

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2262

2005 SENATE POLITICAL SUBDIVISIONS

SB 2262

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2262

Senate Political Subdivisions Committee

Conference Committee

Hearing Date January 27, 2005

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|------------|
| 1 | X | | 5644 - end |
| 2 | X | | 82 - 343 |
| | | | |
| Committee Clerk Signature <i>Shirley Borg</i> | | | |

Minutes:

Chairman Cook opened the hearing on SB 2262 relating to expenditure of federal mineral royalties by counties. All committee members (6) were present.

Senator Bowman, District 39 and the Bowman County Commission introduced SB 2262. There was an issue that came up at one of the county commission meetings and it was the use of the royalties money that we receive. There is a question in the law that wasn't clear on public facilities and when you get into that section of the law, not being an attorney, he has gotten three different documents. One says we may be able to do it, one says they see no problem with it and the other says absolutely not. You decided maybe it is best to write a piece of legislation that they will all agree on. This bill defines a public facility that we can use on private or public lands. The reason for that is because fair board land is owned by the fair board that is not considered public lands. The county commission has to look at what ever they are going to use

this money for, they know what a public facility is, and they will make the determining factor on this funding source.

Senator Dever: Is the reason for the words "or private property" to accommodate fair board property as it is not considered public property?

Senator Bowman: That is right. It has to be clear what public use is.

Senator Fairfield: Could this private property be abused? Could this be a money making thing?

Senator Bowman: The county commissioner has to make the decision. I think if you read the code you will find out that it has to be public. If it is a public facility you have to have someone operate this.

Vicki Steiner, North Dakota Oil and Gas Producing Counties appeared in support of SB 2262. It clarifies the definition.

No further testimony for or against the bill.

Chairman Cook closed the hearing on SB 2262

Discussion

Senator Triplett moved a Do Pass on SB 2262

Senator Hacker seconded the motion.

Roll call vote: 6 Yes 0 No 0 Absent

Carrier **Senator Hacker**

Chairman Cook adjourned the meeting.

Date: 1-27-05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2262

Senate Political Subdivisions Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

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 | X | | | | |
| Senator April Fairfield | X | | | | |
| Senator Constance Triplett | X | | | | |
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Total Yes 6 No 0

Absent 0

Floor Assignment Senator Hacker

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

Stand Comm.
1-27-05

REPORT OF STANDING COMMITTEE (410)
January 27, 2005 4:10 p.m.

Module No: SR-18-1241
Carrier: Hacker
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2262: Political Subdivisions Committee (Sen. Cook, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2262 was placed on the Eleventh order on the calendar.

2005 HOUSE POLITICAL SUBDIVISIONS

SB 2262

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2262

House Political Subdivisions Committee

Conference Committee

Hearing Date February 24, 2005

| Tape Number | Side A | Side B | Meter # |
|---|--------|--------|--------------|
| 1 | | x | 10.2 to 16.3 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Lauren B. Link</i> | | | |

Minutes: **Rep. Devlin, Chairman** opened the hearing on SB 2262, A Bill for an Act to amend and reenact subsection 4 of section 15.1-27-25 of the North Dakota Century Code, relating to expenditure of federal mineral royalties by counties.

Sen. Bowman representing District 39 and prime sponsor of the bill explained the basis for the bill and in support thereof. The bill is for one reason and one reason only and that is to spell out a definition of what is a public facility. As county commissioner dealing with buildings for fair boards --- does a building have to be on -- do you have to own the land or can a fair association -- can you build a building for a fair association? And can you still donate money to a building on association land? The law wasn't clear and this will clear up the law. I got two different opinions from the State's Attorney and from the Attorney General. Therefor I asked the Legislative Council to draft this bill. These funds are oil revenues and if this bill passes as a county commission it would be lawful to spend these monies on public or private lands.

Rep. Ekstrom (12.0) Several sessions past we passed legislation that dealt with a county acquiring property across state lines --- does this have anything to do with that?

