

2023 SENATE FINANCE AND TAXATION

SB 2359

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2359
1/30/2023

Relating to exemptions from political subdivision tax levies for payment of special assessments; and to provide for a legislative management study.

10:32 AM Chairman Kannianen opened the hearing.

Senators Present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

Discussion Topics:

- District conflict
- Levy limitations
- Limitation origin

10:32 AM Senator Clemens introduced bill. #17816

10:40 AM Linda Svihovec, ND association of Counties, verbally testified neutrally.

10:45 AM Chairman Kannianen closed the hearing.

10:48 AM Senator Magrum moved to adopt amendment LC 23.1099.01001 striking section one.

10:48 AM Senator Piepkorn seconded.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	Y
Senator Dean Rummel	Y

Motion passed 6-0-0

10:50 AM Senator Magrum moved DO PASS as Amended.

10:51 AM Senator Piepkorn seconded.

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	N
Senator Merrill Piepkorn	Y
Senator Dean Rummel	N

Motion passed 4-2-0

10:52 AM Senator Magrum will carry.

Additional written testimony:

Steven Vogelpohl #17598

10:52 AM Chairman Kannianen adjourned meeting.

Nathan Liesen, Committee Clerk

January 30, 2023

PROPOSED AMENDMENTS TO SENATE BILL NO. 2359

Page 1, line 1, remove "amend and reenact section 57-15-41 of the North Dakota Century Code,"

Page 1, remove line 2

Page 1, line 3, remove "and to"

Page 1, line 3, after "study" insert ", relating to the impact of political subdivisions levying special assessments against other political subdivisions and the overall impact on taxpayers"

Page 1, remove lines 5 through 15

Renumber accordingly

AR
1/31
1/30/2023

REPORT OF STANDING COMMITTEE

SB 2359: Finance and Taxation Committee (Sen. Kannianen, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2359 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 1, remove "amend and reenact section 57-15-41 of the North Dakota Century Code,"

Page 1, remove line 2

Page 1, line 3, remove "and to"

Page 1, line 3, after "study" insert ", relating to the impact of political subdivisions levying special assessments against other political subdivisions and the overall impact on taxpayers"

Page 1, remove lines 5 through 15

Renumber accordingly

2023 HOUSE FINANCE AND TAXATION

SB 2359

2023 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Room JW327E, State Capitol

SB 2359
3/6/2023

A bill relating to the impact of political subdivisions levying special assessments against other political subdivisions and the overall impact on taxpayers.

Chairman Headland opened the hearing at 11:30 AM.

Members present: Chairman Headland, Vice Chairman Hagert, Representative Anderson, Representative Dockter, Representative Fisher, Representative Grueneich, Representative Hatlestad, Representative Motschenbacher, Representative Olson, Representative Steiner, Representative Toman, Representative Finley-DeVille, and Representative Ista. Members absent: Representative Bosch.

Discussion Topics:

- Study political subdivisions
- Study taxpayers
- Committee vote

Senator Clemens introduced the bill in support (#22223).

Chairman Headland closed the hearing at 11:30 AM.

Representative Dockter moved a **Do Pass**.

Representative Olson seconded the motion.

Roll call vote:

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	AB
Representative Jason Dockter	Y
Representative Lisa Finley-DeVille	Y
Representative Jay Fisher	Y
Representative Jim Grueneich	Y
Representative Patrick Hatlestad	Y
Representative Zachary Ista	Y
Representative Mike Motschenbacher	Y
Representative Jeremy Olson	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	Y

House Finance and Taxation Committee
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Page 2

Motion carried 13-0-1

Representative Olson is the bill carrier.

Meeting adjourned at 11:31 AM.

Mary Brucker, Committee Clerk

REPORT OF STANDING COMMITTEE

SB 2359, as engrossed: Finance and Taxation Committee (Rep. Headland, Chairman)
recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).
Engrossed SB 2359 was placed on the Fourteenth order on the calendar.

