2021 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2252

2021 SENATE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee

Fort Union Room, State Capitol

SB 2252 1/25/2021

relating to the regulation of purified water dispensers

Chair Klein opened the hearing at 8:59 a.m. All members present. Senators Klein, Larsen, Burckhard, Vedaa, Kreun, Marcellais.

Discussion Topics:

- Water contaminant testing equipment
- · Cost of water contaminant testing
- Penalties and enforcement

Senator Oban [9:00] introduced the bill and submitted testimony #2721.

Adam Miller, Owner of H2R Inc. [9:02] testified in favor of bill and submitted testimony #2814.

Mike Rud, President of ND Retail Association [9:13] testified in favor.

Paul Finneman, former owner of Cascade Pure Water Inc [9:19] testified in favor and submitted testimony #2717.

Julie Wagdendorf, Director of Food and Lodging for ND Department of Health [9:23] testified neutral and provided information on enforcement of testing.

Senator Vedaa moved a DO PASS [9:35]. **Senator Marcellais** seconded the motion [9:35].

[9:36]

Senators	Vote
Senator Jerry Klein	Υ
Senator Doug Larsen	Y
Senator Randy A. Burckhard	Υ
Senator Curt Kreun	Y
Senator Richard Marcellais	Υ
Senator Shawn Vedaa	Υ

Motion passed 6-0-0

Senator Vedaa will carry the bill [9:37].

Chair Klein closed the hearing at 9:37 a.m.

Isabella Grotberg, Committee Clerk

Module ID: s_stcomrep_13_001

Carrier: Vedaa

REPORT OF STANDING COMMITTEE
SB 2252: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends
DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2252 was placed
on the Eleventh order on the calendar.

NORTH DAKOTA SENATE

STATE CAPITOL 600 EAST BOULEVARD BISMARCK, ND 58505-0360



Senator Erin Oban

District 35 1319 Apache Street Bismarck, ND 58501-2632

R: 701-955-3188 C: 701-527-1642 eoban@nd.gov

Mr. Chairman, members of the Committee, for the record, I'm Erin Oban, senator for Bismarck's District 35, here to introduce and briefly discuss SB 2252.

This bill is coming after work with and at the request of a constituent of mine, a small business owner who sells and services water dispensers, mainly in places like grocery stores and truck stops or gas stations. As it stands, there is no oversight, regulation, or quality testing of these dispensers. This bill proposes to add a section to Chapter 23-09, Food and Lodging Establishments and Assisted Living Facilities, giving authority to the ND Department of Health to begin regular monitoring and testing of the water provided from these dispensers. I anticipate that people who are willing to take bottles to these machines and pay out of pocket for its water are doing so for a reason, and they should know they're getting what they're paying for.

Together with my constituent throughout the interim, we met with the Department of Environmental Quality, the Department of Health, and the Attorney General's office to see what, if anything, we could do to create accountability to keep the industry honest and fairly competitive or recourse in cases where the water being sold maybe isn't the quality of water being advertised. Separately, I also discussed this our local public health director to get a sense of any potential burden this might place on those who would be conducting the testing. Because these are already sites they monitor and regulate, she didn't feel it would be out of line to check one more thing while they're already there.

Mr. Chairman, that concludes my testimony, and while I'd be happy to try to answer any questions, but I'd be happier to introduce Adam Miller, that small business owner in my district, to help answer specific questions about the industry, the testing, etc. and to provide greater context into the reason behind the request and the importance to the integrity of his business and the customers he ultimately serves.

Thanks for the opportunity to share this issue with your committee and for any potential solutions, if not exactly like this one, you might suggest.

Regarding Senate Bill 2252

To whom it may concern,

Hello. My name is Adam Miller, and I am the owner of H2RO, Inc. I would like to voice my support for Senate Bill 2252 for the regulation of public water dispensers.

In January 2019, I purchased a public water dispensing business from a gentleman looking to retire. I operate reverse osmosis machines placed in grocery and convenience stores across central and western North Dakota and Montana.

I strive to keep a high standard of water quality for my customers because I always operate under the assumption that my customers, do not just want purified water but rather that they may actually need purified water for health reasons. This higher standard comes at a higher cost to myself but ensures that my customer's needs are met.

I have noticed and documented that not all of my competition meets the same standard. Often leaving contaminants in their purified water but selling like it is. In March of 2020, I raised my concerns to Senator Oban to determine a course of action to better serve all residents and visitors of North Dakota. With the Senator's assistance, we contacted the Attorney General's office, the North Dakota Department of Health Division of Water Quality, and the North Dakota Department of Health Division of Food and Lodging. We found no satisfactory answers as there were no rules or laws in place regarding these kinds of dispensers. In fact, a person could hook up city water to spigot with no additional processing, advertise that is purified water and sell it as such. Specific contaminants are often advertised as having been removed, such as chlorine, but my analysis has shown that these contaminants often remain. While chlorine is necessary for water sanitation to transport and store water from city and rural water systems, the water is safe to drink if it has been removed, which is what the customer is paying for.

