

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

3047

2001 HOUSE FINANCE AND TAXATION

HCR 3047

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3047

House Finance and Taxation Committee

Conference Committee

Hearing Date February 13, 2001

Tape Number	Side A	Side B	Meter #
1	X		1,643
Committee Clerk Signature <i>Jamie Stein</i>			

Minutes:

REP. AL CARLSON, CHAIRMAN Opened the hearing.

REP. GIL HERBEL, DIST. 16. Introduced the resolution. This resolution will provide a study on how evaluations of ag land are assessed, determine the equities and inequities within what we now call the "formula" that establishes the way in which valuations are established throughout the entire state of North Dakota. The people in my district, not to belabor the point, are very disgruntled in what is happening with evaluations. What we are asking here, is that the legislative council take a look at the formula and make adjustments for items that have not been included in the formula, which primarily deal with unplanted acres and unharvested acres at the result of flooding.

REP. CARLSON Is this the way resolutions are normally worded, that it directs them, but still gives them the discretion to pick.

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House Finance and Taxation Committee

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REP. HERBEL Yes, it doesn't guarantee it. I visited with John Walstad for an extended period of time. The indications are that this is probably something that will be addressed.

REP. CARLSON It is hard to separate them sometimes because it is not only the assessed value but also the funding of education off of that property. It all kind of entertwines. I imagine that would be part of the study.

COMMITTEE ACTION

REP. BRANDENBURG Made a motion for a **DO PASS**

REP. KROEBER Second the motion. **MOTION CARRIED AND PLACED ON THE CONSENT CALENDAR.**

13 YES 0 NO 2 ABSENT

REP. HERBEL Was given the floor assignment.

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

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HCR 3047

House FINANCE & TAXATION Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do pass

Motion Made By Rep. Brandenburg Seconded By Rep. Kroeber

Representatives	Yes	No	Representatives	Yes	No
CARLSON, AL, CHAIRMAN	✓		NICHOLAS, EUGENE	A	
DROVDAL, DAVID, V-CHAIR	✓		RENNER, DENNIS	A	
BRANDENBURG, MICHAEL	✓		RENNERFELDT, EARL	✓	
CLARK, BYRON	✓		SCHMIDT, ARLO	✓	
GROSZ, MICHAEL	✓		WIKENHEISER, RAY	✓	
HERBEL, GIL	✓		WINRICH, LONNY	✓	
KELSH, SCOT	✓				
KROEBER, JOE	✓				
LLOYD, EDWARD	✓				

Total (Yes) 13 No 0

Absent 2

Floor Assignment Rep. Herbel

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

REPORT OF STANDING COMMITTEE (410)
February 13, 2001 10:03 a.m.

Module No: HR-26-3158
Carrier: Herbel
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

**HCR 3047: Finance and Taxation Committee (Rep. Carlson, Chairman) recommends DO
PASS (13 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HCR 3047 was placed on
the Tenth order on the calendar.**

2001 SENATE FINANCE AND TAXATION

HCR 3047

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 3047

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 3/7/01

Tape Number	Side A	Side B	Meter #
1	x		28.4-50.2
		x	22.8-27.4
Committee Clerk Signature <i>Lynelle R. Hays</i>			

Minutes:

Senator Urlacher: Opened the hearing on HCR 3047, directing Legislative Council to study the property tax assessment and valuation of agricultural property.

Representative Gil Herbel: Co-sponsored the bill, testified in support. Provided handout and explains it. We need to take a look at Agland property tax. The formula does not take into consideration the difference between planted acres and harvested acres. Property taxes are out of control and need to be studied.

Senator Nichols: Is it possible that the harvested acres and planted acres could be a big part of what's hard to figure out? When you visited with those people, did they indicated that that could be most of the answer or are there other things involved?

Representative Gil Herbel: The formulation is distorted because they don't take into consideration difference between planted and harvested acres. They would like to see some kind of adjustment and therefore a study to try to do that.

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Senate Finance and Taxation Committee

Bill/Resolution Number 3047

Hearing Date 3/7/01

Senator Nichols: It seems like there has to be something more involved.

Senator Christmann: Is it your goal to adjust the formula or to go back to going by valuation?

Representative Gil Herbel: Not necessarily get rid of the formula, but make changes within that might address inequities. Whatever might be best to make it equitable.

Senator Wardner: This is startling. How can the value go up if there's no production.

Representative Gil Herbel: I don't know what the answer to this is.

Senator Urlacher: It seems as though there's something within the formula that we haven't identified that's having some drastic effect.

