

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

1138

2007 HOUSE FINANCE AND TAXATION

HB 1138

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1138**

House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: 1-15-07

Recorder Job Number: 1048

Committee Clerk Signature

Glenn Olson

Minutes:

Chairman Belter: Opened the hearing on HB 1138

Rep Vigesaa, Dist 23: Introduced HB 1138 which would provide a method to refund the excise and special taxes on motor fuels purchased by licensed EMS operations. During this particular session, there's going to be a number of bills introduced to assist EMS operations, particularly those in the rural districts. I've been happy to work with Dean Lampe with the EMS Association in putting this bill together. Over the course of several months in 2006, it became apparent that Cooperstown was going to lose one of it's neighboring ambulance services ... in Binford, North Dakota. Dean and another member from the EMS Assoc and a representative from the Health Department, myself and others met with Binford city officials to find a way for them to stay viable and to work out a transition to working maybe with Cooperstown. A lot of the bills you're going to see this session, with regard to EMS, is a way for the cost of running these rural ambulance services to be lowered and thereby being viable. I know 1st hand, in our district, seeing a community that's always had an ambulance service, all of a sudden feeling like maybe we're going to lose our service and that's really devastating to a small community, 18 miles from Binford to the nearest hospital. By closing a small service like Binford, it puts additional pressures on the services around them, so Cooperstown then felt the required

responsibility to serve a larger area. I'm of the feeling that the fuel using the ambulance should not be taxed because of the very nature of the business of providing EMS to our citizens and I might add that in fire districts, there are several districts that fire departments do not pay the tax on their fuel. This would be a similar situation ... where you're into life saving in providing medical services ... our thought is that ambulance services should have that same opportunity. Also, if we could lower the cost for rural ambulance services, perhaps they would be more able to attract EMT's, because possibly they may be able to pay a little more to those people. It's a very difficult thing to recruit EMT's and many of these rural services need additional funds to make it financially attractive for these people to volunteer to be EMTs. Dean Lampe is here and will provide the more technical part of the testimony.

Rep Froelich: I'm a little confused because my local (*can't understand*) sponsored a bill saying that they would be exempt from taxes.

Rep Vigesaa: I don't believe all rural fire districts are exempt, I think only if they're government owned rural fire department ... because they're a government entity. In my testimony I should have said, it's the government owned fire districts that do not pay the taxes. I'm assuming that many rural probably do.

Rep Froelich: (*can't understand*)

Rep Metcalf: I'm here in support of HB 1138. I think it's something that should have been done a long time ago and I hope that this committee will take a serious look at and get it accomplished. We need to support our rural districts.

Dean Lampe, Executive Director of the EMS Association: Appeared in support of HB 1138. SEE ATTACHED TESTIMONY.

Rep Drovdal: It says here that the EMS operations I'm just assuming that this was ambulances, but I know in many cases fire apparatuses also respond to accidents; would they then be exempt also on this bill?

Dean Lampe: I'm not an expert on fire service fuel exemption. I do know that it depends on the organizational type, just the way it does for EMS. That was also in Rep Froelich's question, but I'm not an expert on how fire services are treated under the excise tax. I can say to you that I've spoken to Lois Hartmen with the Firefighter's Assoc and expressed our agreement to have this bill amended on the Senate side if fire services are not included because the same principle applies ... we would hope that it seems contrary to the legislature's intent.

Rep Drovdal: I believe your answer was that the intent is that they would be exempt.

Dean Lampe: We would be agreeable to an amendment to this bill. Also Senator Krauter has prepared a bill in the Senate that's spoken to me about that would exempt fire services from the fuel tax & I've also explained to him that the EMS Assoc would be agreeable to having our bill amended. Our only concern then would be that the Fiscal Note is relatively low on this.

Rep Froelich: Are we looking at non-profit or across the board?

Dean Lampe: This would include every ambulance service in the state.

Rep Froelich: There are a lot of firefighters that are hired by the federal government ... do we need to make a distinction between profit and non profit?

Dean Lampe: I'm not an expert.

Rep Froelich: Are we looking at broad based or non profit?

Rep Grande: I thought the purpose of this bill was because we had people in emergency services out saving lives ... aren't the profits out there trying to save lives?

Dean Lampe: Yes they are & that's our justification for not excluding them. We have a handful of for profit companies in the state that provide EMS ... they provide essential public service along next to the others. They especially provide an essential public service because they extend an ALS intercept where often times a patient originates in a rural area needs the care that can only be given by a paramedic so a company from Fargo, Bismarck or Jamestown will do an ALS intercept. What that means is when the basic (BLS) requests that intercept, they will meet somewhere in between the origination of the call & the hospital the patient needs to go to with their jump bag & jump in that BLS ambulance & ride the rest of the way so they use the skills they're trained to use as paramedics.

Rep Froseth: You also alluded to law enforcement as emergency responders, is there any law enforcement that wouldn't be considered part of the municipality, either state or city owned. This would refund the 23 cent state tax plus the excise tax on fuels?

Dean Lampe: I don't know the total, I thought that there was 23 cents both in fuel and special taxes.

Rep Pinkerton: In our community, there's an air ambulance service ... is there a state tax on aviation?

Dean Lampe: I don't know.

