

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2179

2001 SENATE JUDICIARY

SB 2179

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2179

Senate Judiciary Committee

Conference Committee

Hearing Date January 17th, 2001

Tape Number	Side A	Side B	Meter #
1	X		0.0-23.4
Committee Clerk Signature			

Minutes: SENATOR WATNE opened the hearing on SB 2179: A BILL FOR AN ACT TO CREATE AND ENACT A NEW SECTION TO CHAPTER 47-19 OF THE NORTH DAKOTA CENTURY CODE, RELATING TO THE AUTHORITY OF NORTH DAKOTA NOTARIES TO ACT IN OTHER STATES; TO AMEND AND REENACT SECTION 44-06-01 OF THE NORTH DAKOTA CENTURY CODE, RELATING TO THE PERFORMANCE OF NOTARIAL ACTS; AND TO DECLARE AN EMERGENCY.

SENATOR TRAYNOR received a letter from the secretary of state. Notary has no authority outside the state. Talked to other members of his law firm, to change this. Bill refined and is here today. Gives our notaries authority outside of state.

SENATOR NELSON give us example

SENATOR TRAYNOR (meter # 3.3) gives example of his brother.

SENATOR BERCIER would amendment be appropriate to states we have included?

SENATOR TRAYNOR yes.

Page 2  
Senate Judiciary Committee  
Bill/Resolution Number SB 2179  
Hearing Date January 17th, 2001

SENATOR JUDY LEE, Senator from Fargo, supports SB 2179.

MARY FIEST, representing the secretary of state, encourages a do pass. (testimony attached)

RON NESS, Executive Director of the North Dakota Petroleum Council, testified in favor of SB 2179. (testimony attached)

JACK PARIS, professional land man from Mandan, testified in favor of SB 2179. (testimony attached)

**MOTION MADE BY SENATOR LYSON TO DO PASS. SECONDED BY SENATOR  
BERCIER. VOTE INDICATED 7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING.  
SENATOR TRAYNOR VOLUNTEERED TO CARRY THE BILL.**



**REPORT OF STANDING COMMITTEE (410)**  
January 17, 2001 1:08 p.m.

**Module No: SR-07-1124**  
**Carrier: Traynor**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2179: Judiciary Committee (Sen. Traynor, Chairman) recommends DO PASS**  
**(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2179 was placed on the**  
**Eleventh order on the calendar.**

2001 HOUSE JUDICIARY

SB 2179

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2179

House Judiciary Committee

Conference Committee

Hearing Date 03-05-01

Tape Number	Side A	Side B	Meter #
TAPE II	x		5801 to 6242
TAPE II		x	1,013
Committee Clerk Signature <i>Jean Davis</i>			

Minutes: Chairman DeKrey opened the hearing on SB 2179. Relating to the performance of notarial acts and to declare an emergency.

Rep Delmore: District 43, Introduced the bill, the premise behind this bill is not very difficult.

All that we are asking is that our notaries would be able to notarize out of state the same way other notaries are able to do.

Ron Ness: Petroleum Council (see attached testimony). Also attached is a letter from BJ Kadrman, a firm that does land service doing title research, oil and gas leasing in North Dakota, Montana, South Dakota and Wyoming.

TAPE II SIDE B

Ron Ness testimony continues.

Chairman DeKrey: In how many states can the notaries act outside of the state now.

Ron Ness: I believe there will be a lot, right now Minnesota and Montana.

Chairman DeKrey: If there are no other questions, thank you for appearing before the committee.



Al Jaeger: Secretary of State (see attached testimony).

Rep Klemin: I know that there are validating statutes in North Dakota Century Code that validate prior acts because of a law that was passed in order to take care of something that was done that might have been invalid. With respect to notaries that would have inadvertently violated the law according to the Attorney General decision, whether it would be reasonable to have validation provisions so it would validate those prior acts prior to the time when this would become effective.

Al Jaeger: You have raised a legal question that I am not prepared to answer.

Rep Klemin: If we are saying that the Attorney General's opinion is that the notary are not authorized, then what is the remedy.

Al Jaeger: It isn't our intent to go back from an administration stand point and go after a notary or anything like that.

Rep Klemin: I understand, there might be a title question.

Al Jaeger: I have the opinion her, I can make copies for you, but keep in mind the issue is whether the notary can notarize in Montana. Can we pass a North Dakota law for something in Montana.

Rep Klemin: Apparently we are doing it now.

Al Jaeger: I understand that.

Rep Klemin: We may need a provision that says further more it was ok when it was done.

Al Jaeger: I would be happy to work through this with our attorneys if need be, to see what can be done.

Ron Ness: Mr Chairman, I think that is an interesting concept and I would ask our legal council to comment on it.

Craig Smith: attorney in Bismarck, a board member of the Petroleum Council, I don't think the notary itself doesn't effect the legality, on the other had if the committee wants to add some sort of validating language.

Rep Klemin: It would still be valid between the parties?

