2025 SENATE AGRICULTURE AND VETERANS AFFAIRS
SB 2148

### 2025 SENATE STANDING COMMITTEE MINUTES

## **Agriculture and Veterans Affairs Committee**

Fort Union Room, State Capitol

SB 2148 1/23/2025

A bill relating to reimbursement of costs associated with possession of an estray.

8:30 a.m. Chairman Luick called the meeting to order.

Members present: Chairman Luick, Vice-Chair Myrdal, Senator Weston, Senator Marcellais, Senator Weber, Senator Lemm

### **Discussion Topics:**

- Department of Trust Lands and unclaimed property
- Livestock as property
- Definition of estray
- Escrow amount
- Biannual audit
- State Treasurer's Office
- Fee based funding
- 8:30 a.m. Senator Donald Schaible, District 31, testified in favor and submitted testimony #30734.
- 8:31 a.m. Benjamin Fischback, lobbyist for the Independent Beef Association of ND, testified in favor and submitted testimony #30860 and #30861.
- 8:33 a.m. Frank Tomac, rancher in Sioux County, testified in favor.
- 8:35 a.m. Julie Ellingson, ND Stockmen's Association, testified in opposition.
- 8:51 a.m. Senator Weston moved a Do Not Pass.
- 8:51 a.m. Senator Lemm seconded the motion.

Senators	Vote
Senator Larry Luick	Υ
Senator Janne Myrdal	Υ
Senator Randy D. Lemm	Υ
Senator Richard Marcellais	Υ
Senator Mark F. Weber	Υ
Senator Kent Weston	Υ

Motion passed 6-0-0.

Senator Lemm will carry the bill.

Senate Agriculture and Veterans Affairs Committee SB 2148 01/23/25 Page 2

# Additional written testimony:

Audrey Oswald, Committee Clerk

Jeremy Maher, resident of Morristown, SD, submitted testimony #30841 in favor.

Kerry Dockter, resident of Denhoff, ND, submitted testimony #30910 in favor.

August Heupel, Vice President of I-BAND, submitted testimony #30916 in favor.

Ronald Volk, resident of Sentinel Butte, ND, submitted testimony #30923 in favor.

Julie Reis, rancher from Fairfield, ND, submitted testimony #30924 in opposition.

8:52 a.m. Chairman Luick closed the hearing.

# REPORT OF STANDING COMMITTEE SB 2148 (25.0570.01000)

Module ID: s\_stcomrep\_11\_008

**Carrier: Lemm** 

Agriculture and Veterans Affairs Committee (Sen. Luick, Chairman) recommends DO NOT PASS (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). SB 2148 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.



# North Dakota Senate

STATE CAPITOL 600 EAST BOULEVARD BISMARCK, ND 58505-0360



COMMITTEES: Appropriations

Senator Donald Schaible District 31 9115 Highway 21 Mott, ND 58646-9200

dgschaible@ndlegis.gov

1/23/2025

Good morning, Chairman Luick and members of the Agriculture and Veterans Affair Committee. For the record, I am Senator Don Schaible, District 31, here to introduce SB 2148. This bill request was a concern of some patrons of mine, and as their senator, I believe it is my responsibility to get their concerns to the table. SB 2148 would switch the sale of estray cattle from the Stockman Association to the state abandoned property office. I am not a rancher so I am not an expert in this area but there are people behind me that will now explain the rational for this bill and the reasoning behind it. That ends my testimony, and I will try to answer your questions.

# Testimony in Support of SB 2148 Jeremy Maher, Sioux County Rancher

Chairperson and Members of the Committee,

My name is Jeremy Maher, and I am a rancher from Sioux County, North Dakota. I am here to testify in support of Senate Bill 2148.

This bill proposes moving the estray fund to the unclaimed property division of the state school land lease department. I believe this is a critical step in ensuring transparency and accountability in the management of unclaimed cattle.

Currently, the estray fund is handled by a private organization with minimal state oversight. This lack of transparency is concerning, especially when these resources should be managed in a way that benefits the public and aligns with state priorities. By transferring the fund to the unclaimed property division under state management, we place this responsibility in the hands of an organization that operates with clear oversight and accountability.

Additionally, at a time when taxpayers are seeking real estate tax relief, this measure will contribute positively by ensuring that resources are used effectively and transparently. It's a commonsense solution that supports the interests of our ranching community and the broader public.

