

2021 SENATE FINANCE AND TAXATION

SB 2185

2021 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2185
1/20/2021

A BILL for an Act to create and enact a new subsection to section 57-02-08 of the North Dakota Century Code, relating to a property tax exemption for domestic violence shelters; and to provide an effective date.

Chair Bell calls the meeting to order. Chair Bell, Vice Chair Kannianen, Senators Meyer, J. Roers, Patten, Piepkorn, Weber are present. [09:31]

Discussion Topics:

- Domestic violence
- Crisis intervention centers
- Tax exemptions

Senator Bakke introduces the bill and provides testimony in favor #1912. [9:36]

Thomas Warman, Principal, Sawyer Public Schools provides testimony in favor #1855. [9:48]

Dan Rouse, Legal Counsel, Tax Department, provides oral information on home rule charter and exemptions in 57-02-08. [9:54]

Additional written testimony:

Tara Muhlhauser, CAWS North Dakota provides written testimony in favor #1733.

Senator Richard Marcellais, District 9 provides written testimony in favor #1267.

Chair Bell adjourns the meeting. [09:57]

Joel Crane, Committee Clerk

Testimony for SB2185

Senator JoNell Bakke

Chairman Klein and members of the Finance and Tax Committee. It is my pleasure to stand before you and introduce SB2185. This bill would provide some financial support for Domestic Violence Shelters in the state of North Dakota. These shelters provide an invaluable service to the state and our citizen who find themselves in very traumatic and difficult situations.

In 2019, the state of North Dakota recorded 6,330 incidents of reported Domestic Violence with 4,999 of those individuals being new victims. Women account for 90% of the victims with 164 or 3% of these new victims being pregnant at the time of the abuse. This violence is not limited to one group of individuals but reaches into the homes of many. Victims under the age of 25 account for 24% and 5% is under the age of 18. Other frequent victims are individuals with developmental, physical, and mental health disabilities. The saddest piece of data is that 4,121 children were directly impacted by this violence. Weapons, including knives and guns, were used in 11% of the cases reported and alcohol was present in 30% of the reports.

Currently, there are 19 crisis intervention centers in the state and these centers provide a variety of services depending on the needs in their communities and the financial resources available. The directors of these centers often spend most of their time, writing grants and raising money to support their centers.

In past state budget, these centers have had to split an appropriation of \$750,000 or slightly under \$40,000 per center. The current budget presented by the governor allocates \$2,835,000 or almost \$150,000 per center. Another way to look at it is that it provides almost \$450 worth of services per victim of domestic violence if you don't pay any of the staff or provide a shelter to the victim. North Dakota can do better.

This bill would grant all domestic violence center tax free status which will at the very least take that financial obligation off their plate. Several of the centers currently have that arrangement with their communities but not all and this bill would guarantee that this benefit remain in place into the future.

I stand for any question at this time. Thank you.



Preventing Violence. Promoting Safety. Building Hope.

January 18, 2021

Senator JoNell A. Bakke
North Dakota Senate
67th Assembly Regular Legislative Session
3926 Ivy Drive
Grand Forks, ND 58201-3974

Dear Senator Bakke,

Thank you for introducing Senate Bill No. 2185, which is designed to enact a new subsection to section 57-02-08 of the North Dakota Century Code, relating to a property tax exemption for domestic violence shelters; and to provide an effective date.

The Community Violence Intervention Center has been serving clients in Grand Forks County and its surrounding communities for more than 40 years. We are fortunate to receive a property tax exemption for our main building, where many of our shelter victims first arrive for services. This \$12,000 exemption enables us to dedicate vital dollars toward emergency housing, healing and other advocacy services that serve nearly 3,000 victims each year. At CVIC, this savings equates to help for more than 100 people including:

- Crisis intervention for 32 people fleeing violence,
- Advocacy such as protection orders, medical/law enforcement assistance for 32 people,
- Shelter for 27 parents & children, and
- Stability services to help 24 families make a fresh start.

Area nonprofits, who rely heavily on grants and private funding to serve their communities, have faced compounded economic strife following the 2020 pandemic. This property tax exemption would alleviate strain for many nonprofit shelters, which have continued services despite significant impacts to recurring funding sources and increased COVID-related expenses. For victims, the pandemic has escalated basic-need challenges such as gas money, rent and groceries, and increased the severity of the violence they face at home. Your support of this bill will enable shelters who don't qualify for the exemption currently to continue to direct critical safety, healing and education tools to direct service clients fleeing dangerous and sometimes fatal domestic violence situations.