Craig Smith: Yes, once it is recorded, even in North Dakota, if you have an invalid notary, once it is recorded, you are ok. It is more of a recording requirement than a validity thing of the document.

Rep Klemin: Might there not be documents that have been recorded that are effected.

Craig Smith: Probably not.

Al Jaeger: As soon as we got the opinion back, we notified all 11,000 notary and once that came to their attention, I would think that since the opinion came back in July, nothing has really happened since then. That is way they are interested in getting the emergency clause passed. No doubt there was a misunderstanding for long time. We need to straighten this out. There are some legal questions here that I cannot answer now.

Chairman DeKrey: Any further questions, thank you for appearing. Any further testimony on SB 2179?

Jack Paris: Professional Landman, Vice President of the Landmans Association of North Dakota.  
(see attached testimony)

Chairman DeKrey: Are there any questions, seeing none, thank you for appearing. Anyone else in support of SB 2179, any one in opposition. We will close the hearing on SB 2179.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2179b

House Judiciary Committee

Conference Committee

Hearing Date 03-12-01

Tape Number	Side A	Side B	Meter #
TAPE I		x	5389 to 5781
Committee Clerk Signature <i>Joan Diers</i>			

Minutes: Chairman DeKrey called the committee to order on SB 2179.

COMMITTEE ACTION

Chairman DeKrey: what are the wishes of the committee. Rep Delmore moved a DO PASS, seconded by Rep Klemin.

DISCUSSION

Chairman DeKrey: the clerk will call the roll on a DO PASS motion on SB 2179. The motion passes with a vote of 13 YES 0 NO and 2 ABSENT. Carrier Rep Maragos.

Date: 03-12-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB-2179

House JUDICIARY Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Rep Delmore Seconded By Rep Klemin

Representatives	Yes	No	Representatives	Yes	No
CHR - Duane DeKrey	✓				
VICE CHR --Wm E Kretschmar	✓				
Rep Curtis E Brekke					
Rep Lois Delmore	✓				
Rep Rachael Disrud	✓				
Rep Bruce Eckre	✓				
Rep April Fairfield					
Rep Bette Grande	✓				
Rep G. Jane Gunter	✓				
Rep Joyce Kingsbury	✓				
Rep Lawrence R. Klemin	✓				
Rep John Mahoney	✓				
Rep Andrew G Maragos	✓				
Rep Kenton Onstad	✓				
Rep Dwight Wrangham	✓				

Total (Yes) 13 No 0

Absent 2

Floor Assignment Rep Maragos

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

**REPORT OF STANDING COMMITTEE (410)**  
March 13, 2001 3:56 p.m.

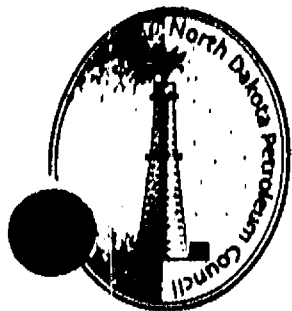
**Module No: HR-43-5512**  
**Carrier: Maragos**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2179: Judiciary Committee (Rep. DeKrey, Chairman) recommends DO PASS**  
**(13 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2179 was placed on the**  
**Fourteenth order on the calendar.**

2001 TESTIMONY

SB 2179



# North Dakota Petroleum Council

Ron Ness  
Executive Director  
Marsha Reimnitz  
Office Manager

Email: ndpc@btigate.com  
Phone: 701-223-6380  
Fax: 701-222-0006  
120 N. 3rd Street • Suite 225  
P.O. Box 1395  
Bismarck, ND 58502-1395

## Senate Judiciary Committee

January 17, 2001

### Testimony by Ron Ness, North Dakota Petroleum Council

Mr. Chairman and members of the Committee, my name is Ron Ness and I am the Executive Director of the North Dakota Petroleum Council. The North Dakota Petroleum Council represents both large and small oil and gas companies, oil field service companies, and the BP Refinery in Mandan. I appear before you today in support of SB-2179.

Landmen are a vital part of the oil industry in North Dakota and this bill will allow them to conduct their business in the Williston Basin on a level playing field with their peers who live in Montana. If this legislation does not pass, landmen may choose to have a Montana residence in order to perform leasing acts in both states. Last summer, the North Dakota Secretary of State informed notaries that their authority to notarize documents ends at the North Dakota border. The decision was based upon an Attorney General's opinion stating that North Dakota law does not allow North Dakota notaries jurisdiction in other states even though the North Dakota law allows Montana notaries to notarize in North Dakota.

The North Dakota Petroleum Council does not necessarily agree with the opinion; however, we believe the bill before you will clarify the issue and level the playing field with notaries from other states. The emergency provision of this bill is important. Landmen need authority to notarize on both sides of the border as soon as possible and waiting until August 1, 2001 would be burdensome. In addition, leasing activity in the Williston Basin has been on the increase with the higher prices for crude oil and natural gas.

I urge a "Do Pass" on SB-2179. Thank you. I would be happy to answer any questions. I believe we have a number of landmen present today and a few may want to testify.

