

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/20/2015**

Amendment to: SB 2249

- 1 A. **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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>			\$544	\$(2,458)		\$(2,458)
<b>Expenditures</b>			\$2,458	\$(2,458)	\$2,458	\$(2,458)
<b>Appropriations</b>			\$2,458	\$(2,458)	\$2,458	\$(2,458)

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

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

Engrossed SB2249 would allow the Department to convey 5.44 acres of land to the Grafton Volunteer Fire Department for \$100 an acre.

- 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.*

SB2249 would create \$544 of revenue for the State by conveying 5.44 acres at \$100/acre to the Grafton Volunteer Fire Department.

Currently the Department is renting this parcel of land to a farmer and would have lost revenue from this transaction of \$2,458 in both the 15-17 and 17-19 biennium.

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.*

The State would have revenue of \$544 for conveying this parcel of land to the Grafton Volunteer Fire Department. The Department would have a decrease in other fund revenue of \$2,458 in both the 15-17 and 17-19 biennium.

- 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.*

The General Fund expenditures in the HSC's and Institutions line will increase by the rental revenue the Department will no longer receive while the other fund expenditures will decrease by the same amount, \$2,458 in both the 15-17 and 17-19 biennium.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Department of Human Services would need an increase in the General Fund appropriation and a corresponding decrease in the other fund appropriation of \$2,458 in both the 15-17 and 17-19 biennium.

**Name:** Paul R Kramer

**Agency:** Human Services

**Telephone:** 328-4608

**Date Prepared:** 02/20/2015

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/20/2015**

Bill/Resolution No.: SB 2249

- 1 A. **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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$544	\$(2,458)		\$(2,458)
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	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

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

SB2249 would allow the Department to convey a parcel of land to the Grafton Fire Department for \$100 an acre.

- 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.*

SB2249 states the parcel of land to convey to the Grafton Fire Department as 7.45 acres. The abstract of the record title obtained from Walsh County shows the parcel of land located within the southwest 1/4 of the southwest 1/4 of section 13, township 157 north, range 53 west to be 5.44 acres. Based upon the information from the record title abstract the state would have revenues of \$544 from this transference.

Currently the Department is renting this parcel of land to a farmer and would have lost revenue from this transaction of \$2,458 in both the 15-17 and 17-19 biennium.

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.*

Based upon the record title abstract the state would have revenue of \$544 for conveying this parcel of land to the Grafton Fire Department. The Department would have a decrease in other fund revenue of \$2,458 in both the 15-17 and 17-19 biennium.

- 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.*

The General Fund expenditures in the HSC's and Institutions line will increase by the rental revenue the Department will no longer receive while the other fund expenditures will decrease by the same amount, \$2,458 in both the 15-17 and 17-19 biennium.

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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Department of Human Services would need an increase in the General Fund appropriation and a corresponding decrease in the other fund appropriation of \$2,458 in both the 15-17 and 17-19 biennium.

**Name:** Paul R Kramer

**Agency:** Human Services

**Telephone:** 328-4608

**Date Prepared:** 01/28/2015

**2015 SENATE GOVERNMENT AND VETERANS AFFAIRS**

**SB 2249**

# 2015 SENATE STANDING COMMITTEE MINUTES

## Government and Veterans Affairs Committee

Missouri River Room, State Capitol

SB 2249

2/5/2015

Job # 23285

Subcommittee

Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

A BILL for an Act to authorize the department of human services to convey certain land in Walsh County, North Dakota.

### Minutes:

Attachments 1

**Vice Chairman Poolman:** Opened the hearing on SB 2249.

**Senator Campbell, District 19:** See Attachment #1 for testimony as sponsor and in support of the bill.

**(2:11) Senator Flakoll:** Do you know, on line 7, what does that refer to?

**Senator Campbell:** We purchased property a couple of other different times and that would refer to that same section that would allow for that to happen.