Chairman Belter: We can get answers to some of the technical questions from (*can't understand*)

Russ Hanson, AGC of North Dakota: Not appearing in opposition to the principal, the financial situation of the EMS is well documented. I want your records to reflect that this would have an effect, about \$112,000 for the highway fund. We want to make sure that for these emergency vehicles or any vehicle out there that there's adequate funding for our roads to get them there and back safely. When you're doing your policy decision, please take note of the

effect on the highway funds and that the construction industry is concerned about that. In response to Rep Pinkerton's question, there is a aviation fuel tax. If you'd like, I could make a request to the DOT as to what are the exemption status, because I do think once you start looking at the exemption situation, you need to know where to start and stop.

Tom Balzer, North Dakota Motor Carriers: Our concerns are very similar to the AGC's as the effect on the highway fund ... usually we end up picking up the tab on those reductions. Our other concern is the growth potential of this listening to the questions regarding whose included and whose not ... this think can quickly grow into a larger number then what's on the fiscal note currently.

Chairman Belter: If no further testimony we'll close the Hearing on HB 1138.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1138**

House Finance and Tax

Check here for Conference Committee

Hearing Date: 1-15-07

Recorder Job Number: 1108

Committee Clerk Signature

Wendy D. Hean

Minutes:

Chairman Belter: Called the committee together to look at HB 1138. Miles has come down to answer any questions we might have.

Rep Drovdal: One of my concerns on HB 1138 is the definition of emergency medical service operation ... what vehicles would qualify, would it just be ambulances, or would fire trucks respond in medical situations?

Miles Vosberg, Dept of Finance: After the hearing this morning, I did call the Health Department who does the licensing & spoke to Tim Myer, who is the director of the Emergency Medical Services. He indicated that Fire Departments are licensed under the Department of Health unless they have a separate ambulance service and he said there's only 1 at this point. Generally speaking, we're not talking about emergency vehicles by the Fire Department.

Chairman Belter: I'll ask the sponsor, on the special fuels tax, are you talking about the tax on heating fuel that they would use?

Miles Vosberg: That would be diesel fuel & Section 1 of the bill would be motor vehicle fuel, which is gas. In Section 2, the special fuels, which is diesel used in the ambulances.

Chairman Belter: The diesel that's used in ambulances would not be under the 2% special fuel?

Miles Vosberg: It's under the 23%.

Rep Drovdal: That would be my answer too.

Chairman Belter: So if it's the 2% or the 23%, you still call it special fuel?

Miles Vosberg: Correct.

Chairman Belter: Is that the correct term, I always call it the gas tax, whether it's on diesel fuel or motor vehicle?

Miles Vosberg: Technically, under the law, it's under the special fuels.

Chairman Belter: We have that clarified. Any questions for Miles as far as tax issues?

Rep Drovdal: If we restricted this bill to be public owned, non profit ambulance services only, do you have any idea how much the fiscal note would be?

Miles Vosberg: We could take a look at that, because there are only a handful of privately owned. The way we calculated the fiscal note was with getting information from the Health Department regarding the number of calls & miles driven, etc, used in average gas mileage. We would have to isolate those few that are for profit.

Chairman Belter: This bill would not include aviation fuel, or does that fall under special fuels?

Miles Vosberg: That would not be included; there is a separate aviation fuel.

Rep Grande: Could we get the numbers on that?

Miles Vosberg: Sure

Rep Drovdal: Could we get the numbers on what the fiscal note would be if we just had non-profit?

Rep Grande: It's fine to get those numbers, but I'd like to keep in mind that the "for profit" are to save lives too.

Miles Vosberg: If I understand, you'd like to know what the additional would be on the fiscal note if we included aviation and how much it would decline if we pulled out the for profit?

Chairman Belter: Yes, and that would include the aviation and what are the aviations are owned by hospitals.

Miles Vosberg: I'll check on that.

Rep Pinkerton: I see the one in Minot is probably owned by one of the aviation companies in Bismarck and it's leased to the Trinity Hospital.

Rep Weiler: The one in Fargo is owned by Merit Care.

Chairman Belter: I know it's run by Merit Care, but again but it may be leased from a company. They're paying for that fuels tax on whatever their lease agreement is. If you could get those figures for us.

Rep Drovdal: Rep Pinkerton, the helicopter (*can't understand*) that used in Minot, is that used solely for the hospital there, or is that just one of its many uses?

Rep Pinkerton: It's dedicated to the hospital use and it's a nice service, it saves lives

Chairman Belter: If no further questions, we'll move on to another bill.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1138 C

House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 30, 2007

Recorder Job Number: 2272

Committee Clerk Signature

Micki Schmidt

Minutes:

Chairman Belter called the committee to order and opened the hearing on 1138. This deals with the special fuels excise tax exemption for emergency medical services.

Representative Headland: I move a Do Pass.

Representative Brandenburg: Second it.

Representative Pinkerton: We talked about an amendment to add air ambulance onto this.

Chairman Belter: I think we'll leave this and if it passes the House floor, they can put amendments on in the Senate. Is there any discussion? Will the clerk read the roll; 11-y; 1-n; 2-absent; Rep. Drovdal will carry the Bill.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1138 D

House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 30, 2007

Recorder Job Number: 2273

Committee Clerk Signature *Mickie Schmidt*

Minutes:

Chairman Belter opened the hearing on HB 1138 and announced that this Bill would need to rereferred to Appropriations and that we need to reconsider our action.

Representative Headland: I'll withdraw my motion on a Do Pass.

Representative Brandenburg: I'll withdraw my motion on a second.

Chairman Belter: Ok, we have a motion to reconsider our action. The motion carries to reconsider our previous motion.

Representative Headland: I would move for a Do Pass and Rereferred to Appropriations.

Representative Brandenburg: Second it.

