

NDTOA Legislative Update

April 21, 2025

Click on Bill Numbers to see the bill on the Legislative Web Site

Bill No.	Description (NDTOA) Indicates NDTOA Bill	Status	Position
INFRASTRUCTURE, FUNDING, AND AGENCY BUDGETS			
HB1015	OMB Budget Bill Amendment to add \$50M to offset adding 5 counties to Prairie Dog Senate Appropriations - Amended Do Pass 13-3	H Passed 83-6	MONITOR
HB1065	Changes Prairie Dog funding to per mile basis Sent to Governor 3/13 Signed 3/18	H Passed 90-3 S Passed 47-0 Governor Signed	SUPPORT
HB1235	Makes cities eligible for Ag Infrastructure grant program Sent to Governor 3/20 Signed 3/24	H Passed 89-3 S Passed 47-0 Governor Signed	MONITOR
HB1382	Increases gas tax 3 cents, one cent directed for townships - \$14 Million Senate Finance & Taxation - Amended to include all counties Awaiting disposition of other funding bills - (Governor's Veto Likely)	H Passed 58-35	SUPPORT SUPPORT SUPPORT
SB2012	NDDOT budget - SB2142, SB2151, SB2372 Have been rolled into the DOT Budget House Appropriations/GO - Major Rewrite Amendment Do Pass 20-0	S Passed 47-0	SUPPORT
SB2020	Upper Great Plains Technical Institute (and others) Budget House Appropriations - Do Pass as Amended 20-0 In Conference Committee	S Passed 46-0 H Passed 81-11	SUPPORT
SB2177	Sales taxes from animal ag development used to support infrastructure in county, Amended to include townships Sent to Governor 3/24 Signed 3/25	S Passed 47-0 H Passed 71-21 Governor Signed	SUPPORT
SB2397	Changes definition of oil producing county to 10M barrels/year HOGHOUSED This language is in SB2012, so this bill is not needed Hoghouse Amendment now an expropriatory well incentive	S Passed 46-0-1	MONITOR
LOCAL CONTROL, ZONING, NOTICE, AND INSURANCE			
HB1026	Moves State Bonding fund to OMB Will allow townships to secure appropriate bonding Returned to House	H passed 89-0 S Passed 44-2 Governor Signed	SUPPORT
HB1027	Fire & Tornado Fund moved to OMB Senate Industry & Business, Do Pass 4-1 - Amended Returned to House Amended - Do Concur - 84-6	H Passed 87-5 S Passed 41-4 Governor ?	SUPPORT
HB1142	Statutory Liability Caps Part of a series to gradually raise the liability caps. Sent to Governor 3/20 Signed 3/21	H Passed 86-1 S Passed 46-1 Governor Signed	SUPPORT
HB1258	PSC oversees all siting processes for energy facilities Senate Energy & Natural Resources, 4/3 - Do Not Pass 4-3	H Passed 86-7 S Passed 27-18 Governor Signed	OPPOSE
HB1374	Exempts twp officers from open meetings when acting as staff (NDTOA) Senate State & Local Government - NDTOA amendment accepted - Do Pass 6-0	H Passed 90-0 S Passed 45-1	SUPPORT SUPPORT

	Returned to House Amended - Concurred 88-3	Governor Signed	SUPPORT
HB1500	Nonconforming structures - 03/11 Returned to House Amended - Concurred 87-3	H Passed 81-10 S Passed 31-16 Governor Signed	MONITOR
HB1579	Study of large energy consumer effect on state electrical grid (Hoghouse Amendment) Senate Energy & Natural Resources, Peace Garden, 4/17 Returned to House	H Passed 89-3 S Passed 46-0 Governor ?	SUPPORT
SB2027	Twps may regain floodplain mgmt. from counties House Energy & Nat Resources - Do Pass 13-0 - Put On Consent Calendar Sent to Governor 3/27 Signed 3/28	S Passed 47-0 H Passed 83-9 Governor Signed	SUPPORT
SB2069	Posting on website as backup to newspaper notice (amended) House Political Subdivisions - Do Pass as amended 11-0 Returned to Senate Amended - Concurred 32-15	S Passed 25-22 H Passed 72-17 Governor ?	SUPPORT
SB2174	Regulation of animal feed operations Continues to not address excessive road use cost Sent to Governor 3/31 Signed 4/2	S Passed 42-5 H Passed 66-25 Governor Signed	OPPOSE
SB2180	Public Comments at Meetings Local Governments must allow time for public comments Senate Concurred 43-4	S Passed 41-6 H Passed 85-4 Governor ?	MONITOR
SB2329	Allows counties and townships to vacate streets in dissolved cites (NDTOA) House Political Subdivisions - Do Pass 13-0 - On House Consent Calendar Sent to Governor 3/14 Signed 3/17	S Passed 44-0 H Passed 91-1 Governor Signed	SUPPORT SUPPORT SUPPORT

