

Legislation the NDDA Supports:

- **HB 1154 - The Dental Care Bill of Rights - Dental Insurance Reform Bill.** This bill was based on the National Association of Insurance Legislators (NCOIL) model legislation for transparency in dental benefits. Rep. George Keiser sponsored the bill on behalf of NDDA. When first introduced, the bill contained five components: prior authorization, transparency in network leasing, time limits on retroactive denial, virtual credit card option, and medical loss ratio. Upon NDDA's request, the bill was rereferred from the House Human Services committee to the House Industry, Business & Labor committee where Rep. Keiser serves as vice chairman. After visiting with the Insurance Department, medical loss ratio and virtual credit card were removed from the bill. In addition, the language was adjusted to fit with the ND Century Code sections for insurance. The bill received a unanimous Do Pass recommendation in committee and passed on the House floor with a vote of 60-34.
- **HB 1175 - Business immunity from COVID liability.** This bill was introduced by Rep. Howe on behalf of the Greater ND Chamber. It removes liability for businesses, including independent contractors, from COVID-19 related claims from employees and customers. The bill, along with other COVID liability bills, was heard in the House Industry, Business and Labor Committee on January 27th. The only opposition to the bill was from the Trial Lawyers Association. It is expected there may be a few amendments to HB 1175 to include things from other COVID bills and those bills will be killed with HB 1175 resulting as the final. The bill passed 77-17 in the House with an emergency clause and will be heard in the Senate on March 10.
- **SB 2003 - ND University System budget.** This bill contains the funding for the Professional Student Exchange Program. The senate passed the bill with \$3,699,342 for the program which was the amount requested in the Governor's budget. The bill now goes to the House where it will need to be watched more closely.
- **SB 2004 - Department of Health budget.** The bill includes \$360,00 funding for the dental student loan repayment appropriated from the Community Health Trust Fund (funds derived from the Tobacco Settlement). The ND Oral Health program is also funded from the Department's budget. As with the previous bill, it now goes to the House where we'll need to keep an eye on it.
- **SB 2140 - Professional student exchange waiver.** The first version of this bill would waive the repayment requirements for students participating in the program. The program includes dentists, optometrists, and veterinarians. The repayment kicks in if the student fails to return to ND to practice. NDDA supports the bill only if it applies to all three professions. The bill received a Do Pass from the Senate Education committee but failed on the Senate floor on a vote of 19-26. The following legislative day, the bill was reconsidered with a floor amendment to turn it into a study and passed on a vote of 38-9. Sen. Erbele hopes to find a representative on the House side who will carve out the veterinarians for the waiver.

Legislation the NDDA is Monitoring or Neutral:

- **HB 1151 - Telehealth for dental.** The bill was brought to define telehealth for dental in statute rather than through administrative rule by the Board of Dental Examiners. The prime sponsor is Rep. Devlin. It was heard in the House Human Services committee and received a unanimous Do Pass recommendation. There was no opposing testimony. It passed on the House floor 93-0. It will be heard in the Senate Human Services committee on March 3.
- **HB 1166 - Licensing of foreign practitioners.** This bill was intended to create a more streamlined process for foreign practitioners to become licensed in ND. ND defines foreign as anyone who is not from ND. The bill applies to several boards including the Board of Dental Examiners. The bill was amended to say foreign practitioners “who are residents of the state” along with other amendments and passed out of committee with a 9-5 Do Pass recommendation and passed on the House floor on a vote of 81-11.
- **HB 1203 - Health benefit plans.** This bill would take effect in the event the Supreme Court rules the Affordable Care Act is unconstitutional. It outlines the essential benefits that a health insurance plan must include for ND. It would continue Medicaid expansion and allow the state to renegotiate the commercial rates that currently exist. It was supported by the ND Hospital Association. The bill received a 9-5 Do Not Pass recommendation from the House Industry, Business & Labor committee and failed on the House floor with a vote of 20-72.
- **HB 1247 - Merges the Department of Health into the Department of Human Services.** The bill’s sponsors are members of both the House & Senate Human Services committees. The intent is to streamline government as well as provide leadership in the Department of Health (DoH). There has been a lot of frustration with the DoH for many years. The bill received an 11-3 Do Pass recommendation in committee and passed on the House floor with a vote of 73-21.
- **HB 1262 - Protects whistleblowers who report health issues** - This bill was intended to protect whistleblowers from retaliation of employers if the employee reported that someone in the workplace was not following health/safety regulations. In other words, if the employee wasn’t wearing a mask and/or practicing social distancing. The bill failed on the House floor on a vote of 13-78.
- **HB 1271 - Employer immunity from COVID liability** - This was the immunity from COVID liability bill sponsored by the minority party. It received a Do Not Pass recommendation from the House Industry, Business & Labor committee and failed on the House floor on a vote of 14-79.
- **HB 1352 - Liability for medical products** - This bill would not allow the administration of a medical product (drug, biologic, medical device) by any government or business as a condition of employment unless the manufacturer of the medical product accepted liability for death or serious injury. The bill received a 13-1 Do Not Pass in committee and failed on the House floor 11-83.
- **SB 2130 - Health insurance mandated coverage of services - Cost-benefit analysis requirement.** If the legislative management determines a legislative measure mandates health insurance coverage of services or payment for specified providers of services, the measure may not be acted

on by any committee unless the measure is accompanied by a cost-benefit analysis. The bill received a 5-1 Do Pass recommendation in Senate Human Services and passed 45-1 on the Senate floor.