Chairman Belter: Any discussion? Will the clerk read the roll: 12-y, 1-n, 1-absent; Rep.

Drovdal will carry HB 1138. The hearing was closed on HB 1138.

FISCAL NOTE
Requested by Legislative Council
03/13/2007

Amendment to: HB 1138

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$75,875)		
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			(\$25,875)	(\$15,750)				

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1138 with Senate Amendments provides for a refund of motor vehicle fuel, special fuel, and aviation fuel taxes for fuel purchased and used by an emergency medical services operation, including an air ambulance.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of HB 1138 with Senate Amendments authorizes a motor vehicle fuel tax refund. Section 2 of the bill authorizes a special fuel tax refund. Section 3 authorizes an aviation fuel tax refund. The fiscal analysis assumes approx. 245,000 gallons of fuel used annually by EMS operations. This does not include fuel used in multi-purpose vehicles owned by municipalities, non-ambulance hospital and nursing home vehicles, or private ambulances owned by companies for medical needs of company employees.

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.*

HB 1138 with Senate Amendments is expected to reduce highway revenues and Aeronautics Commission Special Fund revenues by an estimated \$117,500 in the 2007-09 biennium, as shown above.

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Kathryn L. Strombeck	Agency:	Office of Tax Commissioner
Phone Number:	328-3402	Date Prepared:	03/13/2007

FISCAL NOTE
Requested by Legislative Council
01/05/2007

Bill/Resolution No.: HB 1138

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$70,875)		
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			(\$25,875)	(\$15,750)				

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1138 provides for a refund of motor vehicle fuel and special fuel taxes for fuel purchased and used by an emergency medical services operation.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of HB 1138 authorizes a motor vehicle fuel tax refund and Section 2 of the bill authorizes a special fuel tax refund. The fiscal analysis assumes approx. 245,000 gallons of fuel used annually by EMS operations. This does not include fuel used in multi-purpose vehicles owned by municipalities, non-ambulance hospital and nursing home vehicles, or private ambulances owned by companies for medical needs of company employees.

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.*

HB 1138 is expected to reduce highway revenues by an estimated \$112,500 in the 2007-09 biennium, as shown above.

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Kathryn L. Strombeck	Agency:	Office of Tax Commissioner
Phone Number:	328-3402	Date Prepared:	01/12/2007

Date: 1-30-07
Roll Call Vote #: 1138

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House Finance & Tax Committee

Check here for Conference Committee

Legislative Council Amendment
Number _____

Action Taken Do Pass ~~Repeal~~

Motion Made By Rep Headland Seconded By Rep. Brandenburg

Representatives	Yes	No	Representatives	Yes	No
Chairman Belter	✓		Rep. Froese		
Vice Chairman Drovdal	✓		Rep. Koush	✓	
Rep. Brandenburg	✓		Rep. Pinkerton	✓	
Rep. Froseth	✓		Rep. Schmidt	✓	
Rep. Grande			Rep. Vig	✓	
Rep. Headland	✓				
Rep. Owens	✓				
Rep. Weiler	✓				
Rep. Wrangham		✓			

Total (Yes) 11 No 1

Absent 2

Floor Assignment Rep Drovdal

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

This was withdrawn in my "1138 D" minutes

Date: 1-30-07
Roll Call Vote #: 1138

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House _____ Finance & Tax _____ Committee

Check here for Conference Committee

Legislative Council Amendment
Number _____

Action Taken Do Pass and Rerefered to Appropriations

Motion Made By Rep. Headland Seconded By Rep. Brandenburg

Representatives	Yes	No	Representatives	Yes	No
Chairman Belter	✓		Rep. Froelich	✓	
Vice Chairman Drovdal	✓		Rep. Kelsh	✓	
Rep. Brandenburg	✓		Rep. Pinkerton	✓	
Rep. Froseth	✓		Rep. Schmidt	✓	
Rep. Grande	✓		Rep. Vig	✓	
Rep. Headland	✓				
Rep. Owens	✓				
Rep. Weiler	✓				
Rep. Wrangham		✓			

Total (Yes) 12 No 1

Absent 1

Floor Assignment Rep. Drovdal

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

REPORT OF STANDING COMMITTEE

HB 1138: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1138 was rereferred to the Appropriations Committee.

2007 HOUSE APPROPRIATIONS

HB 1138

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1138

House Appropriations Committee

Check here for Conference Committee

Hearing Date: February 8, 2007

Recorder Job Number: 3245

Committee Clerk Signature

Shirley Banning

Minutes:

Chm. Svedjen called the meeting to order to take up HB 1138, a bill relating to motor vehicle excise tax and special fuel tax refunds purchased by emergency medical services operations by calling on **Rep. Belter**, District 22.

Rep. Belter explained the bill as stated on page 1 of the bill. It has a fiscal note of \$70,875.

Support of this bill is encouraged.

Rep. Kempenich moved a Do Pass to HB 1138. **Rep. Carlisle** seconded the motion.

The Do Pass motion carried by a roll call vote of 23 yeas, 0 nay and 1 absent and not voting. **Rep. Drovdal** will be the carrier of the bill.

Date: 2/8/07
 Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1138

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken No Pass

Motion Made By Kempenich Seconded By Carlisle

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold	✓	
Representative Monson	✓		Representative Gulleson		
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson	✓		Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson	✓				
Representative Pollert	✓		Representative Ekstrom	✓	
Representative Bellew	✓		Representative Kerzman	✓	
Representative Kreidt	✓		Representative Metcalf	✓	
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 23 No 0

Absent 1

Floor Assignment Broddal

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

REPORT OF STANDING COMMITTEE (410)
February 8, 2007 8:21 p.m.

