

2023 North Dakota League of Cities LEGISLATIVE REPORT

The 68th Legislative Assembly completed its work around 3 a.m. on Sunday, April 30, 2023, which was day 75 out of 80 that the Legislature is constitutionally allowed to meet. This leaves five days in reserve, allowing the legislature the discretion to reassemble to resolve any mistakes or emergencies or to vote on overriding a governor's veto. The North Dakota League of Cities had a robust legislative agenda that resulted in the League tracking about 275 of the 990 bills and resolutions introduced. The League and its members were able to work with legislative leaders from across North Dakota to make prudent financial and policy decisions for North Dakota.

This session, the League continued hosting weekly virtual legislative update meetings. Additionally, a weekly "What you Missed" legislative highlight email was sent out on Mondays. As a result, many city officials quickly communicated with their legislators whenever an important bill was highlighted by League staff. Thank you to all the city officials who participated and made the legislative session a success for cities.

In this publication, you will find a summary of the bills affecting cities that passed this session. Please remember that the information is merely a short summary. If you have specific questions, the entire bill should be reviewed. On page 7 of this publication, there is a list of bills that failed this session. The list is not comprehensive but is included so that city officials can get a sense of the issues that were considered during the legislative session.

Appropriation bills are effective July 1, and policy bills are effective August 1. Legislative Council will compile a list of effective dates that can be reviewed if a question arises. If a bill has an emergency clause, it becomes effective upon filing with the secretary of state. Bills with emergency clauses are designated with an * in this report.

Several state agencies also have programs in their budgets that help cities. Due to the constraints of this publication, summaries of those budgets are not in this publication; however, a summary is available on the League's website at www.ndlc.org/legislature.

If you have any questions about the information in this report, please contact Matt at matt@ndlc.org or Stephanie at stephanie@ndlc.org.

Sincerely,
Matt, Stephanie, and Bill
NDLC Lobbying Team



Questions about this publication?
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Behavioral Health

Bill #	Position	Bill Summary
HB1026	Monitor	Provides for optional study on implementing behavioral health and acute psychiatric treatment recommendations.
HB1138	Monitor	Adds mental health court program to types of sentences available.
HB1390	Monitor	Creates suicide fatality review commission.
HB1447*	Support	Creates the opioid settlement fund and provides an option for cities and counties that receive opioid settlement funds to keep the funds if they collaborate with their public health unit, provide the behavioral health division of the department of health and human services an allocation plan for use of the funds and report to the department of health and human services regarding use of the funds.

Charitable Gaming

Bill #	Position	Bill Summary
HB1142*	Monitor	Adds expenses of administration of statewide veterans' group to eligible use of charitable gaming proceeds.
SB2126	Monitor	Regulates raffle board sales, requiring all squares to be the same price and allowing sales of raffle board squares 30 days before the drawing. Provides exemption from distributor stamp requirements if raffle board squares are only sold on the day of the event.
SB2154	Monitor	Allows sports pool under a charitable gaming local permit at authorized site if conditions are met.
SB2186	Monitor	Adds fraternal organization's real property expenses to eligible uses for charitable gaming proceeds.
SB2281	Monitor	Increases fees for charitable gaming permit from the Attorney General to fund the charitable gaming technology fund.
SB2304	Oppose	Defines alcoholic beverage establishment for charitable gaming and prohibits a city or county from denying a site authorization because the entity has not conducted gaming at that site before and provides the city or county may not require that an organization operate at a certain site as a condition of conducting charitable gaming.
SB2336	Monitor	Adds storage space within an organization's primary purpose as office to use as storage space for gaming-related administration to eligible uses for charitable gaming proceeds.

Childcare

Bill #	Position	Bill Summary
HB1540	Support	Provides appropriation for childcare assistance programming.

Elections

Bill #	Position	Bill Summary
HB1167	Monitor	Prohibits governor from issuing an emergency order changing a provision of law requiring a minimum number of in-person polling locations.
HB1192	Monitor	Provides technical corrections related to terminology for voting systems and dates.
HB1293	Support	Moves day that city or park governing board member takes office back a week, and allows organization meeting to be at the first meeting in July.
HB1424	Oppose	Requires a candidate for elected office provide a non-government issued email address with nominating petition.
HB1431	Monitor	Provides process for individual with drivers license or non-drivers identification that indicates non-citizenship to vote by set-aside ballot.
SB2292	Monitor	Creates offense for causing disturbance, breaching the peace or obstructing a voter or poll worker on the way to or at a polling location and requires allowance of election observers, except candidate.