**Senator Cook:** Has the price been established for the land?

**Senator Campbell:** \$100 per acre. It is on line 6.

**Senator Cook:** Does the volunteer fire district have the money to build the fire hall or is there a vote coming up for an increase in the tax rate?

**Senator Campbell:** They do not have the funds currently. It will be a long range project. They have a facility that is adjacent to it and through fund raisers they will do that. Currently the city does not have any assessments. They have no current plans to raise taxes other than volunteer/charitable fund raisers. The property adjacent to this is on a lease contract for \$1 for 99 years.

**Chairman Dever:** So this property is adjacent to current fire station? Isn't that a fairly new fire station?

**Senator Campbell:** That building is 25 years old or so but it is new compared to the old one that is attached to city hall. It is 60 to 65 years old and that is the one that I was

referencing to in which one would be replaced. That one has no drive through doors and roof leaks. That is the large one that they need to do something with.

**Chairman Dever:** I struggle with the price; just because in other circumstances we sell at market value.

**Senator Campbell:** We bought 77 acres for expansion of our park. There was a dog park on it and it was \$100 per acre. It is a challenge to get a real appraisal done due to the area that it is in. It is not attractive to anyone else and adjacent to the existing fire hall so it would be non-applicable to a commercial or residential development.

**Senator Cook:** The fiscal note indicates that it is being rented right now to a farmer. I do not understand \$2458 for 5 acres?

**Senator Campbell:** It is roughly \$100 an acre. They put four years on here.

**Senator Cook:** It looks more like \$245 an acre.

**Senator Campbell:** I think the difference would be the amount of acres because we changed the acres. Difference between what is tillable verses what is rented. The fiscal note does show the actual dollars and the variable would be how many acres you divide it by. There are trees and roadways etc.

**(7:35) Chairman Dever:** Do they have plans to do this soon?

**Senator Campbell:** It all depends on their fund raisers. It will probably be out 10 years plus.

**Chairman Dever:** Is it something that we can combine with the other bill that is in another committee? I think you stated that they serve different purposes.

**Senator Campbell:** They are totally independent of each other.

**Senator Flakoll:** With the rent being what it is, what if it takes 6 years to do this and in the first year it would pay for what the cost is to buy it. Do we have assurances that it won't happen? We understand both sides of the coin. They want to get it for as little as possible and we want to sell it for as much as possible. In theory they can rent it in year one and pay the cost of the land.

**Senator Campbell:** It would go to the volunteer fire department.

**Senator Flakoll:** Do you know if they will pay property tax on this?

**Senator Campbell:** I cannot answer that. I do not know.

**Chairman Dever:** I think that there is some provision that when government entities build on property there is some kind of payment in lieu of property taxes.

**Senator Cook:** I would hope that the Grafton Fire Dept. can acquire this land if it fits their needs, but why don't you just put it up for public auction? If there is no interest in it, maybe the fire department could get it for less money.

**Senator Campbell:** We would still need your permission to sell it then.

**Senator Cook:** Yes, subject to the bid, and then we can take the price out of it. Would that be a problem?

**Chairman Dever:** Anyone else with an interest there? Is it commercial property?

**Senator Campbell:** That would be a hard question. You never know. Some outsider could come in and that would be the danger in it. I would hate for that to happen. It would be an unknown variable and who knows if an out of state person couldn't come in and pay \$5000 or something. I would be more willing to play it safe and pay \$544 dollars and call it a done deal.

**Senator Cook:** This is taxpayer owned property and it needs to get what it is worth. You are asking us to circumvent that part of code.

**Senator Campbell:** Sites a couple of other instances for precedence that has been set.

**Chairman Dever:** If their plan is to build a training center, would that be available to other departments around the area?

**Senator Campbell:** That would be their ultimate goal. They have already talked to neighboring fire departments.

**Chairman Dever:** Are you a member of the fire department?

**Senator Campbell:** No I am not.

**Chairman Dever:** I am curious why the fire department is not here?

**Senator Campbell:** They came down for another bill I introduced for them and they are all working and they asked if they needed to come down again and I told them it was fine. It is probably my fault they did not come down and they trust me to take care of it.