Module No: HR-27-2627
Carrier: Drovdal
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1138: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS
(23 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1138 was placed on the
Eleventh order on the calendar.

2007 SENATE FINANCE AND TAXATION

HB 1138

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1138

Senate Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: March 6, 2007

Recorder Job Number: # 4472

Committee Clerk Signature



Minutes:

Sen. Urlacher called the committee to order and opened the hearing on HB 1138 which relates to motor vehicle excise tax and special fuels tax refunds for fuels purchased by emergency medical services operations.

Rep. Vigesaa: prime sponsor of the bill appeared in support stating this would allow emergency operation to claim refund on fuel purchases.

Rep. Metcalf: co sponsor of the bill appeared in support because of my interest in emergency services in our rural areas. This something we have to do in the State of ND.

Sen. Anderson: Why isn't everyone sharing and why it says it would not be subject to reduction in the deposit in the Agricultural Fuel Tax Fund, the Ethanol Production Fund or the Agricultural Research Fund? Why isn't everybody sharing in the reduction?

Answer: someone else would be more knowledgeable in that than I.

Dean Lampe: EMS Association appeared in support with written testimony. (See attached) Regarding Sen. Cook's amendments, Rep. Vigesaa and I forgot to include air ambulance. Closed hearing, open for discussion.

Sen. Anderson: Why isn't everyone sharing? None of this money is going into these three funds now? And if so, why isn't it in the bill?

Kevin Schatz: Tax Dept. appeared to answer questions. (13.53)

Dan Rouse: Tax Dept. the same refund scheme that's used for everyone now, that same refund scheme would apply as well. That's why those 3 elements are in this bill, if this passes the same administrative scheme would apply with getting the exemption for the Emergency Medical Service Operations as the existing exemptions today.

Sen. Triplett: made a **Motion to Move the Amendments** seconded by Sen. Oehlke.

Voice vote; 6-0-1 Amendments carry.

Sen. Oehlke: made a **Motion for DO PASS as Amended**, seconded by Sen. Tollefson.

Sen. Anderson: I still don't understand why you if you put things into a big pot from different places and there are siphons coming out of it, why do you plug up some of those siphons and not the others? Why isn't the Agricultural Fuel Tax Fund, the Ethanol Production Incentive Fund and the Agricultural Research Fund also having to share in the reduction?

Sen. Triplett: I think you're reading it backwards, what I heard Mr. Rouse saying is that they are, this refund is NOT subject to reduction for deposit into those things.

Sen. Oehlke: they do get refunded but not everything, just not 100%.

Sen. Urlacher: they don't pay the Federal but pay the State. I think the people that are involved here feel more comfortable in getting more with that exemption.

Sen. Triplett: the way I read it the amount of the refund that's being given to the EMS folks in this section does not get reduced by the things that otherwise would go into those 3 places.

They'd get the full amount of the refund that is there available to get

Sen. Urlacher: it's important that you understand.

Sen. Horne: so these other 3 funds are not affected by the action we're taking today?

Sen. Triplett: EMS folks get priority.

Sen. Urlacher: it's more beneficial to them to be separate from the others.

Sen. Triplett: right, if you left this line off, then other law would provide that those 3 groups each a piece of the tax that comes in, so if you didn't say this then the refund that they would entitled to get back would be reduced.

Roll call vote: 6-0-1 Sen. Oehlke will carry the bill.

March 6, 2007

JCB
3-6-7

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1138

Page 1, line 1, replace the second "and" with a comma

Page 1, line 2, after "57-43.2" insert ", and a new section to chapter 57-43.3" and replace "and" with a comma

Page 1, line 3, after "tax" insert ", and aviation fuel tax"

Page 1, after line 19, insert:

"SECTION 3. A new section to chapter 57-43.3 of the North Dakota Century Code is created and enacted as follows:

Refund to emergency medical services operation. Upon application to the commissioner, the operator of an emergency medical services operation licensed under chapter 23-27 is entitled to a refund of taxes paid under this chapter for aviation fuel purchased and used by the emergency medical services operation."

Re-number accordingly

REPORT OF STANDING COMMITTEE

HB 1138: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1138 was placed on the Sixth order on the calendar.

Page 1, line 1, replace the second "and" with a comma

Page 1, line 2, after "57-43.2" insert ", and a new section to chapter 57-43.3" and replace "and" with a comma

Page 1, line 3, after "tax" insert ", and aviation fuel tax"

Page 1, after line 19, insert:

"SECTION 3. A new section to chapter 57-43.3 of the North Dakota Century Code is created and enacted as follows:

Refund to emergency medical services operation. Upon application to the commissioner, the operator of an emergency medical services operation licensed under chapter 23-27 is entitled to a refund of taxes paid under this chapter for aviation fuel purchased and used by the emergency medical services operation."

Renumber accordingly

2007 SENATE APPROPRIATIONS

HB 1138

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1138

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: March 16, 2007

Recorder Job Number: 5210

Committee Clerk Signature

Janet Pinks

Minutes:

A Representative who is not identified introduced the bill. Particularly in rural North Dakota, there are a lot of EMS systems that are struggling financially. The bill provides an exemption on the fuel tax used in the emergency vehicles. It is a very simple bill.

Dean Lampe, Executive Director, North Dakota EMS Association, testified in favor of the bill.

