

April 29, 2011 Legislative Update

The 62nd Legislative Assembly has completed its business. Overall it was a very good year for all three associations. We passed as well as defeated bills of major importance to our industries.

Here is an update:

Retail and Petroleum

SB 2137 Relating to a **sales and use tax exemption for sales by thrift stores** owned and operated by nonprofit corporations. Failed to pass 37-55. Was resurrected as an amendment to House bill 1245. We testified against it. *The thrift store exemption language has been removed from HB 1245.* **HB 1245 failed to pass the Senate 19-28.**

SB 2138 Relating to employer's payment of **accrued paid time off**. *SB 2138 came out of conference committee with amendments acceptable to the labor commissioner's office and the business community.* **passed the House as amended, yeas 78 nays 14**

SB 2158 Relating to issuing a check with **nonsufficient funds** or without an account. This bill raises the \$30 collection recovery fee to \$35. We testified in favor of this bill saying it was a very important service provided to our members. Passed 57-36. Senate did not concur with House amendments. **passed as amended, yeas 66 nays 25**

SB 2238 Was amended into HB 1424. This bill went to conference committee where the compensation cap for **retailers collecting and remitting sales tax** was raised from \$85.00 to \$93.75 per return. **HB 1424** **Passed the House, yeas 74 nays 19, passed the Senate, yeas 47 nays 0**

HB 1189 and **HB 1289**

HB 1189 Corporate income tax relief bill HB 1289 is individual income tax relief bill Both of these bills were amended into HB 1047 which was the property tax relief bill. This tax package provides roughly \$500 million dollars relief to ND businesses and citizens. It passed both chambers.

The owner of a \$150,000 home will realize a property tax reduction of about \$506 a year. The average property tax savings will range from 15 percent to 19 percent.

The tax relief package also includes:

- \$120 million in individual income tax cuts across all tax brackets. Combined with action taken during the last legislative session, North Dakotans will realize a 30.2 percent reduction in their income tax.
- A reduction in corporate income taxes of 19.5 percent, saving businesses \$25 million.

Petroleum

[HB 1018](#) Department of Commerce bill which contains the **blender pump** language failed the House. Large portions of HB 1018 were then amended into SB 2057. Amendments were offered to increase the appropriations to blender pumps to \$20,000 per retail site for dispensers and leave in place the roughly \$15,000 per retail site passed by the House for infrastructure. **SB 2057 as amended including the Senate blender pump language in its entirety passed the Senate 40-7 and the House 69-18.**

DOT budget [HB 1012](#) passed the Senate as amended, yeas 46 nays 0 Passed the House passed, yeas 91 nays 0

This bill contains \$1.7 billion for infrastructure, including roads in the next two years.

NDPMA, NDRA along with other business associations tracked and monitored about two dozen workforce safety and insurance bills. The business community is in good shape regarding these bills. There were very few onerous bills of legislation. The same can be said for about another two dozen health care bills. Much of the health care issue will be resolved during the November special session for redistricting. By this time, the ND Insurance Department should know more about the impact federal health care legislation will have on North Dakota.

NDPMA was also very involved in tracking and monitoring about three dozen Empower ND bills.

Bills important to the retail / petroleum industry included:

- SB 2032 (Oil and Gas Research Council) Was signed by the Governor on April 25th.
- SB 2034 (Green Diesel) Was signed by the Governor on April 25th.
- SB 2057 Blender Pump Bill

It was a good year again from a retail standpoint in that NDRA was able to help defeat the **pharmacy ownership law**. We anticipate this issue will come up again in the form of an initiated measure in 2012.

HB 1419 was a huge victory for the propane industry as the association was able to pass legislation providing **limited liability for propane marketers**.