**2025 HOUSE POLITICAL SUBDIVISIONS** 

HB 1142

#### 2025 HOUSE STANDING COMMITTEE MINUTES

#### **Political Subdivisions Committee**

Room JW327B, State Capitol

HB 1142 1/16/2025

A BILL for an Act to amend and reenact sections 32-12.1-03 and 32-12.2-02 of the North Dakota Century Code, relating to the statutory caps for liability of political subdivisions and the state; and to provide an effective date.

9:28 a.m. Chairman Longmuir opened the hearing.

Members Present: Chairman Donald W. Longmuir, Vice-Chairman Clayton Fegley, Vice-Chairman Jim Jonas, Representatives Macy Bolinske, Patrick R. Hatlestad, Matthew Heilman, Lawrence R. Klemin, Mike Motschenbacher, Mitch Ostile, Nathan Toman, Jonathan Warrey, Jayme Davis, LaurieBeth Hager

#### **Discussion Topics:**

- Increasing statutory caps
- Removing sunset provision

9:28 a.m. Brandy Pyle, North Dakota Representative for District 22, introduced the bill and provided testimony #28516.

9:32 a.m. Jaclyn Hall, Executive Director of the North Dakota Association for Justice, testified in favor and provided testimony #29436.

9:33 a.m. Representative Hager moved a Do Pass.

9:33 a.m. Representative Warrey seconded the motion.

Representatives	Vote
Representative Donald W. Longmuir	Υ
Representative Clayton Fegley	Y
Representative Jim Jonas	Y
Representative Macy Bolinske	Y
Representative Jayme Davis	Y
Representative LaurieBeth Hager	Y
Representative Patrick R. Hatlestad	Y
Representative Matthew Heilman	Y
Representative Lawrence R. Klemin	Y
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	Y
Representative Nathan Toman	Y
Representative Jonathan Warrey	Y

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9:34 a.m. Representative Davis will carry the bill.

9:35 a.m. Chairman Longmuir closed the hearing.

Wyatt Armstrong, Committee Clerk

# REPORT OF STANDING COMMITTEE HB 1142 (25.0080.01000)

Module ID: h\_stcomrep\_06\_002

**Carrier: Davis** 

**Political Subdivisions Committee (Rep. Longmuir, Chairman)** recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1142 was placed on the Eleventh order on the calendar.



# North Dakota House of Representatives

STATE CAPITOL 600 EAST BOULEVARD BISMARCK, ND 58505-0360



COMMITTEES: Appropriations

#### Representative Brandy Pyle

District 22 P.O. Box 337 Casselton, ND 58012-0337 bpyle@ndlegis.gov

HB 1142 Political Subdivision 1.16.2025 10:30 am

Good morning, Chair Longmuir and Committee.

I'd like to take a moment to introduce HB 1142, a straightforward cleanup bill that addresses a provision from last session's HB 1184.

To give some context, when incidents occur where a political subdivision or state is found at fault, there has historically been a cap on the amount that can be paid for damages. This cap, established in 1977, was set at \$250,000 per person for a single incident—an amount that hasn't been updated in nearly five decades. Last session, we took important steps in HB 1284 to address these outdated figures. Specifically, we began gradually increasing the cap, with a planned increase that will eventually raise the ceiling to \$500,000 per person for each incident.

This stair-step approach to increasing the cap over time is similar to how we've handled the per incident cap, like the from \$1 million to \$2 million.

HB 1142 is a simple measure that removes the sunset provision we initially placed in HB 1284. Once the stair-step timeline is completed, the new caps will be in place permanently, and future legislature may need to revisit this, but we can be assured that the outdated 1977 limits will not be brought back.

In short, HB 1142 ensures that as the caps increase, they remain in place for the future, providing clarity and stability for both state agencies and political subdivisions in budgeting for potential incidents.

I stand for any question.

Thank you.

Brandy L. Pyle



Jaclyn Hall, Executive Director jaclyn@ndaj.org

Chairman Longmuir and members of the House Political Subdivision Committee, my name is Jaclyn Hall. I am the Executive Director of the North Dakota Association for Justice. Today, I am here to support HB 1142.

As Representative Pyle mentioned, this legislation will remove the sunset provision on previously passed legislation to incrementally increase the cap on damages for political subdivisions and state agencies.

This cap was originally established in 1977 and was changed to account for inflation and the increased cost of everyday life. This sunset removal will freeze the cap at \$500,000 per person and \$2,000,000 per occurrence.

Please vote Do Pass on HB1142.

Thank you.

**2025 SENATE JUDICIARY** 

HB 1142

#### 2025 SENATE STANDING COMMITTEE MINUTES

### **Judiciary Committee**

Peace Garden Room, State Capitol

HB 1142 3/12/2025

Relating to the statutory caps for liability of political subdivisions and the state; and to provide an effective date.

2:29 p.m. Chair Larson opened the hearing.

