive order that is inconsistent with this</u> section is void."

Renumber accordingly

21.0925.01002

Sixty-seventh Legislative Assembly of North Dakota

HOUSE BILL NO. 1386

Introduced by

Representatives Becker, Fegley, Lefor, Rohr, Schauer

Senators Anderson, Kannianen, Klein

- 1 A BILL for an Act to create and enact a new subsection to section 37-17.1-05 of the North-
- 2 Dakota Century Code, relating to executive orders issued during a declared state of disaster or
- 3 emergency: for an Act to create and enact a new section to chapters 40-01 and 54-06 of the
- 4 North Dakota Century Code, relating to prohibition of governmental limitations on hours of
- 5 business and capacity.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 SECTION 1. A new subsection to section 37-17.1-05 of the North Dakota Century Code is 8 created and enacted as follows: 9 An executive order issued under this section which limits the operation of a business 10 or industry must be applied equally to all businesses and industries, except if there is a 11 specific threat to a particular business or industry, the executive order must indicate 12 why disparate treatment is justified by including specific findings as to why the 13 business or industry is being treated differently. 14 SECTION 1. A new section to chapter 40-01 of the North Dakota Century Code is created 15 and enacted as follows: 16 Prohibition on limiting hours of operation and capacity. 17 1 A political subdivision, including a local health department or officer, may not limit or 18 otherwise regulate the hours of operation or capacity of a private business or other 19 nongovernmental entity, including a sole proprietorship or association, regardless of 20 whether the entity is declared to be essential or nonessential, except to the extent: 21 a. Either: 22 (1) The hours or capacity are expressly set by a state law, federal law, or 23 federal regulation:

Sixty-seventh Legislative Assembly

1	(2) A state law, federal law, or federal regulation expressly specifies the number				
2	of hours the entity must be available to provide services or the number of				
3	patrons who physically may be present on the entity's premises; or				
4	(3) A state law expressly authorizes a state agency to limit or otherwise				
5	regulate the hours or capacity; and				
6	b. State law expressly authorizes the political subdivision to enforce the state law.				
7	2. A rule, ordinance, or other policy that is inconsistent with this section is void.				
8	SECTION 2. A new section to chapter 54-06 of the North Dakota Century Code is created				
9	and enacted as follows:				
10	Prohibition on limiting hours of operation and capacity.				
11	1. A state agency may not limit or otherwise regulate the hours of operation or capacity of				
12	a private business or other nongovernmental entity, including a sole proprietorship or				
13	association, regardless of whether the entity is declared to be essential or				
14	nonessential, except to the extent:				
15	a. The hours or capacity limits are expressly set by a state law, federal law, or				
16	federal regulation:				
17	b. A state law, federal law, or federal regulation expressly specifies the number of				
18	hours the entity must be available to provide services or the number of patrons				
19	who physically may be present on the entity's premises; or				
20	c. A state law expressly authorizes the state agency to limit or otherwise regulate				
21	the hours or capacity.				
22	2. An executive order issued under section 37-17.1-05 and any other executive order				
23	issued by the governor, an administrative rule of the state department of health, and				
24	an order of the state health officer are subject to this section.				
25	3. An administrative rule or an executive order that is inconsistent with this section is				
26	void.				

2021 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1386

2021 SENATE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee

Fort Union Room, State Capitol

HB 1386 3/3/2021

relating to prohibition of governmental limitations on hours of business and capacity

Chair Klein opened the hearing at 10:45 a.m. All members were present. Senators Klein, Larsen, Burckhard, Vedaa, Kreun, and Marcellais.

Discussion Topics:

- Emergency Services
- Management of disasters
- Resources of state government
- State departments and agencies

Representative Becker introduced the bill and testified in favor [10:46]

David Waterman, Midwest Public Health Coalition testified in favor and submitted testimony #7199 [11:04].

Shaun Sipma, Mayor of Minot testified in opposition and submitted testimony #7175 [11:10].

Stephanie Dassinger, League of Cities testified in opposition and submitted testimony #7197 [11:37].

Julie Wagendorf, Director of Food and Lodging for the North Dakota Department of Health testified in opposition and submitted testimony # 7194 [11:41].

Additional written testimony: 7135 and 7145.

Chair Klein closed the hearing at 11:55 a.m.

