

Engrossed House Bill 1175
Testimony of Brady Pelton
Senate Industry, Business, and Labor Committee
March 10, 2021

Chairman Klein and members of the Senate Industry, Business, and Labor Committee, my name is Brady Pelton, general counsel and director of government affairs for the North Dakota Petroleum Council (“NDPC”). The North Dakota Petroleum Council represents more than 650 companies involved in all aspects of the oil and gas industry, including oil and gas production, refining, pipeline, transportation, mineral leasing, consulting, legal work, and oilfield service activities in North Dakota. I appear before you today in support of Engrossed House Bill 1175.

The COVID-19 global pandemic has created a multitude of negative impacts on North Dakota’s oil and gas industry and the business community as a whole. Cratering of worldwide oil demand coupled with continued high oil production both domestically and internationally have forced the businesses within the oil and gas sector to adjust to a new normal focused on preserving employment positions while continuing to survive ongoing market constraints. Safety has remained a top priority for the oil and gas industry throughout the pandemic, resulting in the wide adaptation of new policies influenced by federal and state regulations and designed to protect the health of employees.

Despite making these significant changes, concerns of the oil and gas industry have shifted toward protecting against the vulnerability of businesses to civil liability lawsuits. House Bill 1175 creates a safe harbor from COVID-19-related lawsuits, many of which have arisen across the country. Specifically, House Bill 1175 offers protection from frivolous civil liability lawsuits for business owners and property owners who have acted in good faith and followed applicable COVID-19 laws, regulations, and orders. Civil

accountability remains for business and property owners if actions are taken with malice and/or in total disregard of the laws in place during the COVID-19 pandemic.

Having safe harbor provisions in statute that protect businesses from COVID-19-related civil liability lawsuits is important to maintaining a stable business-friendly environment, especially during such volatile times as businesses are presently facing. We therefore urge a **Do Pass** on Engrossed House Bill 1175. I would be happy to try to answer any questions.