2025 SENATE ENERGY AND NATURAL RESOURCES

SB 2045

2025 SENATE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee
Peace Garden Room, State Capitol

SB 2045
1/16/2025

Relating to contents of advertisement for public improvement projects.

9:45 a.m. Chairman Patten opened the hearing.

Members present:
Chairman Patten, Vice Chairman Kessel, Senators: Beard, Boehm, Enget, Gerhardt, and Van Oosting.

Discussion Topics:

- Outdated references
- Public law funded projects
- Language clarification

9:45 a.m. Sindhuja S Pillai Grinolds, Division Director from the Water Development Division of the Department of Water Resources, testified in favor and submitted testimony #29172.

9:48 a.m. Chairman Patten closed the hearing.

9:57 a.m. Senator Enget moved Amendment LC# 25.8010.01001.

9:58 a.m. Senator Boehm seconded.

Senators	Vote
Senator Dale Patten	Y
Senator Greg Kessel	Y
Senator Todd Beard	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Justin Gerhardt	Y
Senator Desiree Van Oosting	Y

Motion Passed 7-0-0.

9:57 a.m. Senator Beard moved a Do Pass as Amended.

9:58 a.m. Senator Gerhardt seconded the motion.

Senators	Vote
Senator Dale Patten	Y
Senator Greg Kessel	Y
Senator Todd Beard	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Justin Gerhardt	Y
Senator Desiree Van Oosting	Y

Motion Passed 7-0-0.

9:58 a.m. Senator Gerhardt will carry the bill.

9:58 a.m. Chairman Patten closed the hearing.

Kendra McCann, Committee Clerk

BJS 1/16/25
1 of 3

25.8010.01001
Title.02000

Adopted by the Energy and Natural Resources Committee
January 16, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2045

Introduced by

Energy and Natural Resources Committee

(At the request of the Department of Water Resources)

A BILL for an Act to amend and reenact ~~section~~sections 43-07-12 and 48-01.2-05 of the North Dakota Century Code, relating to a bidding exception for water supply funds and contents of advertisement for public improvement projects.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 43-07-12 of the North Dakota Century Code is amended and reenacted as follows:

43-07-12. Bids to show license issued.

1. All bids and proposals for the construction of any public contract project subject to this chapter must contain a copy of the license or certificate for the current contractor year of the license issued by the registrar, enclosed in the required bid bond envelope. A contract may not be awarded to any contractor unless the contractor is the holder of a license in the class within which the value of the project falls as provided under this section. A contractor must be the holder of a license at least ten days before the date set for receiving bids, to be a qualified bidder. A bid submitted without this information properly enclosed in the bid bond envelope may not be read or considered and must be returned to the bidder.

2. This section does not apply to bids submitted:

~~1.~~ a. To the department of transportation;

~~2. For use of municipal, rural, and industrial water supply funds authorized by Public Law No. 99-294 [100 Stat. 418];~~

~~3.~~ b. To the public service commission; or

~~4.~~ c. For use of federal aid highway funds authorized by Public Law No. 85-767 [72 Stat. 885; 23 U.S.C. 101 et seq.].

SECTION 2. AMENDMENT. Section 48-01.2-05 of the North Dakota Century Code is amended and reenacted as follows:

48-01.2-05. Contents of advertisement.

The advertisement for bids required by section 48-01.2-04 must state:

1. The nature of the work and the type and location of the proposed public improvement.
2. When and where the plans, drawings, and specifications may be seen and examined.
3. The place, date, and time the bids will be opened.
4. That each bid must be accompanied by a separate envelope containing the contractor's license and bid security. The bid security must be in a sum equal to five percent of the full amount of the bid and must be in the form of a bidder's bond. A bidder's bond must be executed by the bidder as principal and by a surety, conditioned that if the principal's bid is accepted and the contract awarded to the principal, the principal, within ten days after notice of the award, shall execute a contract in accordance with the terms of the bid and the bid bond and any condition of the governing body. A countersignature of a bid bond is not required under this section. If a successful bidder does not execute a contract within the ten days allowed, the bidder's bond must be forfeited to the governing body and the project awarded to the next lowest responsible bidder.
5. That a bidder~~, except a bidder on a municipal, rural, and industrial water supply project using funds provided under Public Law No. 99-294 [100 Stat. 426; 43 U.S.C. 390a],~~ must be licensed for the full amount of the bid as required by section 43-07-12. ~~For projects using funds provided under Public Law No. 99-294 [100 Stat. 426; 43 U.S.C. 390a], the advertisement must state that, unless a bidder obtains a contractor's license for the full amount of its bid within twenty days after it is determined the bidder is the lowest responsible bidder, the bid must be rejected and the contract awarded to the next lowest responsible bidder.~~

6. That no bid may be read or considered if the bid does not fully comply with the requirements of this section and that any deficient bid submitted must be resealed and returned to the bidder immediately.

