

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2066

2001 SENATE EDUCATION

SE 2066

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2066

Senate Education Committee

Conference Committee

Hearing Date 01/10/01

Tape Number	Side A	Side B	Meter #
1	SB 2066		0 - 13.0
1		SB2066	.04 - 5.4
1 (01-16-01)		SB 2066	30.3 - 39.8
Committee Clerk Signature <i>Andrea Johnson</i>			

Minutes: Chairman Freborg called the committee to order.

Roll call was taken with all members present.

Chairman Freborg opened the hearing on SB 2066 which relates to the reversion of property not used as a fairgrounds in Stark County.

Testimony in Support of SB 2066:

Rick Larson, Deputy Land Commissioner, presented testimony in support of the bill. (see attached testimony)

Senator Kelsh asked if there had been a purchase price and would the state of North Dakota have to pay that price back since the land is to revert back to the state. He stated the land would be back to ND and there was no mention as to what would happen during the reversion process.

Senator Kelsh also asked what the position of Stark County is. Mr. Larson stated the Board of University and School Lands had not heard from Stark Co. nor had they contacted them. Senator

O'Connell asked why the year 2011 was picked. He replied that there was no reason, and that

after 24 years, a number was just picked. Senator O'Connell asked if this would affect any other land that has been acquired in the past. He replied no. Senator Wanzek asked what the purchase price was and if Stark Co. had paid it. Mr. Larson replied there had been two appraisals done and Stark Co. had paid for the land. He further stated that he thought the price was around \$30,000.00 and he will find out the exact price.

Testimony in opposition to SB 2066 :

Wade Williams, North Dakota Association of Counties, spoke in opposition to the bill. The Commissioners from Stark County have asked that they be allowed to present written testimony and comment on this bill before the committee takes any action. He stated that there is some community discussion between the county and the city as to whether this is the best place to locate a fairgrounds. When this land was deeded the county was concerned with the reversion policy. He feels that the county would be concerned if there is not a payback of the money.

Senator Cook asked how the property is now being used. Mr. Williams does not know but can obtain the information for the committee. Senator O'Connell asked if Mr. Williams would look at the statement "revert back" as a contract even though no price is stated. He said yes since the reversion clause is on the deed.

Chairman Freborg asked Mr. Larson if he knew what the land is being used for. He stated there was a well pad on a tank battery for a well that had been drilled further east. This was part of an agreement between the county and Dickinson when a well was located so close to the city. There is also a tree farm on the north side of the property. There is a piece of land on the east side of the road, which the Land Department also sold, that would be more favorable for a fairgrounds. He stated that the legislation and the deed both contain a reversion clause. There is no date listed which is the reason for this bill, to set a time certain. Senator O'Connell asked Mr. Larson who

has the mineral rights and what is the policy of the State Land Department when the land is sold. He stated with this piece of land the legislation said all minerals are reserved, so that is what the state did. These minerals are basically owned by the general fund of the state of North Dakota. All proceeds go to the general fund. Senator O'Connell stated that he thought the sale of state land went to the Common Schools Trust Fund. He said it depends on how the minerals are/were owned. Senator Christenson asked if the reason for this bill is date certain. He replied yes. Chairman Freborg asked what date this contract was entered into. He said 1987 with the legislation being 1988. Senator Kelsh wondered how many times this happens with the reversionary clause in legislation. Mr. Larson stated this is the first time he is aware of and this is unusual. It was decided before the legislature authorized them to put a date certain on it. There is no appraisal for current market value on this land.

No further testimony was offered in support of, opposition to, or in neutral position.

The hearing was closed on SB 2066.

Senator Kelsh would like to wait for written testimony from Stark County before acting on the bill. Senator Wanzek feels they will still have 10 years to decide. Senator O'Connell feels this is too long a time. Senator Cook would also like to know what the actual payment was for the land. Chairman Freborg was under the impression that there had been two appraisals and the payment was based on that. It was decided to request testimony from Stark County with time certain and then act on the bill.

01-16-01, Tape 1, Side B, 30.3 -

Discussion:

Having received testimony from Stark County Commissioners and Rep. Frank Klein, District 36, (see attached), Chairman Freborg asked for a motion on the bill.

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Senate Education Committee

Bill/Resolution Number SB 2066

Hearing Date ~~01/13/01~~

1-16-01

Senator Kelsh moved a Do Pass. Senator O'Connell seconded.

Senator Flakoll had a concern whether Stark County should be reimbursed any of the monies they had paid for the land. Chairman Freborg replied that both parties, Stark County and the Board of University and School Lands, had entered into a valid contract. Senator Wanzek asked about an amendment by Mr. Zent. The committee has not received one. Chairman Freborg feels that if the bill is not passed, the board would eventually take the matter to court and determine what a reasonable length of time is to develop property. Discussion on where the money from the land is and if the land is sold, which fund would receive the money.

Roll Call vote: 6 Yes, 1 No, 0 Absent. Carrier: Sen. Kelsh

Date: 1-16-01
Roll Call Vote #: /

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2066

Senate Education Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen. Kelsh Seconded By Sen. O'Connell

Senators	Yes	No	Senators	Yes	No
Senator Freborg - Chairman	✓		Senator Christenson	✓	
Senator Flakoll - Vice Chairman	✓		Senator Kelsh	✓	
Senator Cook		✓	Senator O'Connell	✓	
Senator Wanzek	✓				

Total (Yes) 6 No 1

Absent 0

Floor Assignment Sen. Kelsh

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 16, 2001 3:20 p.m.