In the other state that I operate, these machines are monitored and regulated. It is not overly burdensome for me to maintain the quality of water and sanitation of the machine required to do business in that state.

I feel that a fair level of regulation would be beneficial to the residents of the state and I ask you to vote in favor of SB 2252. Thank you for your time.

Adam Miller H2RO, Inc

Senators;

I, Paul Finneman former owner of Cascade Pure Water Inc for 19 years am giving testimony in support of senate bill SB2252. I owned and operated a reverse osmosis water vending business where I installed and serviced water machines in stores in North and South Dakota and Montana. I also did contract work for Culligan and Primo Water were I installed and serviced the water machines in five Walmart stores in North Dakota.

The water machines use a process of reverse osmosis which removes a high percentage of solids in the water such as sodium, lead, iron etc. Its also uses carbon filtration that removes any taste, odor and all or a high percentage of chemicals in the water such as chlorine or chloramines. Customers buy this RO water for many different reasons it may be that they shouldn't drink water with sodium (high blood pressure), for their baby or they are allergic to chlorine or chloramines, coffee, drinking water without any chemicals etc.

I believe there should be some regulation or oversight that the consumer is getting the water that is being advertised. I have heard numerous complaints from consumers across the state regarding the poor quality of water from water machines in some stores. One person who is allergic to chlorine told me that she ended up in the hospital twice before they figured out it was from the reverse osmosis water she was getting from a grocery store in Williston. She asked me if I owned that machine which I didn't but I told her I had previously tested that water from that store and it was high in chlorine. This is just one instance of many I have seen over the years.

Over the years I have seen some of these machines in the stores were they used brass, and galvanized fittings (plastic or stainless steel fittings to be used only with RO water), UV lamps (sterilizes the water) that have a rating of one gallon a minute and should have had a rating of five gallons a minute or higher. I have tested the water in a lot of stores across North Dakota and a significant number have had high chlorine levels. Some had chlorine or chloride levels the same as the city water.

It has been obvious to me that some of the owners of these machines have neglected or knowingly not put the money into filters, carbon, membranes, UV lights etc leaving the customer with poor quality and some times water that can cause health issues.

Thank you,

2021 HOUSE HUMAN SERVICES

SB 2252

2021 HOUSE STANDING COMMITTEE MINUTES

Human Services Committee

Pioneer Room, State Capitol

SB 2252 3/8/2021

Relating to the regulation of purified water dispensers

Chairman Weisz opened the hearing at 2:39 p.m.

Representatives	Attendance
Representative Robin Weisz	Р
Representative Karen M. Rohr	Р
Representative Mike Beltz	Р
Representative Chuck Damschen	Р
Representative Bill Devlin	Р
Representative Gretchen Dobervich	Р
Representative Clayton Fegley	Р
Representative Dwight Kiefert	Р
Representative Todd Porter	Р
Representative Matthew Ruby	Α
Representative Mary Schneider	Р
Representative Kathy Skroch	Р
Representative Bill Tveit	Р
Representative Greg Westlind	Р

Discussion Topics:

- Accountability
- Department of Environmental Quality
- Licensure requirement
- Certified units

Sen. Erin Oban, District 35 (2:39) introduced the bill and submitted testimony #7586.

Adam Miller, Owner H2RO, Inc. (2:42) testified in favor and submitted #7998.

Julie Wagendorf, Director Food & Lodging North Dakota Department of Health (2:50) testified in favor.

Chairman Weisz adjourned at 3:04 p.m.

Tamara Krause, Committee Clerk



Senator Erin Oban

District 35 1005 North First Street Bismarck, ND 58501-3519

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NORTH DAKOTA SENATE

STATE CAPITOL 600 EAST BOULEVARD BISMARCK, ND 58505-0360



SB 2252 – Water dispenser monitoring
Monday, March 8, 2021 | 2:15 pm
House Human Services Committee, Rep. Robin Weisz, Chair

Mr. Chairman, members of the Committee, for the record, I'm Erin Oban, senator for Bismarck's District 35, here to introduce and briefly discuss SB 2252.

This bill is coming after work with and at the request of a constituent of mine, a small business owner who sells and services water dispensers, mainly in places like grocery stores and truck stops or gas stations. As it stands, there is no oversight, regulation, or quality testing of these dispensers. This bill proposes to add a section to Chapter 23-09, Food and Lodging Establishments and Assisted Living Facilities, giving authority to the ND Department of Health to begin regular monitoring and testing of the water provided from these dispensers. I anticipate that people who are willing to take bottles to these machines and pay out of pocket for its water are doing so for a reason, and they should know they're getting what they're paying for.

Together with my constituent throughout the interim, we met with the Department of Environmental Quality, the Department of Health, and the Attorney General's office to see what, if anything, we could do to create accountability to keep the industry honest and fairly competitive or recourse in cases where the water being sold maybe isn't the quality of water being advertised. Separately, I also discussed this our local public health director to get a sense of any potential burden this might place on those who would be conducting the testing. Because these are already sites they monitor and regulate, she didn't feel it would be out of line to check one more thing while they're already there.

