

Minutes of the
EMPOWER NORTH DAKOTA COMMISSION

April 17th, 2013
Tax Department, 8th Floor Conf. Room
Bismarck, ND 58503

Members present:

Al Anderson, Ron Day, Ron Ness, Mark Nisbet

Members present via phone:

Andrea Stomberg, John Weeda, Mike Rud

Others present:

Justin Dever, Department of Commerce
Sherri Frieze, Department of Commerce
Andrea Holl Pfennig, Department of Commerce
Carlee McLeod, Utility Shareholders of ND
Shane Goettle, Odney Advertising
Todd Kranda, Kelsch, Kelsch, Ruff & Kranda Law Firm
Deana Wiese, ND Ethanol Council
Patrice Lahlum, ND Alliance for Renewable Energy

CALL TO ORDER/WELCOME

Chairman Anderson called the meeting to order at 1:30 p.m. and welcomed Commission members and guests.

APPROVAL OF MINUTES

A motion was made by Ness and seconded by Day to approve the minutes of February 4th, 2013. Motion carried unanimously.

EmPower ND Bills

Justin Dever walked through the current status of EmPower ND supported legislation. Bills included: SB 2014, HB 1029, HB 1358, and HB 1382.

Appendix A attached

Members then discussed the bills affecting their industry sectors. Chairman Anderson encouraged members to meet with the Conferees this Saturday to encourage passing of bills into legislation.

FUTURE MEETINGS

The next meeting will be after the legislative session has adjourned. No date has been set.

ADJOURNMENT

Meeting was adjourned at 2:00 p.m. unanimously.

Al Anderson _____ Date
Chairman

Sherri Frieze _____ Date
Recording Secretary

Current Status of EmPower ND Supported Legislation – 4/17/2013

SB 2014 (Industrial Commission appropriation bill)

The House of Representatives has amended SB 2014 and approved it by a 88-4 vote. The amendments to the bill include the removal of section 18 of the bill which is the funding mechanism for the Renewable Energy Development Fund and the Energy Conservation Fund. As amended, this bill would now include **no** funding for the Renewable Energy Program.

The House Appropriations Committee also removed the \$30 million in general funds for the Housing Incentive Fund (HIF) from SB 2014. Funding was added by the committee to SB 2018 (Commerce's appropriation bill) for the HIF at an amount of \$15 million in general funds and \$15 million in tax credits. A portion of these funds (\$3 million) will be dedicated for child care instead of housing.

In better news, the committee left in other EmPower ND Commission supported items including an increase to the Oil & Gas Research Program (\$4 million to \$10 million) and \$500,000 in funding for the value-added energy market opportunities study.

This bill will be going to a conference committee to work out the differences between the Senate and House.

HB 1029 (Housing Incentive Fund Tax Credits)

The Senate has amended and approved HB 1029. The Senate amendments require that 75% of the funds be designated for projects that benefit low or moderate income individuals or families.

HB 1358 (includes Job Service ND funding for oil & gas related employment data)

The current Senate version of HB 1358 includes \$120,000 appropriation to Job Service North Dakota "for the purpose of upgrading collection and use of employment data to correctly identify all employees who should be included for statistical purposes in oil and gas-related employment, including employees of refineries and gas plants and oil and gas transportation services." The House version included \$150,000 for this purpose and the EmPower ND Commission recommended bill (SB 2028) had included \$100,000. The Senate Appropriations Committee may still recommend amendments to this bill and it will be going to a conference committee.

HB 1382 (Wind Generation Sales Tax Exemption)

The Senate has approved HB 1382. The Senate did not amend the bill, so it will go directly to the Governor for his signature.

Other EmPower ND Recommendations

Develop a new formula to provide adequate funding for local government investment in construction of infrastructure necessary to address significant funding shortfalls for roads, wastewater treatment facilities, water supply facilities, and other needs normally funded by local government entities. (HB 1358)

Provide oil impact grant funds for regional or local community development and infrastructure planning in the Bakken area. (SB 2013)

Science, technology, engineering, and mathematics (STEM) education (SB 2019)

Recognize the additional burdens new energy developments are placing on state regulatory agencies and provide adequate funding and staffing levels for North Dakota Department of Health, North Dakota Department of Mineral Resources, North Dakota Public Service Commission, and the North Dakota State Water Commission to ensure that each will be able to properly manage their respective programs.

- Department of Mineral Resources (SB 2014) – 23 FTEs
- PSC (HB 1008) – 2 FTEs replacing existing FTEs
- Department of Health (SB 2004) – 9 FTEs to meet increased demands in the oil-impacted areas
- State Water Commission (HB 1020) – 2 FTEs