



# North Dakota Legislative Council

Prepared by the Legislative Council staff  
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## **TESTIMONY - SENATE BILL NO. 2035 SENATE JUDICIARY JANUARY 6, 2021**

This testimony is provided in favor of Senate Bill No. 2035 (2021), which was introduced by the Legislative Management at the request of the 2019-20 interim Judiciary Committee. Senate Bill No. 2035 is the Legislative Council's technical corrections bill, which is introduced each legislative session to make corrections to the North Dakota Century Code to address improper, inaccurate, redundant, missing, or obsolete references.

### **EXPLANATION OF THE BILL**

Senate Bill No. 2035 provides the following technical corrections:

- Section 1 of the bill corrects a reference to the federal environmental law impact review fund. The fund is referenced twice in Section 4.1-01-19, however, the word "review" inadvertently was omitted from the first reference in this section. Section 1 of the bill corrects this inadvertent omission.
- Section 2 of the bill relates to involuntary dissolution under the North Dakota Business Corporation Act and the manner in which a court may grant equitable relief or dissolve a corporation. One of the conditions to granting a dissolution is the requirement that the corporation's period of duration must have expired and no extensions have been granted. The cross-reference to the extension provisions cited in Section 10-19.1-115 is incorrect. The correct reference is Section 10-19.1-127, rather than Section 10-19.1-124. Section 2 of the bill corrects this cross-reference error.
- Section 3 of the bill removes a reference to the North Dakota Education Technology Council, which was repealed by Senate Bill No. 2215 (2019). The reference to the North Dakota Education Technology Council was not removed in Section 15.1-07-33 due to the mistaken belief the reference was being removed in a separate bill. Section 3 of the bill removes the reference to the repealed council.
- Section 4 of the bill corrects a reference to the "department of information technology" in Section 23-02.1-27 to reflect the proper name of that department, which is the "information technology department."
- Section 5 of the bill amends Section 23-07-07.6 to provide the definition of "significant exposure." Section 23-07-07.6 currently references the definition of "significant exposure" as the term is defined in Section 23-07.3-01. However, Section 23-07.3-01 was repealed by House Bill No. 1410 (2005). The added language in Section 5 of the bill mirrors the language provided for the definition of "significant exposure" in Section 23-07.3-01, before that section was repealed.
- Sections 6 through 11 of the bill contain references to the North Dakota Board of Medicine's secretary-treasurer position. The board renamed the position of secretary-treasurer as the position of executive director. The changes in Sections 6 through 11 of the bill reflect the updated name of this position.
- Section 12 of the bill relates to the governor's power to appoint members of certain boards and commissions. Among the boards listed in Section 54-07-01.2 is the State Water Pollution Control Board. However, this board was repealed by Senate Bill No. 2327 (2017). Section 12 of the bill removes the reference to the repealed board.
- Section 13 of the bill relates to the manner in which gross production tax revenue is allocated within counties under certain circumstances. Section 57-51-16 directs gross production tax revenue to be allocated within the county in the manner provided in subsection 3 of Section 57-51-15; however, county allocations are addressed in subsections 4 and 5 of that section due to past revisions and renumbering. This section of the bill corrects the incorrect subsection reference by referencing Section 57-51-15 broadly, which still serves to accurately reflect the manner in which gross production tax revenue is allocated.

- Section 14 of the bill relates to conditional water permits. Senate Bill No. 2090 (2019) made various changes to laws relating to permits for the appropriation of water, including changing the fund in which application fees for water use permits are deposited from the water use fund to the resources trust fund. The changes in Section 12 of the bill clarify that fees collected for conditional water permits are deposited in the resources trust fund, rather than the water use fund.
- Section 15 of the bill contains changes that accompany the changes in Section 14 of the bill. Section 15 of the bill repeals Section 61-03-05.1, which inadvertently was not repealed in Senate Bill No. 2090 (2019) and which contains a conflicting requirement to deposit fees collected under Section 61-04-06.2 in the water use fund, which no longer is used by the State Water Commission.