PROPERTY TAX

NDTOA supports property tax relief and reform, however caps are problematic for all local governments.

Most proposals do not give relief for taxes on agricultural or commercial properties.

HB1168	Hoghouse Amendment now contains 1176 with needed corrections Senate Finance & Tax - Do Pass as Amended 6-0 Amendment adopted - ReReferred to Appropriations	H Passed 88-3	SUPPORT
HB1176	Caps poli-sub mill levy increases at 3% - Governor's plan -\$1450 Amended - no caps for townships up to 18 mills (new amendment 36 mills) Senate Finance & Tax - Do Pass 6-0 - Rereferred to S. Approps Senate Approps - Amended - will go to a conference committee NDTOA working to exempt Townships from added election requirement	H Passed 81-10 S Passed 47-0	SUPPORT
HB1534	Value increase limited to 3% Senate Finance & Tax - 3/5	H Passed 75-16	
HB1575	State replaces 2.75% of residential tax rate, 1.5% of ag & comm -3% val increase limit Senate Finance & Tax - 3/11	H Passed 86-5	SUPPORT

ROADS, HIGHWAYS, AND DRAINAGE

HB1346	Off-road vehicle use - penalties - H Trans Senate Transportation - Do Pass - 6-0 Sent to Governor 3/26 Signed 3/27	H Passed 83-6 S Passed 44-0 Governor Signed	MONITOR
HB1444	Allows counties to take township roads Senate Transportation - Do Pass - 6-0	H Passed 74-16 S Passed 29-15	OPPOSE

	Sent to Governor 4/1 Signed 4/4	Governor Signed	
HEARINGS THE WEEK OF APRIL 21, 2025 (Conference Committees are not scheduled very far in advance)			

Thanks fo Donnell Preskey, NDACo

ROAD FUNDING

A number of amendments were brought forward in SB 2012, the NDDOT Budget, that would restructure local road funding sources. These changes were discussed in the House Appropriations Government Operations sub-committee and will be forwarded to the full House Appropriations committee for their consideration. These amendments are a substantial change from the version of the bill as it was approved by the Senate. Some of the greatest changes proposed through the amendment would eliminate prairie dog buckets in the oil & gas revenue buckets and instead allocate funds for local roads in the SIIF bucket. The amendment also proposes a 5 cent gas tax increase. While this proposal could provide additional funds and greater certainty for local funding; the downside could be the loss of local control in determining how these dollars should be used as a great percentage of the local dollars would be allocated through a grant process. Again, lawmakers will have further opportunities to make changes to this amendment. Here is a summary of the amendment:

- Transfer \$370M from SIIF to Flex Transportation Fund
 - o Adding the use of these funds for “other infrastructure” in addition to road and bridge projects, so water/sewer projects for cities can be included for use of these funds
 - o \$159.1M is allocated for grants to counties, cities and townships in non-oil producing counties for road and bridge projects
 - o \$49.9M is allocated for grants to eligible counties for bridges/bridge maintenance
 - o \$42.5M is allocated for county formula distribution (same for cities)
 - o \$25.9M is allocated for township formula distribution
 - o Non-oil producing county is defined as county that had average annual oil production of fewer than 10 million barrels (based on avg over a 3 year period)
- Removing Prairie Dog Bucket and including funding in the SIIF Bucket
- Under the Highway Tax Distribution Fund (direct distribution):
 - o \$205.9 distributed to counties/cities
 - o \$20M distributed to townships
- 100% of Motor Vehicle Excise Tax would be returned to the State’s General Fund
- Proposing a \$0.05 fuel tax increase which would generate an additional \$70M
- Proposing to bond the Hwy 85 Project of \$155M

There is also a proposed amendment for additional criteria in the Flex Fund selection process to consider projects in counties, cities and townships that have a zoning ordinance or policy that are more restrictive

than the state in the areas of agriculture or energy.

