

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Tentative Agenda

TAXATION COMMITTEE

Tuesday, September 16, 2014
Roughrider Room, State Capitol
Bismarck, North Dakota

- 9:00 a.m. Call to order
Roll call
Consideration of the minutes of the July 30, 2014, meeting
- 9:05 a.m. Presentation by a Tax Department representative regarding the use of modifiers in agricultural property assessments and access to information on those modifiers already reflected in certain soil survey classifications
- 9:25 a.m. Presentation by Committee Counsel of a bill draft regarding use of modifiers in agricultural property assessments
- 9:35 a.m. Comments by interested persons regarding use of modifiers in agricultural property assessments
- 9:45 a.m. Committee discussion and directives regarding use of modifiers in agricultural property assessments
- 10:00 a.m. Presentation by Mr. Ryan Skor, Director of Finance, State Treasurer's office, of information on the effect on oil production tax allocations if the currently used employment data were replaced with data provided in the revised oil industry employment report prepared by Job Service North Dakota
- 10:15 a.m. Break
- 10:30 a.m. Presentation by a Tax Department representative of information showing the overall combined property tax reduction for the 2013 tax year for an average \$200,000 property as well as a comparison of the resulting reduction from an increased 25 percent property tax credit
- 10:40 a.m. Review by Committee Counsel of a document providing background on university incubators prepared by the Vice President for University and Public Affairs at the University of North Dakota
- 11:00 a.m. Review by Committee Counsel of bill drafts relating to property tax status of leasehold interests in certain buildings at state institutions of higher education
- 11:15 a.m. Comments by interested persons regarding the property tax status of leasehold interests
- 11:25 a.m. Committee discussion and directives regarding the property tax status of leasehold interests
- 11:35 a.m. Presentation by Committee Counsel of a memorandum entitled *State Funding for Infrastructure and Political Subdivisions 2011-13 and 2013-15 Bienniums*
- 11:45 a.m. Presentation by Mr. Jerry Coleman, Director of School Finance, Department of Public Instruction, relating to anticipated costs for 2015-17 biennium K-12 education funding
- 12:00 noon Luncheon recess

- 1:00 p.m. Presentation by representatives of the Department of Commerce regarding:
- An annual report relating to the business incentive accountability law
 - An annual report compiling reports from cities that have a renaissance zone included in a tax increment financing district
 - Annual reports from the Division of Community Services on renaissance zone progress
- 1:30 p.m. Committee review of bills selected for recommendation to the Legislative Management:
- Bill draft to provide for regular legislative evaluation of state economic development tax incentives [15.0064.01000]
 - Bill draft to provide that property tax levies requested by unelected boards are subject to adjustment by the board of county commissioners or city governing body [15.0067.02000]
 - Bill draft to provide for sharing of otherwise confidential information by Job Service North Dakota and the Tax Department for purposes of evaluating tax incentives [15.0054.03000]
 - Bill draft for adjustments to statutory provisions regarding determination of taxable valuation and replacement of mill rates with property tax determination based on cents per thousand dollars of taxable valuation [15.0066.03000]
 - Rural fire department excess levy increase approval by mail ballot election [15.0147.01000]
 - Bill draft regarding electric industry property reporting for certain properties subject to central assessments [15.0094.02000] (Advisory Commission on Intergovernmental Relations also recommended)
 - Bill draft regarding notice to taxpayers of a property tax levy increase public hearing [15.0095.02000]
 - Bill draft to extend the state-paid 12 percent property tax relief credit enacted in 2013 [15.0149.01000] (Advisory Commission on Intergovernmental Relations also recommended)
 - Bill draft to require property assessor certification [15.0039.03000] (Advisory Commission on Intergovernmental Relations also recommended)
- 2:15 p.m. Comments by interested persons in attendance relating to taxation issues
- 2:45 p.m. Consideration of interim activity conclusions and committee report
- 3:00 p.m. Adjourn

Committee Members

Senators: Dwight Cook (Chairman), Randall A. Burckhard, Jim Dotzenrod, Lonnie J. Laffen, Ronald Sorvaag, Jessica K. Unruh

Representatives: Wesley R. Belter, Jason Dockter, David Drovdal, Glen Froseth, Patrick Hatlestad, Craig Headland, Jim Kasper, Jerry Kelsh, Scot Kelsh, Mike Nathe, Mark S. Owens, Dan Ruby, Jim Schmidt, Robin Weisz, Steven L. Zaiser

Staff Contacts: John Walstad, Legal Division Director
Emily L. Thompson, Counsel