Finance and Tax

Bill #	Position	Bill Summary
HB1057	Monitor	Clarifies several provisions related to the tax department, including provisions related to board of equalization date.
HB1070	Support	Creates hazard mitigation revolving loan fund administered by the adjutant general.
HB1071	Monitor	Provides for option for a local management organization to be a member of the state emergency management program for emergency management services.
HB1158	Monitor	Provides for income tax credit related to primary residence property tax, adjusts income tax rates, and adjusts the income tax limitations and amount of the credit for the homestead tax credit.
HB1168	Monitor	Provides changes to the automation tax credit, which is renamed the twenty-first century manufacturing and animal agricultural workforce incentive.
HB1170	Monitor	Creates fifteen-year property tax exemption for natural gas pipeline constructed after January 1, 2023, that provides service to a city or township where the majority of households did not have access to natural gas before construction, and the pipeline is located in North Dakota.
HB1177	Oppose	Provides sales tax exemption for children's diapers.
HB1214	Monitor	Eliminates the rural growth initiative program as part of the governor's red tape reduction program because the program was never used.
HB1216	Monitor	Increases the amount of North Dakota development fund that can be used for financing early childhood facilities and eliminates the small business technology investment program.
HB1225	Monitor	Creates grant program for counties for an online portal for electronically accessible property information and property tax information.
HB1227	Monitor	Creates process for cost-benefit analysis for any proposal that impacts the legacy fund's asset allocation.
HB1245	Monitor	Requires that communication with the public about the amount of property tax levied, taxing districts must communicate in terms of dollars rather than mills, requires study of property tax statement, and requires reporting county ending balances to the state auditor.
HB1247	Oppose	Provides for mandatory legislative management study of property tax exemption for agricultural products storage.
HB1266	Support	Allows a city to reapply to restart an expired renaissance zone.
HB1267	Monitor	Provides for process for disposing of excess proceeds from tax lien foreclosure proceedings.
HB1286	Monitor	Eliminates the oil tax trigger for lands outside the boundaries of a reservation.
HB1292*	Support	Adds infrastructure to serve recreation and community centers to the list of eligible uses for the infrastructure revolving loan fund.
HB1359	Monitor	Extends effective date of the county aid distribution fund.
HB1379*	Support	Restructures allocation of the legacy fund earnings streams, including increasing amount from \$60 million to \$100 million for the legacy earnings highway distribution fund.
HB1430	Monitor	Creates sales and use tax exemption for materials used to build or upgrade renewable feedstock refinery.
HB1438	Oppose	Provides property tax exemption for up to 50 acres of undeveloped land owned by a public hospital or nursing home under the control of a religious or charitable institution for the purpose of a future building.
HB1439	Monitor	Provides definition for undeveloped land for church property tax exemption.
HB1455	Monitor	Provides sales tax exemption for raw materials used in the research and development of bioscience and biotechnology.
HB1495*	Monitor	Defines property tax incentive to include money used to offset public or private costs for urban renewal.
HB1508	Monitor	Requires ND state auditor to report quarterly to the legislative audit and fiscal review committee regarding communication processes with audited entities, billing practices, information on audits performed and audit schedules.
HB1511	Monitor	Provides sales and use tax exemption for materials used to construct or expand a coal processing facility that utilizes coal as a feedstock.
HB1519	Monitor	Provides for grants for uncrewed aircraft system, autonomous vehicle and other autonomous technology grants.
SB2050	Monitor	Modifies how local support is calculated for providing state library funding.