Sen. Bowman Not to my knowledge -- this is how this came about -- we were going to build a building at the county fair grounds -- the county fair grounds is not a public entity -- the states attorney said its a gray area -- these are mineral royalties not tax dollars -- the law deals with tax dollars -- we are also looking at a long term lease on a private dams -- we want to put a wet lands in there on a 100 years lease or so -- the land is leased to the county but we can't do that until we have clarity in the law -- thus this bill.

Rep.Devlin, Chairman (13.5) Would this allow you to take \$100,000 and put a building on the fairgrounds in Steele County?

Sen. Bowman I think we would have to have the law clarified again !

Rep. Koppelman I want to ask Mark Johnson from the Association of Counties whether any other counties who do not have mineral royalties have any interest in doing this sort of thing?

Mark Johnson representing the North Dakota Association of Counties -- I think that is a definition to frame the federal law to make the expenditures ok with the feds for this type of expenditure.

There being no further testimony either for or against **Rep.Devlin, Chairman** closed the hearing on SB 2262.

Rep. Wrangham asked the Chairman to hold the action on this bill over for one day so that he might check out a possible question the Rep. Herbal, Vice Chairman might have.

End of record (16.3)

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2262 b

House Political Subdivisions Committee

Conference Committee

Hearing Date March 3, 2005

| Tape Number | Side A | Side B | Meter # |
|--|--------|--------|-------------|
| 1 | x | | 9.4 to 14.6 |
| | | | |
| | | | |
| Committee Clerk Signature <i>Lawrence B. Zwick</i> | | | |

Minutes: **Rep. Devlin, Chairman** opened the discussion for action on SB 2262.

Rep. Wrangham (9.5) in response to an inquiry about the Chairman -- this is an amendment which I believe improves the bill. I will not move the amendment, if someone feels it improves the bill they can move the amendment -- I will yield to the wisdom of the committee.

It simply adds to the bill the "before a county may use money received under this section for a public facility located on private property the county must enter an agreement for supervisory control to insure the facility is used primarily for public purposes and appropriate arrangement for disposition of this facility if it is no longer primarily used for public purpose". The sponsor of the bill has assured me that this is what any county commission would do anyway.

Rep. Herbal, Vice Chairman (11.1) I can't imagine any a county getting into the an arrangement without it.

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House Political Subdivisions Committee
Bill/Resolution Number SB 2262
Hearing Date March 3, 2005

Rep. N. Johnson (12.6) School Districts and any government entity wouldn't put a \$ 6 million dollar building on private property without look at protecting their investment. All political subdivisions have access to legal counsel.

Rep.Devlin, Chairman That's built into the system.

The amendment was not moved. **Rep. Wrangham** moved a 'Do Pass' motion for SB 2262. **Rep. N. Johnson** seconded the motion. On a roll call vote the motion carried **10 ayes 0 nays 2 absent.**

Rep. N. Johnson was designated to carry SB 2262 on the floor. End of record (14.6) .

Date: March 3, 2005
Roll Call Vote:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2262

House POLITICAL SUBDIVISIONS Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken D P

Motion Made By Rep. Wrangham

Seconded By Rep. Johnson

| Representatives | Yes | No | Representatives | Yes | No |
|----------------------------|-----|----|-----------------|-----|----|
| Rep. Devlin, Chairman | ✓ | | Rep. Ekstrom | ✓ | |
| Rep. Herbel, Vice Chairman | ✓ | | Rep. Kaldor | ✓ | |
| Rep. Dietrich | ✓ | | Rep. Zaiser | A | |
| Rep. Johnson | ✓ | | | | |
| Rep. Koppelman | A | | | | |
| Rep. Kretschmar | ✓ | | | | |
| Rep. Maragos | ✓ | | | | |
| Rep. Pietsch | ✓ | | | | |
| Rep. Wrangham | ✓ | | | | |
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Total (Yes) 10 No 0

Absent 2

Floor Assignment Rep. Johnson

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

REPORT OF STANDING COMMITTEE (410)
March 3, 2005 11:59 a.m.

Module No: HR-39-4054
Carrier: N. Johnson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2262: Political Subdivisions Committee (Rep. Devlin, Chairman) recommends DO PASS (10 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2262 was placed on the Fourteenth order on the calendar.