#### Members present:

Chair Larson, Vice Chairman Paulson, Senators: Castaneda, Cory, Luick, Myrdal, Braunberger.

#### **Discussion Topics:**

- Liability caps for political subdivisions
- Removal of sunset clause
- 2:30 p.m. Representative Pyle introduced the bill and submitted testimony in favor #39719.
- 2:32 p.m. Jaclyn Hall, Executive Director, ND Association for Justice, testified in favor and submitted testimony #40829.
- 2:36 p.m. Chair Larson closed the hearing.
- 2:36 p.m. Senator Myrdal moved a Do Pass.
- 2:36 p.m. Senator Cory seconded the motion.

Senators	Vote
Senator Diane Larson	Υ
Senator Bob Paulson	Υ
Senator Ryan Braunberger	Υ
Senator Jose L. Casteneda	Υ
Senator Claire Cory	Υ
Senator Larry Luick	Υ
Senator Janne Myrdal	Υ

Motion Passed 7-0-0.

- 2:36 p.m. Senator Luick will carry the bill.
- 2:37 p.m. Committee discussion on upcoming schedule.
- 2:41 p.m. Chair Larson closed the hearing.

Kendra McCann, Committee Clerk

## REPORT OF STANDING COMMITTEE

Module ID: s\_stcomrep\_38\_010

Carrier: Luick

**Judiciary Committee (Sen. Larson, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1142 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.

HB 1142 (25.0080.01000)



# North Dakota House of Representatives

STATE CAPITOL 600 EAST BOULEVARD BISMARCK, ND 58505-0360



COMMITTEES: Appropriations

#### Representative Brandy Pyle

District 22 P.O. Box 337 Casselton, ND 58012-0337 bpyle@ndlegis.gov

HB 1142

Good morning, Chair Larson and Committee.

I'd like to take a moment to introduce HB 1142, a straightforward cleanup bill that addresses a provision from last session's HB 1184.

To give some context, when incidents occur where a political subdivision or state is found at fault, there has historically been a cap on the amount that can be paid for damages. This cap, established in 1977, was set at \$250,000 per person for a single incident—an amount that hasn't been updated in nearly five decades. Last session, we took important steps in HB 1284 to address these outdated figures. Specifically, we began gradually increasing the cap, with a planned increase that will eventually raise the ceiling to \$500,000 per person for each incident.

This stair-step approach to increasing the cap over time is similar to how we've handled the per incident cap, like the from \$1 million to \$2 million.

HB 1142 is a simple measure that removes the sunset provision we initially placed in HB 1284. Once the stair-step timeline is completed, the new caps will be in place permanently, and future legislature may need to revisit this, but we can be assured that the outdated 1977 limits will not be brought back.

In short, HB 1142 ensures that as the caps increase, they remain in place for the future, providing clarity and stability for both state agencies and political subdivisions in budgeting for potential incidents.

I stand for any question.

Thank you.

Brandy L. Pyle



Jaclyn Hall, Executive Director jaclyn@ndaj.org

Madam Chair Larson and members of the Senate Judiciary Committee, my name is Jaci Hall, Executive Director of the North Dakota Association for Justice. Today I am here in support of HB 1142.

As Representative Pyle mentioned, this legislation will remove the sunset provision on previously passed legislation to incrementally increase the cap on damages for political subdivisions and state agencies.

This cap was originally established in 1977 and was changed to account for inflation and the increased cost of everyday life in 2023. The current statute has a progressive cap as indicated below:

### 32-12.1-03. Liability of political subdivisions

- a. On July 1, 2023, a total of four hundred six thousand two hundred and fifty dollars per person and one million six hundred twenty-five thousand dollars for any single occurrence.
- b. On July 1, 2024, a total of four hundred thirty-seven thousand five hundred dollars per person and one million seven hundred fifty thousand dollars for any single occurrence.
- c. On July 1, 2025, a total of four hundred sixty-eight thousand seven hundred fifty dollars per person and one million eight hundred seventy-five thousand dollars per occurrence.
- d. On July 1, 2026, a total of five hundred thousand dollars per person and two million dollars per occurrence.

### 32-12.2-02. Liability of the state - Limitations

- a. On July 1, 2023, a total of four hundred six thousand two hundred and fifty dollars per person and one million six hundred twenty-five thousand dollars for any single occurrence.
- b. On July 1, 2024, a total of four hundred thirty-seven thousand five hundred dollars per person and one million seven hundred fifty thousand dollars for any single occurrence.
- c. On July 1, 2025, a total of four hundred sixty-eight thousand seven hundred fifty dollars per person and one million eight hundred seventy-five thousand dollars per occurrence.



d. On July 1, 2026, a total of five hundred thousand dollars per person and two million dollars per occurrence.

This legislation will freeze the cap at \$500,000 / \$2 million for both liability to the state and liability for political subdivisions.

Thank you for your time and I will stand for questions.