SB2121	Monitor	Requires previous year's special assessment amount to be included on property tax notice.
SB2124	Monitor	Increases meal reimbursement rates for employee travel.
SB2162	Monitor	Eliminates requirement for counties to levy 10 mills for road and bridge fund to receive oil and gas production tax distribution.
SB2180	Support	Changes the threshold for political subdivisions filing yearly financial report to up to two million dollars in annual receipts, increases the ND state auditor's billable rate for reviewing financial reports, and makes governor's right to request an audit of a political subdivision discretionary.
SB2183*	Support	Provides for snow removal grant fund.
SB2196	Monitor	Provides provisions relating to if a default on indebtedness occurs by the Western Area Water Supply and to moving the debt to the infrastructure revolving loan fund.
SB2240	Monitor	Provides for base retention grant programs for Minot, Fargo, and Grand Forks.
SB2334	Monitor	Creates large facility development fund for building a new fertilizer or chemical processing plant.
SB2359	Monitor	Provides for optional legislative management study on the impact of political subdivisions levying special assessments against other political subdivisions.
SB2367	Oppose	Increases oil and gas production tax contributions to buckets for general fund, social services fund, and strategic investment and improvement fund (SIIF), which all are in front of the prairie dog funds.
SB2371	Oppose	Provides regulations regarding cities and counties entering development agreements with foreign adversaries and provisions related to foreign governments owning property and provides for a mandatory legislative management study of real property and commercial asset ownership and operation of business and charitable entities by foreign adversaries.
SB2391	Support	Provides changes to the renaissance zone program.

Human Resources

Bill #	Position	Bill Summary
HB1040	Oppose	Converts the NDPERS retirement system from a defined benefit system to a defined contribution system for new employees, effective January 1, 2025. <i>Please note SB 2015 amended the bill to provide that the effective date will be January 1, 2024, if the NDPERS Board certifies to Legislative Management that it is ready to convert the system. Work is ongoing to determine what the effective date of HB 1040 will be.</i>
HB1183*	Monitor	Moves all state law enforcement officers into the public safety PERS retirement plan and provides for optional legislative management study for public safety employee retirement.
HB1193	Monitor	Expands use of military leave to include time to travel to duty station.
HB1250	Monitor	Allows for electronic communication of denial of veterans' preference.
HB1279*	Support	Creates WSI coverage for full time paid firefighters and law enforcement officers for heart attack, stroke, vascular rupture, or other similar cardiac event that occurs within 48 hours of strenuous job activity.
HB1307	Monitor	Provides for back the blue grant program, allowing for grants for workforce retention type activities for local law enforcement and correctional officers.
HB1309	Monitor	Provides for enhancement of BCI retirement.
SB2147	Monitor	Creates income tax exemption for retirement income of retired police officers from an employer sponsored retirement plan who have served as a law enforcement officer for at least 20 years or medically retired.

Infrastructure

Bill #	Position	Bill Summary
HB1102*	Support	Provides NDDOT director with the authority to do things necessary to participate in federal grants and discretionary funding mechanisms.
HB1181	Monitor	Increases oversized vehicle permit max width to 12 feet.
HB1246	Monitor	Provides NDDOT cannot remove traffic signal within 1,000 feet of a school without consulting with the city, except for repair or routine maintenance.
HB1316*	Monitor	Provides regulations for multi passenger bikes (pedal pubs).
SB2113	Support	Creates flexible transportation fund.
SB2120*	Monitor	Provides clarification for overweight vehicle fees applying to all roads in North Dakota.
SB2350	Monitor	Requires NDDOT to allow a city, county, or township to affix a sign regarding the penalty for violating a vehicle noise ordinance to a traffic sign on state highways within the city, county, or township.
SB2366	Support	Provides for optional legislative study regarding access to natural gas for small communities.

Municipal Courts

Bill #	Position	Bill Summary
SB2138	Support	Eliminates restriction of municipal judges completing official acting on Sundays.
SB2278	Monitor	Provides for optional legislative management study of municipal courts.

Open Records and Open Meetings

Bill #	Position	Bill Summary
HB1262	Support	Provides footage from a body camera or other similar device in a private place is an exempt record.
SB2232	Monitor	Provides technical corrections for several sections of open records and open meetings laws including: 1) providing an open records exemption for descriptions of crime scene images that include a minor; 2) providing that all statements made in an executive session, held for the purpose of attorney consultation, that pertain to the subject of the executive session are exempt; and 3) requires that meeting notices be added to governing body's website, if it has a website.
SB2343	Monitor	Refines definition of public entity to include state board of higher education and requires a public entity to provide current board member access to all entity records.