Best Regards,

Coiya M. Tompkins
President/CEO
Community Violence Intervention Center

211 S 4th St, Grand Forks, ND 58201 | www.cviconline.org
Office: 701.746.0405 | Crisis Line: 701.746.8900 | Toll Free: 866.746.8900 | Fax: 701.746.5918



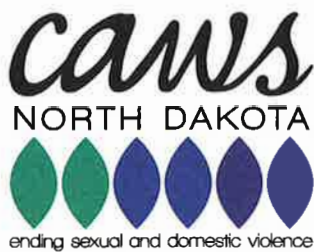
Testimony in Support of SB 2185

My name is Thomas Warman, and I am from Minot, ND. I currently serve as the principal of Sawyer Elementary School, and my wife is the office manager for the Domestic Violence Crisis Center in Minot. I support SB 2185. I additionally ask for an amendment to this bill to make domestic violence centers in North Dakota exempt from sales tax.

When someone is sent to prison for abusing their spouse, significant other, or children, their healthcare, meals, and boarding are taken care of at taxpayer expense. A Minot Daily News article dated August 6, 2019 quoted a state corrections spokesperson that it costs approximately \$43,000 to house an inmate for one year. Their victims, on the other hand, are often left to pick up the pieces on the goodwill of others. Families, churches, and schools offer support, but it is often the work of the domestic violence centers that do the most to help. They not only house victims, but they make sure that their medical needs are met. They help them navigate the legal system. They help them with counseling, addiction, education, and so much more.

In North Dakota, we do not charge sales tax to a variety of groups, including residents of Montana. I believe we should extend as many tax privileges as we can to domestic violence centers. Like churches, I believe that these organizations should be exempt from taxes, for it is my firm belief that they are truly doing the work of God.

Thank you.



#1733

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Testimony

Senate Bill 2185 – Finance and Taxation

1/20/21

Good morning Chairman Bell, and members of the committee. My name is Tara Lea Muhlhauser, Executive Director of CAWS ND (Lobbyist # 1035). I am in favor of this bill.

CAWS ND is a coalition of program in the state providing services for victims and survivors of Domestic Violence, Sexual Assault, and Human Trafficking. I represent the 20 programs across the state of North Dakota. Nine programs in North Dakota provide Shelter services in their communities.

Senate Bill 2185 provides a new section of 57-02-08 of the ND Century Code for tax exemptions for our programs. This opportunity to have this tax exemption across the state provides our programs an economic boost. In our current environment, programs are struggling for resources because of the numbers they are serving, particularly in our shelter programs. They have had shortages of PPE, food, bed space, and unexpected costs for motel stays for survivors and victims and their families when the shelters are full.

This exemption would create an automatic process so that the programs can be assured they can budget accordingly in their programs without concern about the tax dollars needed to maintain their status.

Please extend your support to 2185.



NORTH DAKOTA SENATE

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Senator Richard Marcellais

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COMMITTEES:

Education
Government and Veterans Affairs

SB 2185 Testimony
Senate Finance & Taxation
January 20, 2021 @ 9:30 am
Fort Totten Room

Good morning Chairwomen Bell members of the Senate Finance & Taxation Committee for the record my name is Senator Richard Marcellais, District 9, Rolette County.

I appear before you this morning in favor of SB 2185 relating to a property tax exemption for domestic violence shelters and provide an effective date.

I will try and answer any questions.

2021 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2185
1/26/2021

A BILL for an Act to create and enact a new subsection to section 57-02-08 of the North Dakota Century Code, relating to a property tax exemption for domestic violence shelters; and to provide an effective date.

Chair Bell calls the meeting to order. Chair Bell, Vice Chair Kannianen, Senators Meyer, J. Roers, Patten, Piepkorn, Weber are present. [9:23]

Discussion Topics:

- Domestic violence shelters tax exemptions
- Nonprofit shelters
- Saving domestic violence shelters money

Senator Meyer [9:24] motions DO NOT PASS.

Senator Kannianen [9:24] seconds.

Senators	Vote
Senator Jessica Bell	Y
Senator Jordan Kannianen	Y
Senator Scott Meyer	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Jim Roers	Y
Senator Mark Weber	Y

Motion passes 7-0-0. [9:25]

Senator Piepkorn will carry.

Chair Bell adjourns the meeting. [9:26]

Joel Crane, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2185: Finance and Taxation Committee (Sen. Bell, Chairman) recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2185 was placed on the Eleventh order on the calendar.