TESTIMONY

SB 2359

**Testimony of Steve Vogelpohl
Bismarck Property Owner and Taxpayer
To Senate Finance and Taxation Committee
In Support of SB 2359
Monday, January 30, 2023**

Chairman Kannianen and members of the Committee, my name is Steve Vogelpohl. I am a Bismarck resident, property owner and taxpayer.

I am without knowledge of the circumstances or background leading to **Section 1** of this Bill and am therefore **Neutral** with regard to **Section 1**.

I fully **Support Section 2** of this Bill.

I also respectfully request that the Study also address infrastructure fees. I believe this may be accomplished by the Committee's amending **Section 2** by adding language as follows:

On line 19 after the word "assessments", insert or any infrastructure fee provided in sections 11-09.1-05, 11-11-55.1, 40-05.1-06, and 40-22-01.3

On line 21 after the word "assessments", insert or infrastructure fee

I also respectfully request that the above changes to **Section 2** be made regardless of whether or not **HB 1237** becomes law. Governing bodies of political subdivisions against which an infrastructure fee is levied will get the money to pay the fee from some source, which may include general fund tax levy receipts.

Thank you.

Steve Vogelpohl
2958 Stetson Dr.
Bismarck, ND
(701-222-2774)

JANUARY 30, 2023

SENATE FINANCE AND TAXATION COMMITTEE

SB 2359

INTRODUCED BY

SEN DAVID CLEMENS

DIST 16

I AM SEN DAVID CLEMENS FROM DISTRICT 16 AND HERE TO INTRODUCE SB 2359. THIS BILL ADDRESSES POLITICAL SUBDIVISION TAX LEVIES FOR PAYMENT OF SPECIAL ASSESSMENTS, LAND ACQUISITION OR DEBT SERVICE EXEMPTION FROM LEVY LIMITATIONS.

SB 2359, IN SECTION 1, ADDS LAND ACQUISITION TO THOSE EXEMPT FROM TAX LEVY LIMITATIONS.

SB 2359, IN SECTION 2, REQUESTS A STUDY OF SPECIAL ASSESSMENTS LEVIED AGAINST POLITICAL SUBDIVISIONS. THIS WOULD BE A STUDY OF THE IMPACT OF POLITICAL SUBDIVISIONS LEVYING SPECIAL ASSESSMENTS AGAINST OTHER POLITICAL SUBDIVISIONS AND THE OVERALL IMPACT OF TAXPAYERS.

RESPECTFULLY SUBMITTED;

SEN DAVID CLEMENS

MARCH 6, 2023

HOUSE FINANCE AND TAXIATION COMMITTEE

SB 2359

SENATOR DAVID CLEMENS

DISTRICT 16

I AM DAVID CLEMENS AND REPRESENT DISTRICT 16 IN THE SENATE. I AM HERE TO INTRODUCE SB 2359.

SB 2359 IS A REQUEST TO CONSIDER A STUDY OF THE IMPACT OF POLITICAL SUBDIVISIONS LEVYING SPECIAL ASSESSMENTS AGAINST OTHER POLITICAL SUBDIVISIONS AND THE OVERALL EFFECT ON TAXPAYERS. THE STUDY MUST INCLUDE ANALYSIS OF THE IMPACT ON TAXPAYERS NOT GOVERNED BY THE POLITICAL SUBDIVISIONS LEVYING SPECIAL ASSESSMENTS AND EXPLORE FORMS OF TAXATION POLICIES THAT MINIMIZE THE LEVYING OF SPECIAL ASSESSMENTS.

AN EXAMPLE OF WHY THIS STUDY IS NEEDED IS DUE TO ONE PARTICULAR SUBDIVISION LEVYING SPECIAL ASSESSMENTS TO SUPPORT A NEW SCHOOL. THE RESULT IS THAT THE SPECIAL ASSESSMENTS WILL ALSO BE BORNE BY ANOTHER SUBDIVISION WITHIN THE SAME SCHOOL DISTRICT.

I ASK FOR YOUR SUPPORT OF A DO PASS RECOMMENDATION ON SB 2359.

SINCERELY,

SEN DAVID CLEMENS