Other

Bill #	Position	Bill Summary
HB1053	Monitor	Clarifies language related to burn bans.
HB1098	Monitor	Provides clarification for eligibility of cities and counties that are not in compliance with the national flood insurance requirements when applying for FEMA coverage.
HB1120	Monitor	Requires opportunity to recite the pledge of allegiance at several meetings, including regularly scheduled city council/city commission meetings.
HB1155	Monitor	Prohibits state, political subdivision, or institution of higher education from prohibiting an individual from cooperating with federal government regarding immigration status and lawful presence to someone who is not lawfully present in the United States.
HB1197	Monitor	Allows newspaper to decide to publish legal publication in electronic edition.
HB1205	Oppose	Requires public libraries to have policy for reviewing explicit sexual material in children's collection.
HB1229	Monitor	Sets regulations for cigar bars.
HB1234	Neutral	Preempts political subdivision from prohibiting connection or reconnection of a utility based on power source.
HB1440	Monitor	Provides requirements related to transportation network companies and transportation network delivery drivers.
HB1449	Monitor	Allows issuing permits to microbrew pubs, domestic wineries, distilleries and brewer taproom licensees based on of number events instead of number of days, subject to local ordinance.
HB1528*	Monitor	Provides process required for maintaining state email records.
SB2153	Monitor	Provides the core functions required to be provided by public health units.
SB2273	Monitor	Provides grant for rural grocery store preservation and food access.
SB2330*	Support	Provides for asset fund allocation for the legacy fund, including up to \$150 million for legacy revolving loan fund.
SB2363	Monitor	Provides provisions for allowing a minor in a tap room.
SB2364	Monitor	Restricts the Garrison Diversion Conservancy District from selling or assigning permanent easements.

Procurement

Bill #	Position	Bill Summary
HB1288	Neutral	Provides for notice requirements for construction manager at risk, an optional study of infrastructure development, and provides transparency measures related to state leases and property management contracts.
SB2042	Monitor	Relates to bidding requirements from the ND OMB procurement duties, including providing that preference be given to North Dakota bidder when bids are tied.
SB2370	Support	Provides authority for cities and counties participating in cooperative purchasing through a joint powers agreement.

Planning and Zoning

Bill #	Position	Bill Summary
HB1049	Monitor	Provides that agency foster homes for adults providing community support services or residential habilitation must be considered a permitted use in a single-family zoning district.
HB1302	Monitor	Provides process for county having the option to assert zoning authority over new anhydrous ammonia facility applications.
HB1333	Monitor	Prohibits adult oriented performance on public property or in places frequented by minors and preempts political subdivisions from enacting ordinances on the subject.
HB1340	Oppose	Preempts city and county authority to regulate sale of firearms through zoning.
HB1385	Monitor	Allows the State Water Commission and political subdivisions to enter agreements related to projects for the beneficial utilization and control of water resources.
HB1423	Monitor	Provides for requirements for zoning ordinances for animal feed lots for counties and townships.
HB1437	Monitor	Creates grant program for regional planning councils for purpose of regional livestock planning grants.

Public Safety

Bill #	Position	Bill Summary
HB1061	Monitor	Provides for right-of-way at intersections, prohibits obstruction on car windshield, and requires signal usage when exiting a roundabout.
HB1080	Monitor	Provides for allowing for electronic proof of registration.
HB1141	Monitor	Requires moving into non-adjacent lane when vehicle is on shoulder of road on multi-lane highway and interstate.
HB1145	Monitor	Extends statute of limitations for felony sexual offense.
HB1160*	Monitor	Provides changes regarding juvenile court and delinquency offenses.
HB1203	Monitor	Provides definition of reserve officer and gives NDPOST authority to expend funds for law enforcement training.
HB1242*	Monitor	Relates to funding the SIRN project and an optional legislative management study on the governance of SIRN.
HB1263	Monitor	Provides amendments to the Juvenile Court Act.
HB1277*	Monitor	Allows drug court to remove the requirement for electronic alcohol monitoring and sobriety breath testing for the 6-months prior to completing drug court program.
HB1307	Support	Provides for back the blue grant program.
HB1334	Monitor	Creates domestic terrorism offense.
HB1336	Monitor	Adds special free license plates for volunteer search and rescue personnel.
HB1338*	Monitor	Provides for requirements for collection of DNA samples.
HB1339	Monitor	Provides regulations related to non-North Dakota residents carrying firearms.
HB1350	Monitor	Provides definition of possesses for criminal code.
HB1378	Monitor	Creates class C felony offense for stealing while part of a riot or a group of 5.
HB1415	Monitor	Provides grant to law enforcement agency in city that has recently had a large increase of sex offenders and provides an optional legislative management study of a sexual predator task force.
HB1417	Monitor	Eliminates provision of code related to separate driving record for violations of 2 points or less.
HB1453	Monitor	Requires ND Supreme Court to create a uniform bail schedule for district courts.
HB1459	Monitor	Adds manufacture, deliver or possession of controlled substance, except marijuana, within 300 feet of a park as an aggravated offense.
HB1490	Monitor	Adds "force" to list of things judge can consider to depart from presumptive probation.
HB1506	Monitor	Provides that riding bike or animal is not a vehicle for DUI but creates separate offense for bicycling or riding an animal while under the influence of alcohol or drugs.
SB2068	Monitor	Relates to increasing the amount of THC allowed in medical marijuana program.
SB2130	Monitor	Adds correction officers to the definition of peace officer for purposes of line of duty death benefits for college tuition for family.