Isabella Grotberg, Committee Clerk



Dear Legislators,

I am a proud North Dakotan. But I confess that I am horrified that we are living in a time when the consideration of HB 1386 is even necessary. I have boasted for years that one of the things that makes America the envy of the world, is that our Constitution guarantees that as citizens of the United States, we are free and sovereign agents over our lives, our businesses, and our futures. That in America, individuals are not just permitted, but encouraged to chart their own course, plan their own future, and provide for their families according to their dreams, and abilities. And that so long as they pursue their goals, ethically and legally, they need not ever fear intervention, obstacle, or harassment from their own government. That the whole idea of the "land of the free, and the home of the brave" is that each one of us is to remain free from government interference, as we conduct our personal and business affairs. And that those of us who are brave enough to risk starting and running our own business, whether farming or construction, or baking, or repairing other peoples shoes, we can do it with confidence, knowing with absolute certainty, that our success, or our failure will be determined by our own efforts, ingenuity, persistence, and the response of the free market, but never by intrusion or interference from the government.

The governments role is to encourage innovation, commerce and entrepreneurship. And that's all. It is not the governments place to to tell a shop owner what he may or may not sell, what price he may charge, or when he may open his doors for business. That type of governmental meddling in the affairs of private business owners has always been the purview of socialist, or fascist dictators, and has no place in a free society, and certainly not in the United States of America. Even if lockdowns and business closures were effective at stopping the spread of disease, which the best and most current analysis proves they are not, it would still be entirely wrong for the government to impose such restrictions on private businesses.

I cannot believe that anyone in the North Dakota legislature would be so brazenly opposed to the core principals of American freedoms, that they would under any inducement or coercion, vote against this bill. Please show your dedication to the foundational understanding, that all people, and certainly all Americans, are endowed by their Creator, with the rights of life, liberty, and the pursuit of happiness, and vote yes on HB 1386

Thank you.

Senate Industry, Labor & Business Committee Chairman – Sen. Jerry Klein March 3, 2021

Testimony By: Shaun Sipma, Mayor, City of Minot shaun.sipma@minotnd.org 701.721.6839

<u>HB 1386</u>

Good morning Chairman Klein and members of the Senate Industry, Labor & Business Committee. Thank you for the opportunity to be here today. My name is Shaun Sipma, Mayor of Minot, and on behalf of our City, I am here today to testify in opposition to House Bill 1386.

The proposed legislation is a reaction to COVID-19 and the efforts to limit the spread when things were at their worst. This bill however comes with far greater implications and will in fact limit local governments in times of any crisis or emergency.

Section 1 outlines the prohibition on limiting hours of operations and capacity stating under item 1:

"A political subdivision, including a local health department or officer, may not limit or otherwise regulate the hours of operation or capacity of a private business or other nongovernmental entity, including a sole proprietorship or association."

This legislation would tie the hands of local government in any emergency, not just in a pandemic, where life, health and safety are at risk.

Given the nature of flooding in North Dakota, I will start there. If, and when, evacuation orders are necessary to save lives, this bill would prevent the inclusion of any business in that order. An evacuation made necessary by an impending flood would in fact also limit any business's hours in an evacuation zone.

But we do not have to just consider flood events. Chemical spills could also trigger evacuations, like the train derailment in January 2002 just west of Minot. A shelter in place order would in fact be limiting a business's hours. Any natural disaster that results in water being limited or rationed would indirectly limit some business's hours which would then be a direct violation of this proposed law. For the sake of public health let us focus on that and why sacrificing the health of the public is a far greater disaster.

In 2020 health officials quickly identified areas of substantial community spread of a disease that was in turn making its way then more rapidly to the at-risk and vulnerable population. Large community gatherings and certain sectors of business where people were disregarding health official's recommendations to limit community spread were those key areas.

In the fall of 2020, North Dakota had the worst community infection rate and spread in the country. Locally, daily phone calls were taking place with health officials as the hospitals were on the brink and, in the case of Ward County, the morgue was full, as were all the funeral homes. In fact, emergency storage was being made in garages of funeral homes to respectfully stack the bodies. Beds for COVID patients were not the issue at our local hospital, but rather available staff that were not infected themselves. My community was on the brink. It was the Statewide mask mandate along with guidelines to limit hours and seating in the sector that tracers identified as the super spreaders that turned things around.

I do not want, for any moment, to diminish the impact that these actions had on business owners or people who worked there. The impacts were far reaching and stretched through the community. The impacts were profound, substantially unfortunate, and unfair. As I testified earlier this session, when my home was destroyed by the 2011 Souris River Flood, I learned an extremely hard lesson, disasters do not discriminate, and they are never fair.

Individual freedom is talked about quite a bit when it comes to COVID-19, along with personal responsibility. The problem is when personal responsibility is disregarded, those individual choices drastically can and do impact public health.

Emergencies are easy to Monday-morning quarterback: from the reactions to the timing of the response. Did we all learn something about pandemic response? Absolutely we did. Prior to this most communities had a one-page response to disease and pandemic if they had a disaster response plan at all. Those plans are being rewritten with the lessons learned in 2020 and the continuation in 2021.