**Senator Flakoll:** (Asked if anyone in the room had information on some property that was purchased in the past in Grafton)

**(15:48) Alex Schweitzer, Superintendent of North Dakota State Hospital:** Testified in neutral position on the bill. We sold some land at the state hospital. It was under the sections that are listed in the bill 54-01.50205.5. That land was sold at public auction. It has happened other ways as well. The property at Grafton was approved by the legislature to sell at a specific price. So, there has been a variety of things over the years. As for the question on the current renter, he has that land rented until 2018. It is a five year lease and

I think that would have to be taken into some consideration. He rents that for \$256/acre and it is 4.8 acres.

**(17:21)Chairman Dever:** Would this transfer be made immediately and then he would be renting from the fire department?

**Alex Schweitzer:** I have talked to the fire department and they do not intend to build anything immediately so there is a good guess that he would be able to rent it for that entire period. They are not talking about something immediately according to what the chief said to me.

**Chairman Dever:** So this bill does not specify when the transfer would take place?

**Alex Schweitzer:** It doesn't.

**Chairman Dever:** Closed the hearing on SB 2249.

# 2015 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee  
Missouri River Room, State Capitol

SB 2249  
2/19/2015  
Job # 24155

- Subcommittee  
 Conference Committee

Committee Clerk Signature



**Minutes:**

No Attachments

**Chairman Dever:** Opened SB 2249 for committee discussion and reminded the committee of an amendment proposed by Senator Campbell.

**Committee Discussion:** The committee discussed that the land could be auctioned if this bill did not pass and whether they have the authority to sell the property. The fact that they property would be for a fire department training center that could be used by other departments in the area helped the idea to settle better with some committee members.

**Senator Poolman:** Moved to Amend with Senator Campbell's amendment.

**Senator Marcellais:** Seconded.

**A Roll Call Vote Was Taken: 7 yeas, 0 nays, 0 absent.**

**Motion Carried.**

**Chairman Dever:** Whether we pass it or not, it has no immediate effect.

**Committee Discussion:** The committee discussed again the purpose of the land to build a fire department training center and the concern of what the ramifications of doing this was. The bill states that they "may".

**Senator Davison:** Moved a Do Pass As Amended.

**Senator Nelson:** Seconded.

**Senator Cook:** They could still sell this land if this bill does not pass. They would need the permission of the Governor. It would be sold by the auditor on the courthouse steps in the form of an auction. They can do that today, so, if we pass this bill we are taking state property and transferring it to a rural fire district no matter what the land owner, who is paying twice the rent of what we are selling the land for, and I do not know if the landowner is going to show up at the courthouse steps and bid against the fire department or if he will

be a kind citizen and let them go but it is state property. As the caretakers of state property, if we are going to sell it, we should do what we can to get what the property is worth.

**Chairman Dever:** Do you think given that provision, that passage of this bill might put this before that?

**Senator Cook:** If we pass this bill, the Governor's ok is not needed and we are circumventing the auction. We are establishing the price in the bill.

**Chairman Dever:** This bill is passed indefinite in time.

**Senator Cook:** That is right. There is not a date certain.

**Senator Davison:** So we have never done something like this before?

**Senator Cook:** We have done it both ways. (Gave an example) I do not remember selling land for less than we are getting rent for.

**Senator Davison:** It clearly has value if someone is farming and generating revenue. I guess I am arguing against myself a little bit.