7. That the governing body reserves the right to reject any and all bids and rebid the project until a satisfactory bid is received.

REPORT OF STANDING COMMITTEE
SB 2045

Energy and Natural Resources Committee (Sen. Patten, Chairman) recommends **AMENDMENTS (25.8010.01001)** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2045 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

NORTH Dakota | Water Resources
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Testimony in Support of
SB 2045
Senate Energy and Natural Resources
January 16, 2025

TESTIMONY OF
Sindhuja S.Pillai-Grinolds, Division Director, Water Development Division

Chairman Patten, and members of the Senate Energy and Natural Resources Committee, I am Sindhuja S.Pillai-Grinolds, the Water Development Division Director for the Department of Water Resources. I'm here today to provide testimony in support of SB 2045.

SB 2045 is a clean-up bill that seeks to remove outdated references and requirements associated with projects funded using Public Law 99-294 in North Dakota Century Code § 48-01.2-04. Current Century Code language provides an exception that contractors have 20 days to produce contractor's license for projects funded using Public Law 99-294. Public Law 99-294 is the Garrison Diversion Unit Reformulation Act of 1986 that provided the initial $200 million in Municipal, Rural, and Industrial funding to North Dakota.

The 1986 funds from the Public Law 99-294 have been exhausted, and this exception is currently not being used. Removal of reference to Public Law 99-294 in North Dakota Century Code § 48-01.2-04 is requested through this bill.

The bill language in front of you missed to remove the reference to Public Law 99-294 in Century Code § 43-07-12. We suggest an amendment to the bill to include removal in that section as well.

Thank you for the opportunity to testify, and I'm happy to answer any questions.

2025 HOUSE ENERGY AND NATURAL RESOURCES

SB 2045

2025 HOUSE STANDING COMMITTEE MINUTES

Energy and Natural Resources Committee
Coteau AB Room, State Capitol

SB 2045
3/6/2025

Relating to a bidding exception for water supply funds and contents of advertisement for public improvement projects.

10:09 a.m. Chairman Porter called the hearing to order.

Members Present: Chairman Porter, Vice Chairman Anderson, Vice Chair Novak, Representatives: Dockter, Hagert, Headland, Heinert, Johnson, Marschall, Olson, Ruby, Conmy, Foss

Discussion Topics:

- Industrial funding

10:10 a.m. Sindhuja S Pillai-Grinolds, Division director, Department of Water Resources, testified in favor and submitted testimony. #38902

10:12 a.m. Chairman Porter closed the hearing.

10:12 a.m. Representative Dockter moved a Do Pass.

10:12 a.m. Representative Ruby seconded the motion.

Representatives	Vote
Representative Todd Porter	Y
Representative Dick Anderson	Y
Representative Anna Novak	AB
Representative Liz Conmy	Y
Representative Jason Dockter	Y
Representative Austin Foss	Y
Representative Jared c. Hagert	Y
Representative Craig Headland	Y
Representative Pat D. Heinert	Y
Representative Jorin Johnson	Y
Representative Andrew Marschall	Y
Representative Jeremy L. Olson	Y
Representative Matthew Ruby	Y

Motion carried: 12-0-1

10:13 a.m. Representative Olson moved to place on consent calendar.

10:13 a.m. Representative Dockter seconded the motion.

Voice vote: Motion carried

Bill carrier: Representative Foss

10:12 a.m. Chairman Porter closed the hearing.

Leah Kuball, Committee Clerk

REPORT OF STANDING COMMITTEE
ENGROSSED SB 2045 (25.8010.02000)

Energy and Natural Resources Committee (Rep. Porter, Chairman) recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (12 YEAS, 0 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). SB 2045 was placed on the Tenth order on the calendar.

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Testimony in Support of
SB 2045
House Energy and Natural Resources
March 6, 2025

TESTIMONY OF
Sindhuja S.Pillai-Grinolds, Division Director, Water Development Division

Chairman Porter, and members of the House Energy and Natural Resources Committee, I am Sindhuja S.Pillai-Grinolds, the Water Development Division Director for the Department of Water Resources. I'm here today to provide testimony in support of Engrossed SB 2045.

Engrossed SB 2045 is a clean-up bill that seeks to remove outdated references and requirements associated with projects funded using Public Law 99-294 in North Dakota Century Code § 43-07-12 and § 48-01.2-05. Current Century Code language provides an exception that contractors have 20 days to produce contractor's license for projects funded using Public Law 99-294. Public Law 99-294 is the Garrison Diversion Unit Reformulation Act of 1986 that provided the initial $200 million in Municipal, Rural, and Industrial funding to North Dakota.

The 1986 funds from the Public Law 99-294 have been exhausted, and this exception is currently not being used. Removal of reference to Public Law 99-294 in North Dakota Century Code § 43-07-12 and § 48-01.2-05 is requested through this bill.

Thank you for the opportunity to testify, and I'm happy to answer any questions.