This legislation absolutely would tie the hands of local response to emergencies. I would propose that if this legislature feels it prudent to limit local response to local emergencies, especially public health, then the state should take on the responsibility of all public health concerns from disease prevention, outbreak response and all impacts from it. We cannot be serious about public health at local level if we are unable to respond to emergency situations.

Prior to March 2020, we looked to our local doctors and medical experts for all guidance on public health. Then a disease became politized. That, in my opinion, is the worst course of action when it comes to dealing with public health: disregarding the advice of our local health experts based on political views of an issue.

As a City leader we want and need our community to be strong and vibrant. That carries through all aspects of public health and economics. All impacts are measured and weighed. The easiest solution is do nothing and watch the outcome become that much worse. Difficult times can call for difficult decisions. I sincerely believe in North Dakota. Local leaders were and are doing their absolute best for the overall well-being of the community.

I think many people are unaware of the impact of the pandemic on local leadership. There were so many days I would take phone calls from people on both sides of this politicized issue. There were those that that called to accuse me of being tyrannical or power hungry. They perceived I was limiting their personal freedom by requiring they wear a mask when out in public. And there were those that called me a killer because I did not do enough to prevent the disease spread and their loved one is now dead.

I strongly urge a Do-Not-Pass recommendation on House Bill 1386. Thank you for your time and the opportunity to testify this morning. I would be happy to answer any questions that you may have.

March 3, 2021 Senate Industry, Business and Labor HB 1386 Senator Jerry Klein, Chair

For the record, I am Stephanie Dassinger. I am appearing on behalf of the North Dakota League of Cities. I am the deputy director and attorney for the League. The North Dakota League of Cities appears in opposition to HB 1386 because it may negatively impact a city's ability to respond to emergency situations in the future.

When HB 1386 was introduced, it only applied to the governor's emergency executive orders and only required that all businesses be treated the same unless a specific threat to an individual business existed. If a specific threat existed, the reason for different treatment of the businesses must be explained. A hog house amendment was adopted that prohibits the state, the health officer, and a political subdivision from regulating the hours and capacity of a private business unless specific authority to regulate appears in law.

This bill appears to be a knee jerk reaction to some of the health emergency orders that have been issued during the COVID-19 health emergency response. Prior to this health emergency, I have not heard any complaints about cities regulating business operating hours or business capacity.

Emergencies come in all shapes and sizes in North Dakota. Some examples include weather emergencies such as floods, tornados, and blizzards and law enforcement emergencies, such as shootings or riots. Each emergency is different and requires a different response.

One recent example of how a city needed to regulate the hours of private businesses occurred in Fargo this Fall. When peaceful protests turned into a riot in downtown Fargo, an emergency executive order requiring a curfew of 10 pm in downtown Fargo was issued. The purpose of the curfew was to move people out of the area to disburse the riot and to try to protect life and property. HB 1386 would tie city officials' hands and prevent cities from being able to react during emergency situations.

Due to the potential problems it would cause with a city's ability to respond to emergencies, the North Dakota League of Cities respectfully requests a Do Not Pass Recommendation on HB 1386. N O R T H Dakota | Health Be Legendary.[™]

House Bill 1386 Industry, Business and Labor Committee March 3, 2021, 10:45 a.m.

Good morning Chairman Klein and members of the Industry, Business and Labor Committee. My name is Julie Wagendorf and I serve as the Director of Food and Lodging for the North Dakota Department of Health. I am here to provide testimony in opposition of House Bill 1386 relating to the prohibition of government limitations on hours of business and capacity.

The amendments to House Bill 1386 bring into question whether the new section in law, if enacted, will impact the Department's authority over licensed food establishments operating in accordance with food code requirements under North Dakota Administrative Code 33-33-4.1.

In an event where an imminent health hazard may exist in a licensed food establishment because of an emergency, such as a fire, flood, extended interruption of electrical or water service, sewage backup, onset of a foodborne illness outbreak or other circumstance that may endanger public health, the food code offers safety measures including ceasing operations and summarily suspending a license to operate in accordance with law.

I appreciate your time in listening to my testimony and ask the committee to consider whether House Bill 1386, if enacted, could potentially introduce unintended consequences in limiting the Department from taking action to promote public health and safety under existing license and inspection procedures.

This concludes my testimony. I am happy to answer any questions you may have.



#7135

City of Grand Forks (701) 746-4636

TESTIMONY ON HOUSE BILL 1386

Senate Industry, Business and Labor Committee

March 2, 2021

Daniel L. Gaustad, City Attorney, City of Grand Forks, ND Joseph E. Quinn, Assistant City Attorney, City of Grand Forks, ND

Chairman Klein and members of the Senate Industry, Business and Labor Committee, we are the City Attorney and Assistant City Attorney for the City of Grand Forks. We want to thank you for the opportunity to provide testimony and express the City of Grand Forks' opposition for HB 1386.