SB2211	Support	Provides for moving the state fire marshal to the insurance commissioner's office, funding the North Dakota Fire Association from the insurance trust fund, and removing legislative appropriation requirement for the fire insurance premium tax payments to fire departments.
SB2248	Monitor	Provides venue provisions related to injuries or death related to a controlled substance and reporting requirements for fentanyl.
SB2286	Monitor	Provides that police officer has police authority while transporting an inmate outside of his or her jurisdiction.
SB2362	Support	Provides for primary seatbelt enforcement for all vehicle occupants.
SB2376	Monitor	Provides for mandatory legislative management study on custodial interrogations.

FAILED

Bill #	Position	Category	Bill Summary
HB1296	Oppose	Charitable Gaming	Provided that charities get lease with site owner before applying for gaming site authorization from city or county and preempted city authority to regulate location of charitable gaming sites in city.
HB1237	Support	Finance and Tax	Provided that there is no levy limitation cap on a political subdivision levying to pay an infrastructure fee.
HB1273	Oppose	Elections	Preempted a city or county from having a rank-choice or approval voting system. [Failed due to legislature failing to override the governor's veto]
HB1282	Oppose	Finance and Tax	Provided sales tax exemptions for feminine hygiene products.
HB1325	Oppose	Public Safety	Increased fine for right-of-way traffic offenses to \$40 but removed city authority to double all traffic fines.
HB1328	Oppose	Finance And tax	Adjusted the way special assessments are assessed against a mobile home park.
HB1330	Oppose	Finance and Tax	Related to special assessments and special assessment policies
HB1335	Monitor	Other	Eliminated prohibition on selling alcohol on Thanksgiving Day.
HB1384	Oppose	Other	Provided that judge increase damages award in eminent domain proceedings.
HB1402	Oppose	Finance and Tax	Provided sales tax exemption for sales of used clothing by thrift stores owned by non-profits.
HB1422	Oppose	Planning and Zoning	Preempted city, county, and township zoning codes relating to non-conforming residential uses.
HB1461	Oppose	Finance and Tax	Created 5% property tax cap on political subdivisions.
HB1475	Monitor	Public Safety	Made the interstate speed limit 80 miles per hour. [Failed due to the legislature failing to override the governor's veto]
HCR3024	Oppose	Finance and Tax	Provided for vote to eliminate property tax for local political subdivisions.
SB2168	Monitor	Public Safety	Provided for regulations regarding raising speeding fines, closed roads and seatbelts.
SB2177	Oppose	Finance and Tax	Provided for optional property tax freeze for individuals over 65 years of age.
SB2239	Support	Human Resources	Provided for funding the NDPERS by adjusting employer's contributions by an actuarially determined amount.
SB2275	Support	Finance and Tax	Removed the state investment and improvement fund (SIIF) bucket that is in front of the municipal infrastructure funds buckets.
SB2329	Monitor	Finance and Tax	Provided for distributions of motor vehicle excise tax to townships
SB2347	Monitor	Procurement	Increased threshold for bidding for pre-engineered buildings and removes the requirement for procuring plans from engineer or architect.
SB2360	Oppose	Other	Provided criminal penalties related to obscene materials in libraries and for technology measures required to protect children from those materials in libraries. [Failed due to legislature failing to override the governor's veto]
SB2361	Oppose	Finance and Tax	Provided for resident being allowed to file an irrevocable assessment freeze on primary residence.
SB2385	Oppose	Other	Created theft offense for political subdivision seizing personal property without due process.