For these reasons, I respectfully request a "Do Pass" recommendation for SB 2148. Thank you for your time and consideration. I am happy to answer any questions the committee may have.



# SB 2148 TRANSPARENCY IN ESTRAYS

**SB 2148** brings the current estray system in line with other abandoned and unclaimed property statutes.

#### The bill:

- Creates transparency in the estray sale and reimbursement process
- Provides valuable revenue for reinvestment in agricultural programs
- Ensures the administering agency is accountable to North Dakota farmers and ranchers
- Requires full reimbursement to the property holder for eligible expenses following the estray's sale

**VOTE DO PASS ON SB 2148** 

Mr. Chair, members of the senate agriculture committee, my name is Ben Fischbach, I am the registered lobbyist for the Independent Beef Association of North Dakota. I rise today in support of Senate Bill 2148.

Senate Bill 2148 ensures the proceeds from estray sales are properly tracked and reported. By centralizing these funds in the Unclaimed Property Division of the North Dakota Trust Lands, the state will have a clearer and more consistent system for managing unclaimed proceeds from these sales. This helps minimize the risk of funds being misallocated or lost due to being outside the public view.

Why should cattle be treated differently than any other lost or unclaimed property? The Unclaimed Property Division of the North Dakota Trust Lands is already tasked with managing unclaimed property, as it has the necessary infrastructure, systems, and expertise to handle estray sales proceeds in a uniform and efficient manner. Redirecting these funds to the division will reduce the complexity of the system and provide a more transparent and consistent process for managing such funds. This also reduces the potential for disputes and confusion, while providing clarity for livestock owners.

In conclusion, Senate bill 2148 represents a necessary, common sense update to the management of estray sales proceeds. By transferring the remaining funds to the Unclaimed Property Division of the North Dakota Trust Lands, we are ensuring greater transparency, fairness, and efficiency in the way these funds are handled. This change will benefit livestock owners, property

claimants,	, and the state	of North Dakot	a as a whole.	Please vote I	Oo Pass on	Senate Bil	11 2148.
Thank you	u.						

Chairman Luick and Agriculture and Veterans Affairs Committee,

I support SB 2148 and the proposal to transfer oversight of unclaimed livestock to the Unclaimed Properties Division of the Department of School Trust Lands.

A state agency can dedicate more time, resources, and transparency to locating the rightful owners of confiscated animals, ensuring accountability throughout the process. This shift would prioritize producers' concerns and establish a more accessible and equitable system for resolving cases of missing livestock.

Additionally, unclaimed funds generated from these situations can be better utilized to benefit the people of North Dakota as a whole, rather than remaining under the purview of the North Dakota Stockmen's Association. This approach aligns with the interests of both producers and the broader community.

Kerry Dockter

Denhoff, ND

Chairman Luick, Members of the Senate Agriculture and Veterans Affairs Committee

For the record my name is August Heupel. I am a rancher from Medina, ND and current Vice President of I-BAND.

I am writing in support of SB 2148 and I am encouraging a DO PASS recommendation.

Simply put, I feel the sale of unclaimed cattle should be used for the common good of ND citizens like other unclaimed properties in the state. I feel the unclaimed funds should be dispersed to the Schools Trust Fund to help fund K-12 education in our state.

Thank you for your time and consideration of SB 2148

August Heupel

#### Ron Volk

4800 County Rd 11 Sentinel Butte, ND 58654 701-218-0352 Ron Volk

16th January 2025

### **Subject: Support for SB 2148**

Dear Senate Committee Members,

I am writing to express my strong support for SB2148. Moving the estray funds to the administrator of the state abandoned property office aligns those funds with other unclaimed property in the state. As it sits now, the North Dakota Stockmens Association, who administrates the brand department, receives the money after 7 years if ownership is not found. This does not give proper incentive to find the rightful recipient of the funds.

Sincerely,

### **Ron Volk**

Chairman Luick and Members of the Senate Agriculture and Veterans Affairs Committee,

We would ask that you recommend a DO NOT PASS on SB 2148.

The amendment in this bill would ultimately raise costs for livestock owners.

With the estray funds being moved into unclaimed property, who then would be responsible if someone came forward to establish ownership? How would the money be returned to the rightful owners?

The North Dakota Stockmen's Association is involved in the <u>entire</u> process of brand inspection and estrays and incur the costs as well.

This bill will be of no benefit to livestock owners in the state and will result in an increase cost of the brand inspection program.

Thank you for your time,

Cody and Julie Reis Ranchers Fairfield, ND