(Written testimony attached)

Senator Robinson said he we are hearing 1138, we heard 1296, in testimony he referenced 3 other bills; what is the status of those bills and do they deal with the fiscal side of ambulance service in the state?

Mr. Lampe said 2 of the bills are policy bills that dealt with EMS licensing, 1161 and 1162 and they also dealt with some technical issues in EMS response. The three other bills are 1296, 1138, 1160 which the Senate floor acted on yesterday on the 14th order 43 -1 that dealt with an excise tax exemption but did not meet the threshold of the fiscal note to come to this committee, about a \$20,000 fiscal impact.

Senator Robinson said given the testimony this morning, does he feel the package of bills will resolve the crisis, at least temporarily.

Mr. Lampe said yes, he hopes it will give them a couple of years to get a better handle on what they have to do longer term. It will take a combination of efforts to fix EMS in North Dakota

3-16-07

and not just at the state level. We need to involve locals too. Some counties are stepping up to the table and levying taxes specifically for EMS. Some counties are not. There are several reasons this has become a critical problem. It will take 4 – 6 years to solve this problem. This combination of bills will buy them a couple of years so they can put a strategic plan together in the Health Department and come back in 2009 with a better answer.

Senator Kilzer asked about the stand alone bills with appropriations on them. Did he request they be part of the Health Department budget? They are not in the executive budget. Have they been stand alones ever since they were thought of or were they rejected by some of the others? What is the story behind them?

Mr. Lampe said they have been stand alone bills from their inception. They are not the most politically savvy advocacy group. They just know they need financial relief. It was never intended to be a Health Department issue. They do have efforts under way with the Health Department to help increase EMS training grants. They felt the tax exemptions were outside of the purview of the Health Department.

Senator Bowman asked about Minnesota, do they fund their ambulances the same way North Dakota does?

Mr. Lampe said Minnesota is more diverse than North Dakota. There are more for profit companies in Minnesota and they have more population centers. As run volumes increase, the viability of ambulance services also increases.

Senator Holmberg asked that HB 1138 go to the DOT subcommittee of Senators Wardner, Krebsbach and Tallackson.

Senator Holmberg closed the hearing on HB 1138.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1138

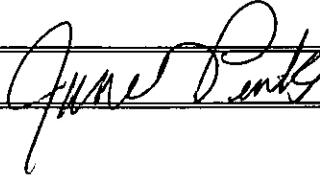
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 03-21-07

Recorder Job Number: 5379

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on HB 1138.

Senator Wardner indicated this would be the emergency vehicle of fuel tax refund on ambulances and things like that has fiscal note affecting the highway tax distribution fund of \$112,000. We have it worked out with the transfer the House made to the highway patrol.

Senator Wardner moved a do pass on HB 1138, Senator Christman seconded. A roll call vote was taken resulting in 14 yes, 0 no and 0 absent. The motion carried and Senator Oehlke will carry the bill.

Chairman Holmberg closed the hearing on HB 1138. Christ what version already passed

Date:
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1138

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DP

Motion Made By _____ Seconded By _____

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 14 No _____

Absent _____

Floor Assignment Stohlke Frntax

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

REPORT OF STANDING COMMITTEE (410)
March 21, 2007 1:42 p.m.

Module No: SR-52-5824
Carrier: Oehlke
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1138, as amended, Appropriations Committee (Sen. Holmberg, Chairman)
recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
HB 1138, as amended, was placed on the Fourteenth order on the calendar.

2007 TESTIMONY

HB 1138

1-15-07

HB 1138

#1

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HB 1138

January 15, 2007

Testimony – House Finance and Taxation Committee
North Dakota EMS Association
Dean Lampe, Executive Director

Good Morning Chairman Belter and members of the committee. My name is Dean Lampe, and I am the Executive Director of the North Dakota Emergency Medical Services (EMS) Association. On behalf of our almost 2,000 active members, most of which are volunteer EMS providers serving on our state's ambulance services and quick response units, I thank you for the opportunity to testify in support of HB 1138.

The bill you have for consideration would provide for a refund of taxes paid on motor fuel purchased for use by all licensed ambulance services and quick response units (emergency medical services operations) in North Dakota. If enacted, this bill would then mirror Minnesota, our neighbor to the east, and many other states' statutes which exempt all first responder (law, fire, and EMS) emergency service vehicles from the state tax on motor fuels. Our national advocacy organization, the American Ambulance Association, is presently seeking to have legislation introduced in the current US Congress which would exempt EMS from the federal fuel tax.

In North Dakota, like virtually all states, we have EMS provided by group of entities which can be described as having a wide variety of organizational structures. Some are municipally owned; some organized under the county; some owned by hospitals; some for profit companies; and some organized under the political sub-division, "Rural Ambulance Service District." My point is that some of the state's ambulance services are already exempt from the excise and special fuel taxes by virtue of being organized under a government entity, and some are not. I have provided an attachment to my testimony which details this information for the ambulance services' organizational types in North Dakota.

As you can see in the attachment, the vast majority of ambulance services are stand alone 501(c)(3) non-profit corporations which are currently income tax exempt; however, subject to paying the state's excise tax on motor fuels. Somehow to us, imposing a tax on the fuel used by these vehicles, which provide an essential service public service, we hope is contrary to the legislature's intent when viewed in a big picture context. My use of the term "essential public service" and the larger context is because in 2006, there were over 58,000 ambulance runs made in our state. This would equal 160 ambulance runs per day; almost 7 ambulance runs per hour; 24 hours each day.