**Chairman Dever:** That is three of us.

**A Roll Call Vote Was Taken: 1 yea, 6 nays, 0 absent.**

**Motion Failed.**

**Senator Poolman: Moved a Do Not Pass As Amended.**

**Senator Cook: Seconded.**

**A Roll Call Vote Was Taken: 7 yeas, 0 nays, 0 absent.**

**Motion Carried.**

**Senator Cook will carry the bill.**

15.0822.01001  
Title.02000

Adopted by the Government and Veterans  
Affairs Committee  
February 19, 2015

PROPOSED AMENDMENTS TO SENATE BILL NO. 2249

Page 1, line 6, after "Grafton" insert "volunteer"

Page 1, line 10, replace "7.45" with "5.44"

Renumber accordingly

TW  
2/19/15

Date: 2/19  
 Roll Call Vote #: 1

**2015 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2249**

Senate Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: AMEND - Line 10 5.44 acres

Recommendation: Sen. Campbell Amend Line 6 volunteer insert after Grafton  
 Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Poolman    Seconded By Marcellais

Senators	Yes	No	Senators	Yes	No
Chairman Dever	✓		Senator Marcellais	✓	
Vice Chairman Poolman	✓		Senator Nelson	✓	
Senator Cook	✓				
Senator Davison	✓				
Senator Flakoll	✓				

Total (Yes) 7    No 0

Absent 0

Floor Assignment \_\_\_\_\_

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

Date: 2/19  
 Roll Call Vote #: 2

**2015 SENATE STANDING COMMITTEE**  
**ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 2249**

Senate Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass     Do Not Pass     Without Committee Recommendation  
 As Amended     Rerefer to Appropriations  
 Place on Consent Calendar  
 Other Actions:  Reconsider     \_\_\_\_\_

Motion Made By Davison    Seconded By Nelson

Senators	Yes	No	Senators	Yes	No
Chairman Dever		✓	Senator Marcellais		✓
Vice Chairman Poolman		✓	Senator Nelson		✓
Senator Cook		✓			
Senator Davison	✓				
Senator Flakoll		✓			

Total (Yes) 7    No 6

Absent 0

Floor Assignment \_\_\_\_\_

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

Date: 2/19  
Roll Call Vote #: 3

2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2249

Senate Government and Veterans Affairs Committee

Subcommittee

Amendment LC# or Description: 15.0822.01001

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Poolman Seconded By Cook

Senators	Yes	No	Senators	Yes	No
Chairman Dever	✓		Senator Marcellais	✓	
Vice Chairman Poolman	✓		Senator Nelson	✓	
Senator Cook	✓				
Senator Davison	✓				
Senator Flakoll	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Cook

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

**REPORT OF STANDING COMMITTEE**

**SB 2249: Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2249 was placed on the Sixth order on the calendar.

Page 1, line 6, after "Grafton" insert "volunteer"

Page 1, line 10, replace "7.45" with "5.44"

Renumber accordingly

**2015 TESTIMONY**

**SB 2249**

#1

## NORTH DAKOTA SENATE

STATE CAPITOL  
600 EAST BOULEVARD  
BISMARCK, ND 58505-0360



### Senator Tom Campbell

District 19  
15135 County Road 11  
Grafton, ND 58237-8802

Cell: 701-520-2727  
[tomcampbell@nd.gov](mailto:tomcampbell@nd.gov)

### COMMITTEES:

Industry, Business and Labor  
Transportation

02/05/2015

Mr. Chairman and Committee members;

I am Senator Tom Campbell from District 19 and am here to introduce SB 2249. This Bill is requesting a purchase 5.44 acres from the Life Skills & Transition Center, a State owned facility located in Grafton, ND. This land would be purchased by the local Grafton Fire Dept. to build a fire hall and training center. This land currently is not used and the center has no plans for it.

The Grafton Volunteer Fire Department in 2011 took over rescue services in our area or else those services would have ceased. Rescue and auto extraction services increased from 199 sq miles to 400 sq miles. They currently have two existing fire halls, with one being very out dated. This land would provide the space to build a new facility that would replace the existing out dated building.

Thank you,

Senator Tom Campbell

amend line 10 to 5.44 acres & line 6 Grafton Volunteer fire dept.