

SCR 4014: A concurrent resolution directing the Legislative Management to consider studying the apportionment of voting rights as it pertains to Property Tax, to determine whether current apportioning voting rights is equitable and appropriate.

Chair Bell, and the Senate Finance and Taxation Committee,

When North Dakota was settled, the land was apportioned to each person in 160-acre parcels, or quarter-sections. During that time, each landowner lived on their land, farming it for their own subsistence and financial gain. During that time then, each person had an equitable and appropriate basis of value when it came to the levying of any tax. One vote per quarter-section of land.

Times have changed, and land ownership has gone through a significant evolution. Large farming operations and small farming operations exist. Much of the land has come into the hands of family members generations removed from the original settlers, who in turn have left farming to pursue other interests, while renting out the land to the aforementioned farming operations. And much of the population of North Dakota has become urbanized, living in large and small communities.

What hasn't changed is how the voting rights of the current landowners remains the same. Basically, one voter per quarter-section of land. Much of the finances of our counties rely on the levying of property taxes, and the majority of those finances coming from the tax levied on farmland. This has resulted in what I believe to be an inequity in how much tax is levied on a single individual, as it relates to the other taxpayers in the taxing district. What has evolved is a situation where those with lower assessed property values, or those with no assessed property values, can compel significant costs to those with larger assessed property values. This inequity becomes especially pronounced when a bond issuance, an improvement district or other major project is being considered.

This consideration is not without precedent in North Dakota. When drainage projects are being considered. Assessed value of the land is considered in the weighting of the consideration of proceeding with the project. I believe a study such as this is due to happen, and consideration of how taxing districts pursue projects, and how the citizens' votes are considered for these projects should be evaluated for being appropriate and equitable.

I stand for any questions.

Senator Mike Wobbema

District 24