I am happy to remind and thank Chairman Belter and this Committee two years ago the House Finance and Taxation Committee returned a Do-Pass recommendation on similar legislation regarding the state's sales tax for ambulance services. The floor vote in the House on the bill was 93-0, and after similar Senate action, it was signed into law. For the same reasons, the North Dakota EMS Association respectfully requests your similar Do-Pass recommendation on HB 1138.

Mr. Chairman, thank you for this opportunity to testify in support of HB 1138 and I would be happy to answer questions the committee may have.

15-07

#2

HB 1138

North Dakota Ground Ambulance Organizational Type

Ambulance Service	City	Currently Pay Tax			Currently Tax Exempt		
		Non-Profit	For Profit	Hospital	Tribal	City	County
Almont		X					
Aneta		X					
Ashley		X					
Beach		X					
Belcourt					X		
Belfield		X					
Berthold		X					
Mercer County	Beulah	X					
Metro-Area	Bismarck/Mandan		X				
Bottineau		X					
Bowbells		X					
Bowdon		X					
Bowman		X					
Towner County	Cando						X
Carpio		X					
Carrington				X			
Carson						X	
Casselton		X					
Cavalier		X					
Oliver County	Center						X
Cooperstown						X	
Divide County	Crosby						X
Lake Region	Devils Lake	X					
Dickinson			X				
Drayton		X					
Edgely		X					
Edmore		X					
Elgin		X					
Ellendale						X	
Esmond							X
F-M	Fargo/West Fargo		X				
Fessenden		X					
Finley						X	
Flasher							X
Spirit Lake	Fort Totten				X		
Standing Rock	Ft. Yates				X		
Gackle		X					
Garrison		X					
Glen Ullin		X					
Glenburn		X					
Goodrich		X					
Valley	Grafton	X					
Altru	Grand Forks			X			
Grenora		X					
Halliday		X					
Hankinson		X					
Harvey		X					
Mercer County	Hazen	X					
Hebron		X					

North Dakota Ground Ambulance Organizational Type

Ambulance Service	City	Currently Pay Tax			Currently Tax Exempt		
		Non-Profit	For Profit	Hospital	Tribal	City	County
West River	Hettinger			X			
Hillsboro				X			
Hope		X					
Hunter		X					
Jamestown			X				
Kenmare		X					
Killdeer		X					
Kindred		X					
Kulm		X					
Lakota						X	
Community	Lamoure	X					
Langdon		X					
Lansford		X					
Larimore		X					
Leeds		X					
Lidgerwood						X	
Emmons County	Linton			X			
First Medic	Lisbon		X				
Maddock		X					
Ryder-Makoti		X					
Marmarth		X					
West Trail	Mayville	X					
McClusky		X					
McHenry		X					
Mcville		X					
Medina		X					
Billings County	Medora	X					
Michigan		X					
Sargent County	Milnor						X
Minnewaukan		X					
Community	Minot			X			
Mohall		X					
Mott		X					
Munich		X					
Napoleon		X					
New England		X					
New Leipzig		X					
Community	New Rockford	X					
New Salem						X	
New Town					X		
Northwood		X					
Oakes						X	
Page		X					
Park River		X					
Parshall							
Plaza		X					
Portal		X					
Powers Lake		X					
Ray							X

North Dakota Ground Ambulance Organizational Type

Ambulance Service	City	Currently Pay Tax			Currently Tax Exempt		
		Non-Profit	For Profit	Hospital	Tribal	City	County
Regent		X					
Richardton-Taylor		X					
Riverdale							X
Rock Lake							X
Rolette		X					
Community	Rolla			X			
Golden Heart	Rugby			X			
Rugby Volunteer		X					
Sherwood		X					
Stanley						X	
Kidder County	Steele						X
Tioga		X					
Towner County		X					
Turtle Lake		X					
Underwood		X					
Upham		X					
Barnes County	Vailey City		X				
Velva		X					
Walhalla		X					
Washburn		X					
McKenzie County	Watford City						X
Westhope							X
Williston						X	
Wilton		X					
Wing		X					
Wishek				X			
Wyndmere/Barney		X					
TOTALS		83	6	9	4	10	12

Data Offered in Support of HB 1138 and HB 1160, January, 2007, North Dakota EMS Association

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HB 1138

March 6, 2007

Testimony – Senate Finance and Taxation Committee
North Dakota EMS Association
Dean Lampe, Executive Director

Good Morning Chairman Urlacher and members of the committee. My name is Dean Lampe, and I am the Executive Director of the North Dakota Emergency Medical Services (EMS) Association. On behalf of our almost 2,000 active members, most of which are volunteer EMS providers serving on our state's ambulance services and quick response units, I thank you for the opportunity to testify in support of HB 1138.

The viability of a large number of our state's rural ambulance services is seriously threatened, and this severe problem, if left unaddressed, will manifest itself and have grave consequences for the entire state. The two major factors contributing to the threatened viability of these ambulance services are the lack of people to recruit volunteers from, and the lack of funding to enable these services to pay volunteers more or to contract with others to provide EMT's at times when volunteers are not available to cover the 24/7 operational requirement of an ambulance service. HB 1138 is the second of two bills this committee will have heard this morning concerning the lack of funding issue and you as a full Senate body will hear a total of five bills which deal with both issues; the lack of people, and the lack of money.

The bill you have for consideration would provide for a refund from the state's taxes on motor fuel when purchased by a licensed emergency medical services operation in North Dakota. If enacted, this bill would then mirror Minnesota, our neighbor to the east, and many other states' statutes which exempt ambulances from the fuel taxes on motor vehicles when purchased by a licensed EMS operation.