Senator Kroepflin: I think they're applying the harvested acres to the planted acres.

Senator Christmann: Had a few questions on the handout. Is there something new in Pembina County that pays a lot of property taxes? Walsh County's taxes levied went up so much when there down with the rest of the counties in valuation growth, isn't that because the voters there chose to give the school an unlimited mill levy?

Representative Gil Herbel: To a certain degree, you are correct. Grafton has nearly half of the population of Walsh County. We have a very small school district trying to educate all those kids. Without the support necessary from the state, we've been forced to raise the mill levies. Pembina has the Crystal Sugar Beet Plant.

Senator Christmann: Has that plant been built since 1980?

Representative Gil Herbel: It's been there longer than that.

Senator Christmann: It seems like there must be something in Pembina County since 1980 because the valuation went up so much more than the rest of the counties.

Representative Gil Herbel: Pembina gets flooded more.

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Senate Finance and Taxation Committee

Bill/Resolution Number 3047

Hearing Date 3/7/01

Representative Joyce Kingsbury: Co-sponsored the bill, testified in support. I'm from the area Senator Herbel is talking about. It's important to take a look at the formula at this time.

Wade Moser: ND Stockman's Assoc., testified in support. We would like an opportunity to take a look at the formula.

Mareie Dickerson: State Tax Dept. I am aware of one major piece of construction that took place in the last couple of years. There has been a large expansion of Lake Head Pipeline in Pembina County.

Senator Christmann: Is that natural gas?

Mareie Dickerson: That's oil.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held later. Meter number 22.8-27.4, Side B.

Senator Christmann: The reason that their productivity continues to be high is because of the disaster payments.

Senator Urlacher: I feel the whole tax structure needs to be looked at and Legislative Council can decide what to study.

COMMITTEE ACTION:

Motion made by Senator Christmann for a DO PASS & PLACED ON THE CONSENT CALENDAR, Seconded by Senator Stenehjem. Voice Vote taken. All in favor, motion carried. Bill carrier was Senator Kroeplin.

Date: 3/7/01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 3047

Senate Finance and Taxation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS '9, Placed on Consent Calendar (Voice Vote)

Motion Made By Christmann 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) 6 No 0

Absent 0

Floor Assignment Kroeplin

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

REPORT OF STANDING COMMITTEE (410)
March 7, 2001 5:44 p.m.

Module No: SR-39-5056
Carrier: Kroepflin
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3047: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO PASS and BE PLACED ON THE CONSENT CALENDAR (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3047 was placed on the Tenth order on the calendar.

2001 TESTIMONY

HCR 3047

Representative Herbel,

I see that you are a sponsor of HCR 3047.

If this communication seems to be in a bit of an "elevated voice", I apologize but so be it.

The blue sheeted hearing schedules which the M & M Boys brought home did not have the hearing for HCR 3047 scheduled. I learned of 3047 by reading the House Journal by electronic means. I see by the electronic hearing schedule that 3047 is to be heard at 9:30 on 2/13. I will not be there, but it is only a study resolution anyway. I have already been through the scheduling difficulties of HB 1246 Capitalization Rate which I also discovered by electronic means. I am saving my gas and energy for SB 2068. I do ask that you possibly consider this as testimony if possible.

The mathematical concepts of the agricultural land valuation process are understood by few, but are subject of political comments by many. To do a study is fine. I support that.

I do ask that in the study process that you do not duplicate some of the apparent problems in SB 2068 Inundated Ag Lands.

In the study process please find some that can read well enough to discover the importance of the February first date in the assessing process. That may lead to the elimination of any emergency clause in any proposed legislation.

If any legislation is proposed, please find someone to write well enough that I can read and understand the proposal well enough to avoid going to interim study committee members to get a clue as to what is being discussed, as I have had to do on SB 2068. I am not impressed with that document. I am sure my high school and college English instructors would not give it good grades. My daughter, who was in Honors English in high school, and is now taking English Composition in college, is not impressed.

If any legislation is proposed, please find someone versed in arithmetic well enough to avoid the apparent discrepancies in SB 2068.

That covers reading, writing, and arithmetic.

I realize that this is not three hole punched. I do ask that you consider it as testimony in support of the resolution.

In the scheduling for hearings, to maximize my inputs, it would help to have both SB 2068 and SCR 4010 heard on the same day. To minimize my input, schedule them on different days.

Hopefully someone on the committee will discover this message in time for the hearing.

Thank you,
Arvid Winkler