- **SB 2175 - Report on the number of military spouses licensed** - This bill requires all occupational boards to report the number of military members and spouses who were granted licensure each biennium. The bill received a unanimous Do Pass recommendation in the Senate Education committee as well as a 47-0 vote on the Senate floor.
- **SB 2179 - Telehealth** - This bill was introduced to require that coverages for telehealth services are at the same reimbursement rate as coverage provided in person. There was supportive testimony from at least 15 healthcare provider associations and opposition from insurers. The bill was amended into a study and passed 5-1 in Senate Human Services and 44-3 on the Senate floor.
- **SB 2343 - Managed Care for Dental** - This bill was brought by DentaQuest, a dental managed care organization. The bill would require the state to bid for a dental managed care contract that would cover its Medicaid expansion patients. Even though the bill was heavily lobbied, it received a Do Not Pass recommendation in the Senate Human Services committee and later failed to pass in the Senate on a vote of 16-31.

Budget Status at Crossover

General Fund

Crossover is the halfway mark of the legislative session where all of the House bills have been acted on and have crossed over to the Senate and all the Senate bills have been acted on and have crossed over to the House.

The estimated general fund ending balance at the end of the 21-23 biennium is **negative \$744.3 million**. A large negative balance at this point in the legislative session is typical and will be resolved by the end of the session.

The legislature considers the base budget to be the current biennium's budget and uses this as a starting point. The legislature **increased** general fund expenditures by **\$272.3 million** and the most significant changes are as follows:

- Department of Human Services \$109 million
- Commissioner of Agriculture 13 million
- Oil & gas tax revenue hedging 10 million
- Clean Sustainable Energy Authority 40 million
- North Dakota University System 41 million
- Industrial Commission 29 million
- Information Technology Department 17 million
- Higher Ed Challenge Grants 21 million
- Department of Public Instruction (65) million

The legislature considers the revenue forecast they passed early on in the session as their base budget revenue forecast. They have **decreased** general fund revenues by **\$185.4 million** and the most significant decreases are as follows:

- Deficiency appropriations \$24 million

- Exemptions from turnback 31 million
- Transfer to Budget Stabl. Fund 33 million
- Social Security Tax Exemption 6 million
- Insurance premium tax credit for
Invisible Reinsurance Pool 36 million
- Gaming tax reduction 23 million
- Coal conversion tax exemption 36 million

A new revenue forecast is expected to be released on March 16 and could provide a little revenue relief given that the outlook for oil prices is more positive now compared to the previous revenue forecast which could potentially lead to increased sales tax collections and income tax collections.

Strategic Improvements and Investment Fund

In addition to general fund spending, the legislature has also appropriated nearly **\$148 million** of expenditures directly from the Strategic Investment and Improvements Fund. The most significant of those expenditures are as follows:

- Parks & Rec deferred maintenance \$10 million
- Innovation loan fund 15 million
- NDUS building projects 21 million
- Highway Patrol training center 27 million
- Unmanned aircraft and enhanced use lease 26 million
- Fuel production facility loan guarantees 25 million
- Intermodal transportation assistance program 10 million

Total Budget

The total budget including general funds, special funds and federal funds at crossover is \$15.6 billion. This compares to the base budget of \$13.8 billion.

Bonding

In addition to appropriation spending, the legislature has also passed House Bill 1431, a bonding bill, approving bonding for the following projects:

- \$435.5 million for the Fargo diversion project
- \$74.5 million to the resources trust fund for the Minot flood-control project
- \$50 million for the infrastructure revolving loan fund for loans to cities and counties
- \$70 million to the highway fund for road projects
- \$50 million to NDSU for an agriculture products development center.

The debt service for these bonds would be paid from a general fund appropriation derived from legacy fund earnings, Bank of North Dakota profits or other sources.

Medicaid Expansion

The Governor's budget recommendation assumed that Medicaid expansion would transition from a managed care program with commercial rates into the traditional Medicaid program. The legislature declined the Governor's recommendation regarding Medicaid expansion and reauthorized it for two more years with the commercial rates. However, they did take out the nineteen and twenty year old's from Medicaid expansion and placed them in traditional Medicaid.

K12 Education - Department of Public Instruction budget

This is a particularly interesting budget this session because K12 education is receiving federal funding for COVID. The funding is coming in three rounds of Elementary and Secondary Schools Emergency Relief funds (ESSER). Schools received the first round of \$33 million at the end of April 2020. Round two of ESSER will make \$122 million available to schools beginning this quarter. The funding for round three is estimated to be \$427 million. Even though the funding is available only on a reimbursable basis for expenses accrued because of the pandemic, legislators are hoping to withhold some of the general funds that make up DPI's \$1.7 billion general fund appropriation. This would free up general funds for something else. Notable changes in the budget include the removal of funding for the ACT test, the requirement for elementary schools to have school counselors, incentivizing schools to share administrators, and an additional \$3 million was added to special education line item.

- **HB 1478 - Learning Everywhere** - This bill would codify a program where students may obtain course credit for experiences outside the classroom. This could be in paid or unpaid internships or jobs, competitive sports (ie. traveling hockey teams/competitive swimmers), community programs (theatre, orchestras or community choirs, FFA), and so forth. It's an opportunity on the same lines as the work-based learning programs through Career & Technical Education, but opened up for other courses and the arts. The bill creates the framework for local districts and students to work together to find a sponsoring entity and program that would suit their needs, and include a teacher of record, to sign off on that credit. HB 1478 passed out of the ND House of Representatives on a vote of [87-7](#). Next it moves to the Senate side for a hearing in the Senate Education Committee.
- **SB 2196 - ND competency framework** - This bill establishes a competency framework to provide a personalized pathway to graduation while ensuring mastery of content. This will provide students with an alternative to the conventional graduation pathway. It received broad support from the entire education community with no opposition. The bill passed in the Senate with a 46-1 vote and moves on to the House.