Module No: SR-06-1074
Carrier: Kelsh
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2066: Education Committee (Sen. Freborg, Chairman) recommends DO PASS
(6 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2066 was placed on the
Eleventh order on the calendar.

2001 HOUSE POLITICAL SUBDIVISIONS

SB 2066

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2066

House Political Subdivisions Committee

Conference Committee

Hearing Date 3-1-01

Tape Number	Side A	Side B	Meter #
1	xx		270--965
1	xx		6100--end
1		xx	1--840
Committee Clerk Signature			

Minutes: Chair Froseth opened the hearing on SB2066 relating to reversion of property not used as a fairground in Stark County.

Rick Larson, State Land Department : testified in support of SB2066. (SEE ATTACHED)

This bill is brought before you to discuss the reversion.

Vice-Chair Severson :(377) Do you have a problem with HB1336 that the senate has now? We had a long discussion, when we heard it here, about leaving the reversion in or taking it out.

Rick : This property benefits the general public. We are looking to the legislature as to what we should do. If it was a trust that we were managing the property for, we would have stronger feelings as trustees. It is up to the legislature to decide.

Vice-Chair Severson : (444) Are we setting a precedence by removing the reversion?

Rick : This is the only piece of land in ND that has this reversion, so I don't think so.

Chair Froseth : In 1987, was there a price fixed to this property when Stark County bought it?

Rick : There were two (2) appraisals done. There was nothing in the legislation that set the price.

House Political Subdivisions Committee
Bill/Resolution Number SB2066
Hearing Date 3-1-01

Chair Froseth : Any further testimony?

Dennis Johnson, President of Dickinson City Commission : (625) here in opposition to SB2066.

I was here a month ago to testify in support of HB1336. I won't bore you by repeating that testimony, but I want to go on record as opposing SB2066.

Chair Froseth : Any further testimony on SB2066? Hearing none, we are closed.

Discussion on SB2066 - Tape 1, side A, (6100-end) and Tape 1, side B, (1-000)

Rep. Maragos : (6140) We need to discuss the philosophy of state land and sale of it. I assume all of the land we are talking about was once state school land somewhere along the way.

Begin tape 1, side B. Stark County wanted the land for one thing and it did not come to fruition, so now they want to do something else with the land. That was not the way it was structured previously. Where are we headed? I can't tell that this is an isolated incident. To we want to establish a policy or do we want to be all over the map. We are setting a precedent here, I believe.

Vice-Chair Severson : (73) In HB1336, we removed the language about the reversion. At that time I asked if they wanted that reversion in there or not. No one was here from the state.

Rep. Maragos : At that time, Dickinson people said to leave it in if it meant passage of the bill for sure. Then they changed their mind.

Vice-Chair Severson : (137) Maybe we should make them like bills. Amend this and match HB1336.

Chair Froseth : The rule is: the last bill that is passed takes effect.

Rep. Maragos : I'm trying to figure out if we are making a statement as to policy and legislative intent and what the policy of ND should be. I'd like to research the policy myself. The concept of the two bills is irrelevant, as far as I am concerned.

House Political Subdivisions Committee
Bill/Resolution Number SB2066
Hearing Date 3-1-01

Rep. N. Johnson : I learned something today, when Mr. Larson testified, that this is the only piece of land that has the reversion thing on it. That seemed strange.

Chair Froseth : I think the main intent of HB1336 was to change the purpose of the land so Stark County could develop it.

Rep. Maragos : I'd like to see that land sold to another subdivision by the state. I'd like to see examples of where this happened, then this isn't an issue. We have to understand what we are doing. The bill itself is not an issue.

Rep. Eckre : Can the intern check with L.C. and see if there are other sales like this?

Rep. Kretschmar : I seem to remember that in 1987, there was a problem with special assessments on this land. It was negotiated into the sale, I think. The bill in 1987, was to take care of the problem. These reversion clauses, I think, are an exception and not the rule. At least in land in my area of the state, which is farm and ranch land, if that is sold by the state, there is no reversion. The state keeps the mineral rights.

Rep. Maragos : Does anyone know what the legislative intent was of the reversion. If it is such an unusual thing, why was it put in?

Rep. Kretschmar : I think it was to get the bill passed. Maybe we should get the old minutes.

Chair Froseth : We'll hold and do research.

Date: 3-15-01
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2066

House POLITICAL SUBDIVISIONS Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Vice Chair Severson Seconded By Rep Herbel

Representatives	Yes	No	Representatives	Yes	No
Chairman Glen Froseth	/		Rep. Wayne W. Tieman	/	
Vice-Chair Dale C. Severson	/				
Rep. Lois Delmore	/				
Rep. Rachael Disrud	/				
Rep. Bruce Eckre	/				
Rep. Mary Ekstrom	/				
Rep. April Fairfield	NP				
Rep. Michael Grosz	/				
Rep. Jane Gunter	/				
Rep. Gil Herbel	/				
Rep. Nancy Johnson	/				
Rep. William E. Kretschmar	/				
Rep. Carol A. Niemeier	/				
Rep. Andrew G. Maragos	/				

Total (Yes) ~~14~~ 14 No 0

Absent 2 ab

Floor Assignment Vote on Rep. Gunter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 15, 2001 11:29 a.m.

Module No: HR-45-5698
Carrier: Gunter
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2066: Political Subdivisions Committee (Rep. Froseth, Chairman) recommends DO NOT PASS (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2066 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

SB 2066

