

SENATE BILL NO. 2194

Introduced by

Senators Patten, Bekkedahl, Kannianen

Representatives Longmuir, J. Olson, Timmons

1 A BILL for an Act to create and enact a new section to chapter ~~15-02~~4.1-01, and a new
2 subsection to section 54-44.4-05 of the North Dakota Century Code, relating to a post-
3 production royalty oversight program, and to procurement exemptions; and to provide an
4 appropriation.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 ~~—SECTION 1. A new section to chapter 15-02 of the North Dakota Century Code is created~~
7 ~~and enacted as follows:~~

8 **SECTION 1.** A new section to chapter 4.1-01 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Post-production royalty oversight program.**

- 11 1. ~~The commissioner of university and school lands, in cooperation with the industrial~~
12 ~~commission,~~ shall establish a program providing technical assistance and support to
13 ~~landowners~~mineral owners, lease owners, and mineral companies relating to royalty
14 payment issues.
- 15 2. The commissioner may contract for ombudsmen to be a resource for technical
16 assistance and followup on royalty payment issues.
- 17 3. The program may provide technical education, support, and outreach on royalty
18 payment related matters in coordination with other entities.
- 19 4. The commissioner may contract with local individuals, deemed trustworthy by the
20 landownersmineral owners, lease owners, and mineral companies, to be ombudsmen.
21 The commissioner is not subject to the provisions of chapter 54-44.4 when contracting
22 for the services of ombudsmen.

1 5. The names of ~~landowners~~ **mineral owners, lease owners,** and mineral companies that
2 receive assistance under the program are not subject to section 44-04-18 and
3 section 6 of article XI of the Constitution of North Dakota.

4 6. The commissioner shall submit expenses related to the implementation of the program
5 to the industrial commission for reimbursement.

6 **SECTION 2.** A new subsection to section 54-44.4-05 of the North Dakota Century Code is
7 created and enacted as follows:

8 Contracts for ombudsmen by the agriculture commissioner, related to post-production
9 royalty technical assistance under chapter 15-02.

10 **SECTION 3. APPROPRIATION - ~~INDUSTRIAL COMMISSION~~ DEPARTMENT OF**

11 **AGRICULTURE - ROYALTY OVERSIGHT PROGRAM.** There is appropriated out of any
12 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
13 \$500,000, or so much of the sum as may be necessary, to the ~~industrial~~
14 ~~commission~~ ombudsman program fund for the purpose of implementing a post-production
15 royalty oversight program ~~administered through the department of trust lands~~, for the biennium
16 beginning July 1, 2023, and ending June 30, 2025.