



LEGISLATIVE UPDATES



April 4, 2025

Update No. 13

Well, don't count Governor Armstrong out even when he gets behind in the count. Last week we talked about **SB 2261**, the bill that had the honor of receiving the Governor's first veto. Despite an overwhelming override in the Senate, the House voted yesterday to sustain the Governor's veto 15-78. If that vote count looks a little backwards, remember that when considering vetoes, the question is always to override. So, a YES vote overrides the veto and keeps the bill alive, while a NO vote sustains the veto and kills the bill.

Speaking of dead bills, the daylight savings time bill might as well be. We haven't talked much about **HB 1259**, but the Senate State and Local Government Committee pretty much gutted it this week. Assuming the amendments are adopted by the full Senate next week, we can all finally get the sleep bill supporters have told us is so important. The amended version of the bill creates what committee Chair Roers dubbed a trigger law, allowing North Dakota to go to permanent daylight savings time ONLY if Congress has passed legislation allowing it AND Minnesota, Montana, and South Dakota have already adopted it. Good news for local baseball clubs statewide.

Finally, since we talked about things getting a little heated last week, let's revisit **HB 1176**. It passed the Senate yesterday 47-0 after 40 minutes of discussion but is most certainly headed to a conference committee that may be saltier than the bags of popcorn the cafeteria will be selling to viewers. There is some frustration from Senators who felt blindsided by their Leader's amendments. They voted to pass the Leader's version of the bill, but this thing is far from over. You can watch the Senate floor discussion [here](#).

UPDATES FROM ICBND'S PRIORITY TRACKING LIST

Next week, **HB 1584** will be heard before Senate Appropriations. HB 1584 is the bill that regulates pharmacy benefits managers and would affect banks using both the North Dakota Banks Benefits Trust and those using their own self-funding benefits plans. This week, the bill was heard on Monday before the Senate Industry & Business Committee. Both ICBND and the NDBBT oppose the bill because it seeks to ignore and erase the ERISA protections provided to self-funded insurance plans. By ignoring these protections and regulating pharmacy benefits managers, we believe HB 1584 would increase pharmaceutical costs to users of our plans and drive up premiums. Despite overwhelming opposition from the business community and nearly all the state's largest employers, it became clear at the hearing that the committee was not concerned with increased premium costs or potential ERISA lawsuits and was largely sympathetic to the pharmacists' claims that the PBMs were responsible for driving up prescription drug prices. The pharmacists and bill sponsor brought amendments, as did the North Dakota Insurance Department and Blue Cross Blue Shield of North Dakota. During committee work later in the week, the

committee had no interest in considering BCBS's amendments, which would have made the bill more palatable for employers with self-funded plans. They did adopt a combination of Rep. Kasper and the Department's amendments, which should drive the cost of the bill up significantly. While there was not a fiscal note included for the amendments, the amendments were primarily to give the Department the resources needed to create a new division to regulate PBMs, which would take an estimated 7-8 highly qualified FTEs. The Department currently sits at 47 FTEs, so this would be a significant increase if granted. While it certainly isn't unheard of for the Legislature to pass a policy bill without the resources to enact the policy (unfunded mandate, anyone?), our hope is that the high cost of the bill is what will give us one last chance to defeat or temper the bill. Otherwise, it appears legislators are dead set on passing this bill and the train has left the station. I could opine again on business-friendly legislators, but you've heard that soapbox speech already. I'll just say this as politely as I can: we have many legislators who say they are business friendly. When I first started in this business, if the group who was in the room this week representing the number of employers in this state had all opposed a bill, it would have been dead in a heartbeat because it was clearly bad for business. But times have changed. My definition of business friendly is not the same as theirs.

Once the committee adopted the amendments (not yet available online), they give the bill a 5-0 Do Pass recommendation and rereferred it to Appropriations. Senate Appropriations will hear the bill on Monday morning. We're going to be working appropriators to see if we can make some headway. We'll likely send an action alert when it heads to the floor, but it's going to be a steep hill to climb.

On Tuesday of this week **HCR 3001** was heard in Senate Industry and Business. HCR 3001 is a concurrent resolution that encourages the State Treasurer and State Investment Board to invest certain state funds in digital assets and precious metals. It received a 5-0 Do Not Pass recommendation and is today's calendar in the Senate. Depending on how long they want to work on a Friday afternoon, I expect it will be dead before the end of the day. That said – it is silly season so we won't move it to the dead bills list just yet.

NEXT WEEK'S HEARING SCHEDULE

Monday, April 7

9:30 AM	HB 1584	Relating to pharmacy benefit managers	Senate Approps	Red River
---------	---------	---------------------------------------	----------------	-----------

Tuesday, April 8

No committee hearings currently scheduled at this time.

Wednesday, April 9

No committee hearings currently scheduled at this time.

Thursday, April 10

No committee hearings currently scheduled at this time.

Friday, April 11

No committee hearings currently scheduled at this time.

LEGISLATIVE DEADLINES

May 9	Session limited to 80 legislative days.
-------	---

Legislator contact information can be found at <https://ndlegis.gov/contact-my-legislators>, and you can check on any legislative activities through the Legislative Council's web page at ndlegis.gov.

Thank you for your participation in the legislative process. Please call, email, or text me with any questions or concerns. If you'd like to be taken off this distribution list or if there are others in your organization that should be receiving these updates, please let me know.

Sincerely,

Alexis D. Baxley

alexisb@icbnd.com

701.258.7121 (office) | 701.870.4167 (cell)