The Senate Finance & Tax Committee amended HB 1382 which seeks to increase the gas tax 3 cents to strike out the language that limited the funding to non-oil counties, so the share of the gas tax increase would go to all counties, cities and townships.

PROPERTY TAXES

The Senate Finance and Tax Committee took up one of the property tax relief/reform bills still waiting to be acted on. HB 1168 as introduced would have provided relief through the school funding formula by the state buying down additional school mills, it also capped local governments from increasing their levies by 3%. The Senate committee amended the bill moving to providing the relief utilizing the primary residence credit and increasing that amount to \$1,650. HB 1168 now looks very similar to HB 1176. In addition, the committee made improvements to HB 1168 by addressing some technical concerns NDACo had with HB 1176. One of those amendments to HB 1168 now allows the primary residence credit to be applied to all taxes owed including voter approved levies as well as includes a provision that the credit can cover a max of 75% of the property taxes owed up to \$1650 and minimum of \$500. The Senate approved the amendment to HB 1168; Senate Appropriations will hear the bill early next week. It is uncertain at this time what the strategy is to have two nearly identical property tax bills still in the mix.

Meanwhile, the conference committees have been appointed for HB 1176. Representatives Headland, Bosch & Nathe along with Senators Weber, Bekkedahl & Erberle. These lawmakers will meet this week to go over the differences between the House and Senate versions of HB 1176 and try to come to a compromise.

FAILED OR REMOVED FROM WATCH LIST			
<u>HB1202</u>	Directs \$3M from Flex Fund to specific project	H Failed 17-74	OPPOSE
<u>HB1239</u>	Restricts Local Government regulation of data processing centers - H IBL	H Failed 14-75	OPPOSE
<u>HB1353</u>	Requires voter approval of levy increase	H Failed 25-63	OPPOSE
<u>HB1396</u>	Maintenance of drainage projects	H Failed 5-86	MONITOR
<u>HB1407</u>	Increase load limit on non-interstate roads to 113,000 lbs.	H Failed 7-86	OPPOSE
<u>HB1436</u>	Prorated scale of MVET for used vehicles	H Failed 27-64	MONITOR
<u>HB1474</u>	Study of Alternative Taxing Method	H Passed 86-3 S Failed 5-42	SUPPORT
<u>HB1572</u>	Uniform reporting Senate Finance & Tax - Do Not Pass 6-0	H Passed 76-10 S Failed 2-44	MONITOR
<u>SB2142</u>	Directs Motor Vehicle Exise Tax for Twp & NDDOT Flex funding, SB2142 was rolled into SB2012 the NDDOT Budget - Now redundant	S Failed 0-47	SUPPORT
<u>SB2151</u>	Legacy infrastructure fund, \$100M for bridge funding SB2151 was rolled into SB2012 the NDDOT budget - now redundant	S Failed 1-46	SUPPORT
<u>SB2208</u>	Strips County and Township Infrastructure Fund (Prairie Dog) from Counties and Townships that "interfere" with energy projects Senate Energy & Natural Resources, Peace Garden, 2/13 2:30 PM	S Failed 19-27	OPPOSE
<u>SB2317</u>	Provides process for township to regain zoning authority (NDTOA) Senate State & Local Government - Do Not Pass 3-2-1 House Energy & Nat Resources - Do Not Pass 10-3	S Passed 27-20 H Failed 42-49	SUPPORT

<u>SB2372</u>	Legacy Earnings Fund - Increases earnings fund usage from 7% to 8% 1% to go to LE Highway Distribution Fund (currently\$87M), 10% to Twps SB2372 was rolled into SB2012 the DOT Budget Bill - Now redundant	S Failed 0-47	SUPPORT
<u>SB2378</u>	Requires voter approval of levy increase	S Failed 16-31	OPPOSE