As initially drafted, HB 1386 was directed solely at amending N.D.C.C. § 37-17.1-05 and was intended to preclude a governor form selectively limiting the operation of a business or industry, requiring executive orders to be applied equally to all businesses and industries. However, at the February 1, 2021, committee hearing, Representative Becker presented a hoghouse amendment that prohibited not only state agencies and executive orders from limiting the hours of operation of businesses and industry, the amendment now also seeks to preclude a political subdivision, like the City of Grand Forks, from exercising local control over business and industry during a declared emergency.

The City of Grand Forks, like many cities in North Dakota, relies on the ability of the Mayor, as the executive officer, to take action through executive orders in the time of emergencies impacting the City and its residents. This includes not only executive orders like those issued to aid in combating the current pandemic, but also executive orders necessary to combat natural disasters, like the 1997 flood in Grand Forks, to protect the safety and well-being of its citizens. Indeed, the City of Fargo recently issued an executive order to set a 10:00 p.m. curfew to quell the social unrest and rioting that occurred on May 30, 2020 following a protest march. As it is currently drafted, HB 1386 prohibits political subdivisions from issuing these types of executive orders to combat such disasters and local emergencies.

The testimony presented by the bill sponsor made clear the intent of HB 1386 was directed at the state level response to the current pandemic. However, HB 1386 as current drafted, is too broad to address this narrow issue of concern. As a result, the unintended consequences of the passage of HB 1386 would be to limit the ability of Grand Forks, and other political subdivisions, (and the state) from necessarily utilizing executive orders in times of emergencies and natural disasters. In turn, HB 1386 will place political subdivisions at a disadvantage when faced with local emergencies and natural disasters, yet being precluded, or at least delayed, from responding to such emergencies and natural disasters by issuing orders directed at securing the safety of its citizens.

The City of Grand Forks asks for a DO NOT PASS for HB 1386.



DR. TIMOTHY J. MAHONEY, MAYOR Fargo City Hall 225 4th Street North Fargo, ND 58102 Phone: 701.241.1310 | Fax: 701.476.4136 WWW.FargoND.gov

#7145

As an elected representative of the City of Fargo, I must act in the interest of Fargo's health, vitality, and the livelihoods of our residents. For this reason, I am voicing my strong opposition to House Bill 1386. This bill would not allow local officials to regulate hours of operation or capacity of businesses. During this fluid and dynamic pandemic, local leaders have routinely been tasked with making decisions which are best for their individual communities. This is the hallmark of local leadership, and I am concerned that putting that decision-making into the hands of the State Legislature would create a barrier to implementing potentially life-saving policies into place in the communities we serve and lead.

Through the COVID-19 pandemic, Governor Burgum has consistently empowered local authorities to make the right decisions for their communities. This approach, coupled with his judicious utilization of state-wide emergency orders, has proven tremendously effective. Today, North Dakota is pacing the nation as a state with one of the lowest rolling positivity rates, it has ample hospital capacity and it is progressing well on its vaccination goals. That was not the case in November and December 2020. North Dakota's positivity rates soared to staggering heights at that time. Only when it was truly necessary did local authorities begin prudently utilizing capacity and hour adjustments for businesses. These efforts (in conjunction with mask mandates) have helped power this turnaround.

Furthermore, House Bill 1386 removes power from of the hands of local voters. Mayors, commissioners and councilmembers are elected by their constituents to create and modify local policies on their behalf. Restricting something as important as the ability to modify occupancy limits and hours of operations is not in the best interest of the residents of any community. Decisions of a magnitude this granular truly should be made by local elected officials who are closest to the people they serve.

In conclusion, Senators, I urge you to support the empowerment of North Dakota's local elected officials.

2021 SENATE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee

Fort Union Room, State Capitol

HB 1386 3/30/2021

relating to prohibition of governmental limitations on hours of business and capacity

Chair Klein opened the meeting at 9:13 a.m. All members were present. Senators Klein, Larsen, Burckhard, Vedaa, Kreun, and Marcellais.

Discussion Topics:

• Government limitations

Senator Burckhard moved a DO NOT PASS [9:21]. **Senator Kreun** seconded the motion [9:21].

[9:21]	
Senators	Vote
Senator Jerry Klein	Y
Senator Doug Larsen	Ν
Senator Randy A. Burckhard	Y
Senator Curt Kreun	Y
Senator Richard Marcellais	Y
Senator Shawn Vedaa	Y

Motion passed: 5-1-0

Senator Burckhard will carry the bill [9:25].

Chair Klein ended the meeting at 9:25 a.m.

Isabella Grotberg, Committee Clerk

REPORT OF STANDING COMMITTEE HB 1386, as engrossed: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends DO NOT PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed HB 1386 was placed on the Fourteenth order on the calendar.