In North Dakota, like virtually all states, we have emergency medical services provided by group of EMS operations which can be described as having a wide variety of organizational

structures. Some are municipally owned; some organized under the county; some owned by hospitals; some stand alone for-profit companies; and some organized under the political subdivision, "Rural Ambulance Service District." My point is that some of the state's ambulance services are already exempt from fuel taxes by virtue of being organized under a government entity, but most are not. I have provided an attachment to my testimony which details this information for the ambulance services' organizational types in North Dakota.

As you can see in the attachment, the vast majority of ambulance services are stand alone 501(c)(3) non-profit corporations by IRS designation and are thus exempt from federal and state income tax. However, these non-profit ambulance services are subject to paying the state's fuel taxes for use in the ambulances they operate. Somehow to us involved in EMS, taxing the fuel used in these emergency vehicles, which provide an essential public service, seems wrong when viewed in a larger picture context. My use of the term "essential public service" and a larger context is because in 2006, there were over 58,000 ambulance runs made in our state. This would equal 160 ambulance runs per day, 365 days per year.

This bill would include for-profit ambulance services in the exemption; and, let me explain to you why they need to be included. First of all, Mr. Chairman and members of the committee, there are only six stand-alone, for profit ambulance services in North Dakota and a small number of ambulance services associated with hospitals; and, most of these hospitals are rural critical access hospitals. They would be included also.

I would like to anticipate a question the committee may have regarding the handful of for-profit ambulance services as they relate to this bill. You can look at the for-profit companies in the attachment to my testimony. There are several reasons these hospital and for-profit services must be included:

- They provide (at a considerable loss) an invaluable service to our rural ambulance squads: ALS Intercepts of critically ill or injured patients
- They (at their expense) are actively involved in state and federally mandated disaster training and planning

- They are the very ambulance services North Dakota would rely upon in the event of a large scale catastrophic disaster; natural or man-made

I would be happy to provide more information or go into more detail on these points if members of the committee have additional questions following my testimony.

I would also like to address the amendments Senator Cook was kind enough to offer. In all candor, when the prime sponsor, Representative Vigesaa, and I spoke with Legislative Council to have this bill drafted, we unintentionally forgot about air ambulance and the importance of this service to North Dakota; now and in future years. Trinity Hospital in Minot contacted (their) Representative Pinkerton who serves on the Finance and Taxation Committee in the House (where this bill was first heard) and asked him to amend the bill to include air ambulances. However, the amendments were not prepared in time to include them in the House Committee and Floor action.

These amendments will financially benefit our three current air ambulance operations in Minot, Bismarck and Fargo because all of them lease their aircraft but must purchase the fuel for use in these aircraft. I'm very confident these amendments will have a minimal impact on the fiscal note. Presently, the state aviation fuel tax is \$0.08 cents per gallon with the revenue from the tax going to the Aeronautics Commission. For the Committee's information, air ambulances are already exempt from the federal tax on aviation fuel.

Lastly, HB 1138 passed the House unanimously by a vote of 94-0 and we respectfully request this Committee to concur with the House's action and recommend a Do Pass to your colleagues in the Senate.

Mr. Chairman, thank you for allowing my testimony in support of HB 1138, and I would be happy to answer questions the committee may have.

North Dakota Ground Ambulance Organizational Type

Ambulance Service	City	Currently Pay Tax			Currently Tax Exempt		
		Non-Profit	For Profit	Hospital	Tribal	City	County
Almont		X					
Aneta		X					
Ashley		X					
Beach		X					
Belcourt					X		
Belfield		X					
Berthold		X					
Mercer County	Beulah	X					
Metro-Area	Bismarck/Mandan		X				
Bottineau		X					
Bowbells		X					
Bowdon		X					
Bowman		X					
Towner County	Cando						X
Carpio		X					
Carrington				X			
Carson					X		
Casselton		X					
Cavalier		X					
Oliver County	Center						X
Cooperstown					X		
Divide County	Crosby						X
Lake Region	Devils Lake	X					
Dickinson			X				
Drayton		X					
Edgely		X					
Edmore		X					
Elgin		X					
Ellendale					X		
Esmond							X
F-M	Fargo/West Fargo		X				
Fessenden		X					
Finley					X		
Flasher							X
Spirit Lake	Fort Totten				X		
Standing Rock	Ft. Yates				X		
Gackle		X					
Garrison		X					
Glen Ullin		X					
Glenburn		X					
Goodrich		X					
Valley	Grafton	X					
Altru	Grand Forks			X			
Grenora		X					
Halliday		X					
Hankinson		X					
Harvey					X		
Mercer County	Hazen	X					
Hebron		X					

North Dakota Ground Ambulance Organizational Type

Ambulance Service	City	Currently Pay Tax			Currently Tax Exempt		
		Non-Profit	For Profit	Hospital	Tribal	City	County
West River	Hettinger			X			
Hillsboro				X			
Hope		X					
Hunter		X					
Jamestown			X				
Kenmare		X					
Killdeer		X					
Kindred		X					
Kulm		X					
Lakota						X	
Community	Lamoure	X					
Langdon		X					
Lansford		X					
Larimore		X					
Leeds		X					
Lidgerwood						X	
Emmons County	Linton			X			
First Medic	Lisbon		X				
Maddock		X					
Ryder-Makoti		X					
Marmarth		X					
West Traill	Mayville	X					
McClusky		X					
McHenry		X					
Mcville		X					
Medina		X					
Billings County	Medora	X					
Michigan		X					
Sargent County	Milnor						X
Minnewaukan		X					
Community	Minot			X			
Mohall		X					
Mott		X					
Munich		X					
Napoleon		X					
New England		X					
New Leipzig		X					
Community	New Rockford	X					
New Salem						X	
New Town					X		
Northwood		X					
Oakes						X	
Page		X					
Park River		X					
Parshall							
Plaza		X					
Portal		X					
Powers Lake		X					
Ray							X

