

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2213

2001 SENATE FINANCE AND TAXATION

SB 2213

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2213

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 1/22/01

Tape Number	Side A	Side B	Meter #
1		x	19.5-32.3
2	x		50.5-end
Committee Clerk Signature <i>Lynelle N. Kraft</i>			

Minutes:

Senator Urlacher: Opened the hearing on SB 2213, relating to a city tax levy for employee health insurance.

Senator Tom Trenbeath: Testified in support. This bill would be a help or a start to provide health insurance.

Senator Urlacher: This would allow the board to levy what they see fit?

Senator Tom Trenbeath: Up to a maximum of 4 mills.

Senator Urlacher: If the citizens had an objection, they could protest?

Senator Tom Trenbeath: Yes.

Jerry Jomstad: ND League of Cities, testified in support. Written testimony attached.

Senator Nichols: Do you think this language needs to be changed a little bit?

Jerry Jomstad: No.

Senator Urlacher: Would this complicate anything within the negotiations?

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Senate Finance and Taxation Committee

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Jerry Jomstad: Health insurance benefit may be provided.

Senator Wardner: Could the people vote on this mill levy?

Jerry Jomstad: I don't know. Could go to the voters for excess levy.

Discussion held meter number 29-32.2.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held later. Meter number 50.5-end.

COMMITTEE ACTION:

Motion made by Senator Wardner for a DO NOT PASS, Seconded by Senator Nichols.

Vote was 5 yeas, 0 nays, 1 absent or not voting. Bill carrier was Senator Christmann.

Date: 1/22/01
Roll Call Vote #: 2213

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2213

Senate Finance and Taxation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Wardner Seconded By Nichols

Senators	Yes	No	Senators	Yes	No
Senator Urlacher-Chairman	✓				
Senator Wardner-Vice Chairman	✓				
Senator Christmann	✓				
Senator Stenehjem					
Senator Kroeplin	✓				
Senator Nichols	✓				

Total (Yes) 5 No 0

Absent 1

Floor Assignment Christmann

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

REPORT OF STANDING COMMITTEE (410)
January 22, 2001 4:13 p.m.

Module No: SR-10-1408
Carrier: Christmann
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2213: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO NOT PASS (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2213 was placed on the Eleventh order on the calendar.

2001 TESTIMONY

SB 2213

To: Senate Finance and Tax Committee
From: North Dakota League of Cities
Date: January 22, 2001
Re: Senate Bill 2213

Senate Bill 2213 would allow cities to levy up to 4 mills for a comprehensive health care insurance program for city employees. The bill creates a new subsection to North Dakota Century Code section 57-15-10 (attached), which is the section of the code that provides for the exceptions to the general tax levy limitations in cities.

The Executive Board of the North Dakota League of Cities, which represents cities of all sizes from all parts of the state, voted to seek the introduction of this bill. The board felt that it was important that all cities should have the option of using a special levy in order to be able to make this important health care insurance program benefit available for city employees.

Similar tax levy authority has been given to counties and park districts in previous sessions of the legislature. Copies of those sections of the code are attached.

For the information of the committee, I am also distributing copies of our latest survey of the taxable valuation and tax levies of each of North Dakota's 361 cities. The taxable valuation of each city is listed. To calculate what each mill produces in revenue for a city, divide the city's taxable valuation by 1,000.

It is important for cities to be able to attract and retain qualified employees. With the cost of health care insurance going up, this bill will help cities to be competitive in the labor market. We ask that the committee recommend a do pass on Senate Bill 2213.

57-15-10. Exceptions to tax levy limitations in cities. The tax levy limitations specified in section 57-15-08 do not apply to the following tax levies:

1. Taxes levied pursuant to law for a proportion of the cost of a special improvement project by general taxation.
2. Taxes levied pursuant to law for the purpose of paying a deficiency in connection with a special improvement project.
3. Taxes levied to pay interest on a bonded debt, or the principal of such debt, at maturity.
4. Taxes levied for the purpose of paying any final judgment or judgments obtained against any city, if the aggregate amount levied for the purpose of paying any final judgment or judgments does not exceed such amount as will be produced by a levy of five mills on the taxable valuation of the property in the city. This section may not be deemed or construed to modify, qualify, or limit the authority of any city to issue bonds pursuant to law in case the governing body of any such city does not deem it advisable to pay such judgment or judgments out of current revenues.
5. Taxes, not exceeding four mills, levied for the purpose of establishing and maintaining a library fund for public library services in accordance with section 40-38-02.
6. Taxes levied on property located within a municipality and otherwise exempt under section 57-02-08, to pay such property's proportionate share of the cost of fire protection services maintained by the municipal corporation.
7. Taxes, not exceeding five mills, levied for the purpose of establishing and maintaining a municipal arts council in accordance with section 40-38.1-02.
8. Taxes levied for fire department stations in accordance with section 40-05-09.1 may be levied in an amount not exceeding five mills.
9. Taxes levied for the purpose of fire protection service in accordance with section 40-05-09.2 may be levied in an amount not exceeding fifteen mills.
10. Taxes levied for a policeman's pension fund in accordance with section 40-45-01 may be levied in an amount not exceeding one mill.
11. Taxes levied for a police retirement system based upon actuarial tables in accordance with section 40-45-02 may be levied in an amount not exceeding three mills.
12. Taxes levied for a city employees' pension fund in accordance with section 40-46-02 may be levied in an amount not exceeding five mills.
13. Repealed by S.L. 1985, ch. 82, § 162; ch. 604, § 22.
14. Taxes levied for expenditures of the planning commission in accordance with section 40-48-07 may be levied in an amount not to exceed one mill. Provided, that any municipality, in order to obtain the funds necessary to initiate or undertake a comprehensive study of the planning requirements of the municipality, may, without regard to any tax limitation provided by law, levy a tax, for a period of not to exceed five successive years, of not more than one mill to raise funds required for comprehensive study.

