

2013 SENATE JUDICIARY

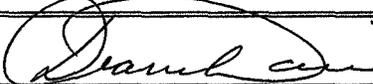
SB 2169

2013 SENATE STANDING COMMITTEE MINUTES

Senate Judiciary Committee
Fort Lincoln Room, State Capitol

SB 2169
1/23/2013
Job #17577

Conference Committee

Committee Clerk Signature 

Minutes:

Relates to what constitutes marketable title

Senator David Hogue - Chairman

Grant Shaft - Real Property Section - State Bar Association - He explains this deals with the Marketable Record Title Act. His gives background, saying when it was adopted was originally intended to address title defects that were over 20 years old and to provide an expedient and low cost mean of establishing market title without a quiet title action. He gives an example such as leaving a middle initial off. Prior to this Act the only remedy to those types of title defects was to file a quiet title action. After the Act was adopted it said if you have had an unbroken chain of title for a period of 20 years you can record an affidavit of possession that say you are the current owner of the property, you possess an unbroken chain of title for a period of at least 20 years and based on that title examiners can ignore most of the minor title defects. SB2169 expands the application of the Marketable Record Title Act to mineral interests. He says this is a policy bill they have placed out there for the Legislature. This bill would allow application to severed mineral interests. He said there has been some cloud on that issue with the Attorney General's opinion and this would clarify it one way or another as to whether that Act applies to severed minerals or not.

Senator Hogue - Asks if it defines what it means to use a mineral.

Shaft - Replies that it does. He said western ND is particularly interested in this legislation because they are already dealing with some nightmare title issues.

Senator Armstrong - States that you do not have to use the minerals for 20 years; you can just file a statement of claim.

Senator Nelson - Asks for a history on mineral rights

Shaft - Said it goes back to the King's court in England, it is one of the bundles you own in real estate. You have always had the right to convey the mineral rights. It is more prevalent now.

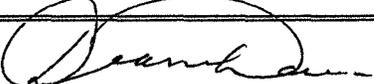
Close the hearing on SB216

2013 SENATE STANDING COMMITTEE MINUTES

Senate Judiciary Committee
Fort Lincoln Room, State Capitol

SB 2169
1/23/2013
Job #17648

Conference Committee

Committee Clerk Signature 

Minutes:

Senator David Hogue - Chairman

Committee discusses policy shift. Senator Hogue suggests we may need further study on this and to hold off. They have questions on minerals used. Senator Armstrong will call Mr. Shaft in regards to policy shift.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Judiciary Committee
Fort Lincoln Room, State Capitol

SB 2169
1/28/2013
Job #17850

Conference Committee

Committee Clerk Signature



Minutes:

Senator David Hogue - Chairman

Senator Armstrong reports back on severed minerals. He says the change in policy is that if you have a previous dispute about minerals and you put a statement of claim into a 120 mineral regarding acreage or a block of acreage and through the dispute it is found that you have 160 minerals you could have 40 minerals that you have done nothing in 20 years and this would allow for those minerals to be counted. He said it doesn't change dormant mineral act. He adds what it does change that if you have had a dispute and the number of minerals is not exactly accurate because of something you wouldn't have known about at the time, this would avail you to that defense.

Senator Lyson moves a do pass
Senator Sitte seconded

Discussion

Senator Armstrong answers questions from Senator Sitte on the Dormant Mineral Act. He said this is related to the marketable title and gives that person another level of protection. He doesn't shift policy in the Dormant Mineral Act.

Vote - 7 yes, 0 no
Motion passes

Senator Armstrong will carry

Date: 1/28/13
 Roll Call Vote #: 1

**2013 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2169**

Senate JUDICIARY Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By S. Lyson Seconded By S. Sitte

Senators	Yes	No	Senator	Yes	No
Chairman David Hogue	X		Senator Carolyn Nelson	X	
Vice Chairman Margaret Sitte	X		Senator John Grabinger	X	
Senator Stanley Lyson	X				
Senator Spencer Berry	X				
Senator Kelly Armstrong	X				

Total (Yes) 7 No 0

Absent A

Floor Assignment S. Armstrong

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

REPORT OF STANDING COMMITTEE

SB 2169: Judiciary Committee (Sen. Hogue, Chairman) recommends DO PASS
(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2169 was placed on the
Eleventh order on the calendar.

2013 HOUSE JUDICIARY

SB 2169

2013 HOUSE STANDING COMMITTEE MINUTES

House Judiciary Committee
Prairie Room, State Capitol

SB 2169
March 26, 2013
Job # 2169

Conference Committee

Marley Koenig

Explanation or reason for introduction of bill/resolution:

Relating to what constitutes marketable title.

Minutes:

Chairman Kim Koppelman: Opens SB 2169.

Grant Shaft, ND Bar Association and Real Property: (:05 to 6:07). Was in support of SB2169. He gave a description of page of bill pertaining to marketable record title. What is meant to do is if someone has an unbroken chain of title for a period of 20 years, there are no defects in those 20 years; you can ignore that defect that proceeded that 20 year period. It does cut some of those exceptions.

What this bill does you will find on the 3rd page, line 8, 9 and 10 is now applied Marketable Record Title Act to several mineral interests, so long as there is an affidavit recorded indicating the unbroken chain for 20 years and that the minerals have been used for section 38-18.1-03. That falls in the termination of mineral rights. This comes as a request of the Mineral Bar.

The Mineral Bar is finding that since they are using the Land Companies and they are finding a lot of these defects in the mineral chain are coming up that really that could be ignored.

Rep. Vicky Steiner: If there is no record or you can find the previous owner, so there is a loss there for a few years and the new surface owner files, can you ask for the minerals back?

Grant Shaft: There is a process in ND where you can go back and claim your mineral rights. If you have mineral interests out there that are not being used and there is no record of them being, they have not file a statement of claim and they have not leased out those rights they become dormant. You can reclaim those rights. This bill does not cut that off.

Vice Chairman Larry Klemin: These mineral interests are quite a business. There might be several hundred owners of a small piece of minerals under a piece of property. The company that leases those minerals wants to make sure that the individual really does own them so they can pay the royalties properly.

Grant Shaft: Described the title standards.

Rep. Diane Larson: Made a motion of Do Pass

Rep Hanson: Seconded the motion.

Do Pass Yes 14 No 0 Absent 0 Carrier Rep Hanson

Date: 3-26-13
Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2169

House Judiciary Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Larsen Seconded By Hansen

Representatives	Yes	No	Representatives	Yes	No
Chairman Kim Koppelman	/		Rep. Lois Delmore	/	
Vice Chairman Lawrence Klemin	/		Rep. Ben Hanson	/	
Rep. Randy Boehning	/		Rep. Kathy Hogan	/	
Rep. Roger Brabandt	/				
Rep. Karen Karls	/				
Rep. William Kretschmar	/				
Rep. Diane Larson	/				
Rep. Andrew Maragos	/				
Rep. Gary Paur	/				
Rep. Vicky Steiner	/				
Rep. Nathan Toman	/				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Rep. Hanson

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

REPORT OF STANDING COMMITTEE

SB 2169: Judiciary Committee (Rep. K. Koppelman, Chairman) recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2169 was placed on the Fourteenth order on the calendar.