North Dakota Ground Ambulance Organizational Type

Ambulance Service	City	Currently Pay Tax			Currently Tax Exempt		
		Non-Profit	For Profit	Hospital	Tribal	City	County
Regent		X					
Richardton-Taylor		X					
Riverdale							X
Rock Lake							X
Rolette		X					
Community	Rolla			X			
Golden Heart	Rugby			X			
Rugby Volunteer		X					
Sherwood		X					
Stanley						X	
Kidder County	Steele						X
Tioga		X					
Towner County		X					
Turtle Lake		X					
Underwood		X					
Upham		X					
Barnes County	Valley City		X				
Velva		X					
Walhalla		X					
Washburn		X					
McKenzie County	Watford City						X
Westhope							X
Williston						X	
Wilton		X					
Wing		X					
Wishek				X			
Wyndmere/Barney		X					
TOTALS		83	6	9	4	10	12

Data Offered in Support of HB 1138 and HB 1160, January, 2007, North Dakota EMS Association

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HB 1138

March 16, 2007

Testimony – Senate Appropriations Committee
North Dakota EMS Association
Dean Lampe, Executive Director

Good Morning Chairman Holmberg and members of the committee. My name is Dean Lampe, and I am the Executive Director of the North Dakota Emergency Medical Services (EMS) Association. On behalf of our almost 2,000 active members, most of which are volunteer EMS providers serving on our state's ambulance services and quick response units, I thank you for the opportunity to testify in support of HB 1138.

The viability of a large number of our state's rural ambulance services is seriously threatened, and this severe problem, if left unaddressed, will manifest itself and have grave consequences for the entire state. The two major factors contributing to the threatened viability of these ambulance services are the lack of people to recruit volunteers from, and the lack of funding to enable these services to pay volunteers more or to contract with others to provide EMT's at times when volunteers are not available to cover the 24/7 operational requirement of an ambulance service. HB 1138 is the second of two bills this committee has heard this morning concerning the lack of funding issue and you as a full Senate body will have heard a total of five bills which deal with both issues; the lack of people, and the lack of money.

The bill you have for consideration would provide for a refund from the state's taxes on motor fuel and aviation fuel when purchased by a licensed emergency medical services operation in North Dakota. If enacted, this bill would then mirror Minnesota, our neighbor to the east, and many other states' statutes which exempt ambulances from the fuel taxes on motor vehicles and air ambulances when purchased by a licensed EMS operation.

In North Dakota, like virtually all states, we have emergency medical services provided by group of EMS operations which can be described as having a wide variety of organizational

structures. Some are municipally owned; some organized under the county; some owned by hospitals; some stand alone for-profit companies; and some organized under the political subdivision, "Rural Ambulance Service District." My point is that some of the state's ambulance services are already exempt from fuel taxes by virtue of being organized under a government entity, but most are not. I have provided an attachment to my testimony which details this information for the ambulance services' organizational types in North Dakota.

As you can see in the attachment, the vast majority of ambulance services are stand alone 501(c)(3) non-profit corporations by IRS designation and are thus exempt from federal and state income tax. However, these non-profit ambulance services are subject to paying the state's fuel taxes for use in the ambulances they operate. Somehow to us involved in EMS, taxing the fuel used in these emergency vehicles, which provide an essential public service, seems wrong when viewed in a larger picture context. My use the term "essential public service" and a larger context is because in 2006, as I mentioned in earlier testimony, there were over 58,000 ambulance runs made in our state. This would equal 160 ambulance runs per day, 365 days per year.

This bill is also intended include for-profit ambulance services in the exemption; and, let me explain to you why they need to be included. First of all, Mr. Chairman and members of the committee, there are only six stand-alone, for profit ambulance services in North Dakota and a small number of ambulance services associated with hospitals; and, most of these hospitals are rural critical access hospitals. They would be included also. So, this bill is intended to provide financial relief for our state's ambulance services from these taxes generally, and it is also intended to level the playing field both inside the state and also because Minnesota exempts ambulances from their state fuel taxes.

I would like to anticipate a question the committee may have regarding the handful of for-profit ambulance services as they relate to this bill. You can look at the for-profit companies in the attachment to my testimony. There are several reasons these hospital and for-profit services must be included:

- They provide (at a considerable loss) a invaluable service to our rural ambulance squads: Advanced Life Support (ALS) Intercepts of critically ill or injured patients
- They (at their expense) are actively involved in state and federally mandated disaster training and planning
- They are the very ambulance services North Dakota would rely upon in the event of a large scale catastrophic disaster; natural or man-made

I would be happy to provide more information or go into greater detail on these points if members of the committee have additional questions following my testimony.

Lastly, HB 1138 passed the House unanimously by a vote of 94-0, and it was re-referred to this committee by the Senate Finance and Taxation Committee by a unanimous Do Pass vote of 6-0. We respectfully request this Committee to concur with these previous actions and recommend a Do Pass on this bill to your colleagues in the Senate.

Chairman Holmberg and committee members, thank you for allowing my testimony in support of HB 1138, and I would be happy to answer questions the committee may have.