Mr. Chairman, that concludes my testimony, and while I'd be happy to try to answer any questions, but I'd be happier to introduce Adam Miller, that small business owner in my district, to help answer specific questions about the industry, the testing, etc. and to provide greater context into the reason behind the request and the importance to the integrity of his business and the customers he ultimately serves.

Thanks for the opportunity to share this issue with your committee, and I would ask for your favorable recommendation.

Regarding Senate Bill 2252

To whom it may concern,

Hello. My name is Adam Miller, and I am the owner of H2RO, Inc. I would like to voice my support for Senate Bill 2252 for the regulation of public water dispensers.

In January 2019, I purchased a public water dispensing business from a gentleman looking to retire. I operate reverse osmosis machines placed in grocery and convenience stores across central and western North Dakota and Montana.

I strive to keep a high standard of water quality for my customers because I always operate under the assumption that my customers, do not just want purified water but rather that they may actually need purified water for health reasons. This higher standard comes at a higher cost to myself but ensures that my customer's needs are met.

I have noticed and documented that not all of my competition meets the same standard. Often leaving contaminants in their purified water but selling like it is. In March of 2020, I raised my concerns to Senator Oban to determine a course of action to better serve all residents and visitors of North Dakota. With the Senator's assistance, we contacted the Attorney General's office, the North Dakota Department of Health Division of Water Quality, and the North Dakota Department of Health Division of Food and Lodging. We found no satisfactory answers as there were no rules or laws in place regarding these kinds of dispensers. In fact, a person could hook up city water to spigot with no additional processing, advertise that is purified water and sell it as such. Specific contaminants are often advertised as having been removed, such as chlorine, but my analysis has shown that these contaminants often remain at levels near to city water. While chlorine is necessary for water sanitation to transport and store water from city and rural water systems, the water is safe to drink if it has been removed, which is what the customer is paying for. I monitor the water quality of my machine output to ensure that I am selling what is promised to the consumer.

In the other state that I operate, these machines are monitored and regulated. It is not overly burdensome for me to maintain the quality of water and sanitation of the machine required to do business in that state.

I feel that a fair level of regulation would be beneficial to the residents of the state and I ask you to vote in favor of SB 2252. Thank you for your time.

Adam Miller H2RO, Inc

2021 HOUSE STANDING COMMITTEE MINUTES

Human Services Committee

Pioneer Room, State Capitol

SB 2252 3/17/2021

Relating to the regulation of purified water dispensers

Chairman Weisz opened the committee meeting at 2:50 p.m.

Representatives	Attendance
Representative Robin Weisz	Р
Representative Karen M. Rohr	Р
Representative Mike Beltz	Р
Representative Chuck Damschen	Р
Representative Bill Devlin	Р
Representative Gretchen Dobervich	Р
Representative Clayton Fegley	Р
Representative Dwight Kiefert	Р
Representative Todd Porter	Р
Representative Matthew Ruby	Р
Representative Mary Schneider	Р
Representative Kathy Skroch	Р
Representative Bill Tveit	Р
Representative Greg Westlind	Р

Discussion Topics:

- Retail Association
- Water standard
- Licensed inspector

Rep. Mary Schneider (2:55) moved Do Pass

Rep. Gretchen Dobervich (2:56) second

Representatives	Vote
Representative Robin Weisz	N
Representative Karen M. Rohr	N
Representative Mike Beltz	N
Representative Chuck Damschen	N
Representative Bill Devlin	N
Representative Gretchen Dobervich	Υ
Representative Clayton Fegley	N
Representative Dwight Kiefert	N
Representative Todd Porter	N
Representative Matthew Ruby	N
Representative Mary Schneider	Υ
Representative Kathy Skroch	N

Representative Bill Tveit	N
Representative Greg Westlind	N

Motion Failed 2-12-0

Rep. Matthew Ruby (2:57) moved Do Not Pass

Rep. Kathy Skroch (2:57) second

Representatives	Vote
Representative Robin Weisz	Υ
Representative Karen M. Rohr	Υ
Representative Mike Beltz	Υ
Representative Chuck Damschen	Υ
Representative Bill Devlin	Υ
Representative Gretchen Dobervich	N
Representative Clayton Fegley	Υ
Representative Dwight Kiefert	Υ
Representative Todd Porter	Υ
Representative Matthew Ruby	Υ
Representative Mary Schneider	N
Representative Kathy Skroch	Υ
Representative Bill Tveit	Υ
Representative Greg Westlind	Υ

Motion Carried Do Not Pass 12-2-0

Bill Carrier: Rep. Bill Tveit

Chairman Weisz adjourned at 2:58 p.m.

Tamara Krause, Committee Clerk

REPORT OF STANDING COMMITTEE

Module ID: h_stcomrep_47_006

Carrier: Tveit

SB 2252: Human Services Committee (Rep. Weisz, Chairman) recommends DO NOT PASS (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2252 was placed on the Fourteenth order on the calendar.