

2009 SENATE AGRICULTURE

SB 2299

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No.2299

Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: January 29, 2009

Recorder Job Number: 8089

Committee Clerk Signature *Cassie Kroh*

Minutes:

Sen. Flakoll the hearing on SB 2299, a bill relating to severed interest abstract. All members (7) were present.

Sen. Christmann, testified in favor of the bill and passed out his proposed amendments for the committee to go over, see attachment #1.

Sen. Flakoll- does it only affect above ground utilities?

Sen. Christmann- no this would affect all utilities.

Sen. Flakoll- does this affect people that have wind towers on their property?

Sen. Christmann- I would think that it would but it shouldn't affect the wind turbin owners but the property owners that host the wind turbin.

Howard Malloy, ND land title association, testified in favor of the bill.

Howard Malloy- We are here to support this bill as it would be with Sen. Christmann's amendments.

Sen. Behm- an abstract is an exact guarantee of what has happened to that land is that right?

Howard Malloy- the abstracter certifies that everything that affects this land is in the abstract the guarantee would be the liability of the abstractor and the quality of the insurance.

Sen. Taylor- if there are gas lines or minerals and such do you have to request that information or is it just generally given.

Howard Malloy- it has to be requested for a minimal fee, if there are many entries a lot of times we will ask if they would like to see them and that is their choice.

No opposition to the bill.

Sen. Flakoll closed the hearing.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No.2299

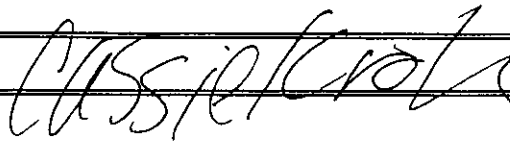
Senate Agriculture Committee

Check here for Conference Committee

Hearing Date: January 29, 2009

Recorder Job Number: 8091

Committee Clerk Signature



Minutes:

Sen. Flakoll opened discussion on SB 2299.

Sen. Taylor motioned to adopt the amendments 90748.0101 and was seconded by **Sen.**

Wanzek, vote 6 yea, 0 nay, 1 absent and not voting-**Sen. Heckaman**.

Sen. Wanzek motioned for a Do Pass as Amended and was seconded by **Sen. Klein**, vote 6

yea, 0 nay, 1 absent and not voting- **Sen. Heckaman**. **Sen. Miller** was designated to carry the bill to the floor.

Sen. Flakoll closed the discussion.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2299

Page 1, line 2, replace "severed interest" with "utility easement"

Page 1, line 6, replace "**Severed Interest**" with "**Utility easement documentation**"

Page 1, line 7, replace "all severed interests, including" with "documents that affect utility"

Page 1, line 8, after "surface" insert "and a document limiting, modifying, or releasing the interest"

Page 1, line 10, replace "instruments in the chains of title which transfer or convey" with "related documents pertaining to a utility easement"

Page 1, line 11, remove "severed interests and"

Renumber accordingly

Date: Jan 29 09
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2299

Senate Agriculture Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken move amendment 90748.0101

Motion Made By Taylor Seconded By Wanzek

Senators	Yes	No	Senators	Yes	No
Tim Flakoll-Chairman			Arthur Behm		
Terry Wanzek-Vice Chairman	X		Joan Heckaman	X	
Jerry Klein	X		Ryan Taylor	X	
Joe Miller	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment _____

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

Date: Jan 29, 09'
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2299

Senate Agriculture Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended

Motion Made By Wanzek Seconded By Klein

Senators	Yes	No	Senators	Yes	No
Tim Flakoll-Chairman			Arthur Behm		
Terry Wanzek-Vice Chairman	X		Joan Heckaman	X	
Jerry Klein	X		Ryan Taylor	X	
Joe Miller	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Sen. Miller

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

REPORT OF STANDING COMMITTEE

SB 2299: Agriculture Committee (Sen. Flakoll, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2299 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "severed interest" with "utility easement"

Page 1, line 6, replace "**Severed Interest**" with "**Utility easement documentation**"

Page 1, line 7, replace "all severed interests, including" with "documents that affect utility"

Page 1, line 8, after "surface" insert "and a document limiting, modifying, or releasing the interest"

Page 1, line 10, replace "instruments in the chains of title which transfer or convey" with "related documents pertaining to a utility easement"

Page 1, line 11, remove "severed interests and"

Renumber accordingly

2009 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2299

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. Senate Bill 2299

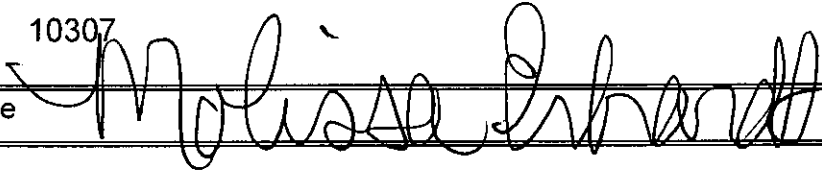
House Government and Veterans Affairs Committee

Check here for Conference Committee

Hearing Date: 3/5/2009

Recorder Job Number: 10307

Committee Clerk Signature



Minutes:

Chairman Grande: Open the hearing on SB 2299. Clerk read the title.