15. Taxes levied for the purpose of vocational and on-the-job training services in accordance with section 40-57.2-04 may be levied in an amount not exceeding one mill.
16. Taxes levied for the purpose of an armory or memorial levy in accordance with section 40-59-01 may be levied in an amount not exceeding two mills.
17. Taxes levied for advertising purposes in accordance with section 57-15-10.1 may be levied in an amount not exceeding one mill.
18. Taxes levied for airport purposes in accordance with section 57-15-36 may be levied in an amount not exceeding four mills.
19. Taxes levied for a construction fund in accordance with section 57-15-38 may be levied in an amount not exceeding five mills.
20. Taxes levied for a city fire department reserve fund pursuant to section 57-15-42 may be levied in an amount not exceeding five mills.
21. Taxes levied for an organized firefighters relief association in accordance with section 57-15-43 may be levied in an amount not exceeding one-half of one mill.
22. Taxes levied for acquiring real estate for a public building or other purposes as provided in section 57-15-44 may be levied in an amount not exceeding five mills.
23. Taxes levied for emergency purposes pursuant to section 57-15-48 may be levied in an amount not exceeding two and one-half mills.
24. Taxes levied for police department stations according to section 57-15-53 may be levied in an amount not exceeding two mills.
25. Taxes levied for public transportation in accordance with section 57-15-55 may be levied in an amount not exceeding five mills.
- 25.1. Taxes levied for transportation of public school students in accordance with section 57-15-55.1.
26. Taxes levied for programs and activities for senior citizens in accordance with section 57-15-56 may be levied in an amount not exceeding two mills.
27. Taxes levied for construction, operation, and maintenance of animal shelters in accordance with section 40-05-19 may be levied in an amount not exceeding one-half mill.
28. Taxes levied for a city job development authority as provided in section 40-57.4-04 may be levied in an amount not exceeding four mills.
29. Taxes levied for programs and activities for handicapped persons in accordance with section 57-15-60 may be levied in an amount not exceeding one-half mill.
30. Taxes levied for support of a city band may be levied in an amount not exceeding one mill.

57-15-12.2. Exceptions to tax levy limitations in park districts. The tax levy limitations specified in section 57-15-12 do not apply to the following mill levies, expressed in mills per dollar of taxable valuation of property in a park district:

1. A park district levying a tax for an employees' pension fund according to sections 40-49-21 and 40-49-22 may levy a tax not exceeding the amount necessary for the district's annual contribution to the employees' pension fund.
2. A park district levying a tax to establish a public recreation system in accordance with section 40-55-09 may levy a tax not exceeding two and five-tenths mills, or not more than eight and five-tenths mills if authorized as provided in section 40-55-09.
3. A park district may levy a tax providing for forestry activities in accordance with section 57-15-12.1 in an amount not exceeding five mills.
4. A park district levying a tax for airport purposes in accordance with section 57-15-37 may levy a tax not exceeding four mills.
5. A park district levying a tax for parks and recreational facilities in accordance with section 57-15-12.3 may levy a tax not exceeding five mills.
- 6. A park district levying a tax for a comprehensive health care program for district employees in accordance with section 40-49-12 may levy a tax not exceeding one mill.

Tax levy or mill levy limitations do not apply to any statute which expressly provides that taxes authorized to be levied therein are not subject to mill levy limitations provided by law.

57-15-28.1. Exceptions to tax levy limitations in political subdivisions. The tax levy limitations specified by law do not apply to the following mill levies, expressed in mills per dollar of taxable valuation of property in the political subdivision. For purposes of this section, "political subdivision" has the same meaning as in section 32-12.1-02.

1. A political subdivision levying a tax for the control of pests in accordance with section 4-33-11 may levy a tax not exceeding one mill.
2. A political subdivision, except a school district, levying a tax for an insurance reserve fund according to section 32-12.1-08 may levy a tax not exceeding five mills.
3. A political subdivision, except a school district, levying a tax for the payment of a judgment in accordance with section 32-12.1-11 may levy a tax not exceeding five mills.
4. A political subdivision levying a tax for railroad purposes in accordance with section 49-17.2-21 may levy a tax not exceeding four mills.
5. A political subdivision, except a school district or county, levying a tax for old-age and survivors' insurance according to section 52-09-08, for social security, or for an employee retirement program established by the governing body, or for any combination of those purposes, may levy a tax not exceeding thirty mills.
- 6. A county levying a tax for comprehensive health care insurance employee benefit programs in accordance with section 52-09-08 may levy a tax not exceeding four mills.

Additionally, tax levy limitations do not apply to taxes levied pursuant to any statute which expressly provides that the taxes authorized to be levied therein are not subject to mill levy limitations provided by law.

