

# MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

2453

2001 SENATE FINANCE AND TAXATION

SB 2453

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2453

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 2/7/01

Tape Number	Side A	Side B	Meter #
1		x	47-end
	x		0-9.3
2/13/01 - 2	x		5.9-28.7

Committee Clerk Signature *Lynelle Kraft*

Minutes:

Senator Urlacher: Opened the hearing on SB 2453, relating to imposition of mobile home taxes in the same manner as property taxes on real property.

Kent French: Testified in support. This bill is long over due. We feel this system of taxes is very discriminatory to the people living in manufactured housing.

Senator Christmann: Is there anything in here to gradually work into this?

Kent French: No. If there's opposition to that, we're willing to work on that.

Representative Andy Maragos: Co-sponsored the bill, testified in support.

Bill Delmore: Kelsh Law Firm representing ND Manufactured Housing Assoc., testified in support. We believe people who own manufactured homes should be dealt with the same as everyone else.

Carol Two Eagles: Read written testimony from Lois Little Owl, trailer home owner, written testimony attached.

Terry Traynor: ND Assoc. Of Counties, testified in opposition. The ways the bill is drafted now, it would basically eliminate one year of tax as we change the cycle and that would have a detrimental affect to cities, counties, etc.

Leon Samuel: Tax Director for Morton County, testified. Not opposed to the bill but can see some problems coming with it as far as collection. A lot of the mobile have taxes due, and end up moving. I have no problem with taxes mobile homes like real estate, but it could cause some other problems.

Senator Wardner: If we were to pass this, would that assessor have to go out and assess the property?

Leon Samuel: I'm not sure. I think the home owners still have to register, but mobile homes are movable and there are problems with that.

Senator Urlacher: You'd like to see an amendment?

Leon Samuel: We'd like to see it workable.

Gary Empter: Director of Tax Equalization in Mercer County, testified neutrally. There is a problem with mobile homes leaving without paying their taxes.

Don Seibert: Tax Director of Ward County, testified in opposition. The county commissioners and other officials from the Minot area are very opposed to it because of the loss of revenue next year. I also see a lot a administrative problems with the bill.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held 2/13/01. Meter number 5.9-28.7.

Representative Doug Lemieux: Co-sponsored the bill, appeared to explain it further. It's really an issue dealing with creating a class system. Is really fair and right to assess taxes before the fact as we're doing it to mobile home dwellers?

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Senate Finance and Taxation Committee

Bill/Resolution Number 2453

Hearing Date ~~2/7/01~~

2-13-01

Senator Wardner: So all this does is instead of taxing them upfront, it taxes them at the end of the year like everything else. You're saying that moving these things is not a concern because you have to go get a permit to move them?

Representative Doug Lemieux: Yes. In order to get the permit to move it, you have to pay the taxes.

Senator Stenehjem: In lots of cases, they're a self-issuing permit. They move them without permits, they're not supposed to, but they do.

Discussion continued.

Senator Nichols: If a trailer is placed on a foundation, is it taxed as real property?

Senator Stenehjem called Scott Stromend, Bismarck City Assessor, to clarify that. If it's put on a piece of land that you own, you're taxed as a house, not as a mobile home.

COMMITTEE ACTION: 2/13/01

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

Stenehjem. Vote was 5 yeas, 1 nay, 0 absent and not voting. Bill carrier was Senator Wardner.

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/30/2001

Bill/Resolution No.: SB 2453

Amendment to:

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			(\$765,000)	(\$415,000)	(\$1,755,000)			

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2453 changes the timing of property tax payments on mobile homes from the beginning of the year to the end of the year. This shift causes a revenue loss to political subdivisions of one-year's taxes on mobile homes. There is also a small, indeterminable decrease in revenues from the one-mill medical center levy.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

<b>Name:</b>	Kathryn L. Strombeck	<b>Agency:</b>	Tax Department
<b>Phone Number:</b>	328-3402	<b>Date Prepared:</b>	02/06/2001

Date: 2/13/01  
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2453

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 Stenehjem

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 1

Absent 0

Floor Assignment Wardner

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

**REPORT OF STANDING COMMITTEE (410)**  
February 13, 2001 5:14 p.m.

Module No: SR-26-3263  
Carrier: Wardner  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2453: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO NOT PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2453 was placed on the Eleventh order on the calendar.**



2001 TESTIMONY

SB 2453

J.B. 2453

2-7-01

Dear Senator:

I am a sixty-four (64) year old  
elder, Native American, and  
handicapped on low income.

For a <sup>27-year-</sup>74 year old trailer home I  
pay \$193.00 for taxes this year.  
Please consider that it's difficult  
on us low-income elders.

1. Twenty year old trailer should be a  
set rate - they depreciate the first  
year and not a strong structure  
as a house. So no increase.
2. Assistance is needed to elders to  
help keep them up in repairs,  
insulation etc. ramps - steps.
3. The small increase we get from  
Social Security is taken away  
for Medicare & Medicaid. Which  
makes us ineligible for Food Stamps!  
Meaning The Social Security increase.
4. My recipient liability is increased  
to \$143.00 per. mo. It's a  
must or no medication for me  
and being that I am a kidney  
transplant I need medication.  
From Lois Biddle Owl