Senator Randy Christmann, District 33: Senate Bill 2299 has been amended and as you can see we have a First Engrossment. I put this bill in on behalf of

one constituent who brought an issue to me and then once the bill was

introduced it got the attention of the abstractors who made some

recommendations and came to a consensus that all could live with. Here is the

situation that is happening under current law. One of my constituents has

property upon which the main transmission line goes from one of the power

plants all the way across the State to Minnesota. His land has been in his family

for generations and his mother passed away and one piece I guess he inherited

and had the abstract updated and went to the lawyer and abstractors office to

pick it up and walked in and found out his bill was over \$2,000, he was just in

shock, this land had been in his family all these years and he could not figure out

what could have happened. How could this cost this much? Well, over a \$1,000

of this at \$10 a pop, over a hundred findings on that abstract were the result of that transmission line. Now you expect to have one authorizing them to construct the transmission line and maybe another if they need some alternative route to get to it to work on it or something but how do over a hundred statements on this abstract get on there in thirty or forty years. It turns out as the utilities refinanced things all their assets get included in financing documents and released and all these things people are filing. So let me step back when I look back and have done my own abstracts on my ag property and you can go for twenty, thirty, forty, years and there is like three or four things that have happened and something might have come across there. Now it is getting to the point where there are literally dozen, sometimes in a year, of these kinds of things and if we don't fix this problem we are going to get to a point in another generation where no one will allow any utilities across their property because the abstract will be almost worth more than the land. So I thought that there was nothing that could be done because I was told that these have to be on there and someone in the oil industry who works for an attorney that does oil activity out in Bowman County, no, they have a solution to it and the initial easement is documented and the abstract and the other things are kind of set aside and so I had a bill drafted with the exact same language as what the oil industry uses. I cannot even explain it not being an abstractor or an attorney, but it did cause some problems for the abstractors

and they had their meeting and James, can't remember his last name, they contacted me and we worked out the language you see here and based on the Senate side everybody was happy with it. We hope you can go along with this bill and fix the problem, it does allow as you see for the statements that affect the easements in a significant way, they have an impact on any potential new surface owner or anything like that and all these other things having to do with company financing and those types of things. They are still on record but they do not need to all be recorded on the abstracts. That is the bill and I would be happy to answer any questions.

Chairman Grande: Committee do you have any questions? It is a wonderful and the sponsors are really good. Anyone else wishing to speak in favor of 2299?

Claus Lembke, ND Association of Realtors: Madam Chair I was there at the hearing and I conferred with the abstractors who are affiliate members of ours and they support this bill. Basically what the original bill did it reduced the amount of those utility entries in each abstract from \$10 to one dollar and when in fact they have more work in it. It cost more than one dollar to do each utility entry or do any other entry for that matter. So what this amendment then did is basically as you can see it starts on Line 6, "upon request an abstractor shall furnish an abstract to title to the surface of any tract of land omitting documents

that affect utility easements.” Now they are authorized to exempt the utility easements rules repetitive unimportant things that do not affect the titles at all. Except for the initial document if I read on here where it severs the interest from surface and document modifying releasing those interests of subsurface mineral rights. Then it goes on to say it doesn’t take away that ability to do that; “In addition and upon request, an abstracter shall furnish all those entries pertaining to utility easements for a cost of those entries of a dollar. So if the landowner wants a complete abstract with all the utilities you can still get it but when it is not necessary, when it does not affect the loan, it does not affect the surface owners when they transfer or sell it you don’t need that other than the original document. That is what this amendment has worked out and it was Mr. Howard Malloy, President of what they call the Land Title Association that supports this bill as it is written up.

Chairman Grande: Any questions from the committee? Anyone else wishing to speak on 2299? Opposition to 2299? Neutral to 2299? Closed the hearing on 2299. What are the committee’s wishes?

Vice Chairman Randy Boehning: Motion for a Do Pass.

Rep. Wolf: 2nd.

Chairman Grande: We have a Do Pass motion from Vice Chairman Randy Boehning and a 2nd from Rep. Wolf. Discussion? Clerk will call the roll.

Clerk Erhardt: Roll Call: Yes: 13. No: 0. Absent: 0. Carrier: Rep. Amerman.

Date: 3/5/19
 Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2269

House Government and Veterans Affairs Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Pass

Motion Made By Boehning Seconded By Wolf

Representatives	Yes	No	Representatives	Yes	No
Chairman Grande	✓		Rep. Amerman	✓	
Vice Chairman Boehning	✓		Rep. Conklin	✓	
Rep. Dahl	✓		Rep. Schneider	✓	
Rep. Froseth	✓		Rep. Winrich	✓	
Rep. Karls	✓		Rep. Wolf	✓	
Rep. Kasper	✓				
Rep. Meier	✓				
Rep. Nathe	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Amerman

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

REPORT OF STANDING COMMITTEE

SB 2299, as engrossed: Government and Veterans Affairs Committee (Rep. Grande, Chairman) recommends DO PASS (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2299 was placed on the Fourteenth order on the calendar.