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STATE OF NORTH DAKOTA

ROLL NUMBER

DESCRIPTION

1317

2007 HOUSE FINANCE AND TAXATION

HB 1317

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1317 A

House Finance and Taxation Committee

☐ Check here for Conference Committee

Hearing Date: February 6, 2007

Recorder Job Number: 2888

Committee Clerk Signature Mickie Schmidt

Minutes:

Chairman Belter called the committee to order and opened the hearing on HB1317.

Representative Brandenburg: Wonderful things are happening with economic development out in our area as well as the rest of the State. You could imagine what that's doing to wind turbine. This has been very exciting to see cause you wonder how this is all happening to come about and a lot of this is the legislation that we passed in the last two sessions and this Bill deals with property tax at 3% and reducing it to 1-1/2%. People ask why do we need to do that; we need to be competitive with South Dakota and Minnesota. I wrestle with this because you got to leave some money home with your people too. This balance of trying to be able to get the generation placed in North Dakota in order to be competitive with the other States. This is a very important piece of legislation to allow wind development to happen. And yet it still brings money back home for the local district and the counties and that's why it's important. I have an amendment that I would also like to propose. **(See attachment #1)** The main reason is that we just want to allow the time to a purchase power agreement. We've got a number of different situations where if a power company and yourself wanted to put their own wind farm up and qualify for the property tax reduction, there's a miso, which is part of a generation type set up which doesn't fall under the purchase power agreement, so there's different categories that these wind farms can be built, so with this amendment I think it would address all of those people that are interested and to be able to qualify for the property tax reduction. So with that I would answer any questions you may have.

Representative Grande: On the second part of your amendment where you're deleting lines 19-21, you're also removing an expiration date, are we not going to have any expiration date?

Representative Brandenburg: That's kind of what I was looking at but we can address that if you feel that that's necessary.

Vice Chairman Drovdal: I know this is going to sound like I'm against your Bill and I don't want it to be that way, but the problem I have on credits like this is it's nice and encouraging, we want people to come in. But when we reduce somebody's chair of the property of the tax load, we put it on existing business. And how d o we go back and tell our existing business's that we're chasing out because of the tax burden already and your last Bill you mentioned it that there's no local ones left anymore. How do we go back and tell those local business's it's alright for you to pay a little bit more and pick up this guy's share?

Representative Brandenburg: That's kind of how a lot of people look at it but, I look at it this way is that; if you're looking at a 50 mega watt wind farm coming in, that's what's happening all over the county as well as Burleigh County. And we're dealing with dependent world of energy. Our goal market is Minneapolis. We need to get to Minneapolis to be able to sell this power. Our competition is South Dakota, as well as North Dakota and Minnesota. Minnesota puts on a mandate. They put the mandates on and they force the people to do it. A 50 mega watt wind farm which probably brings in $75 million dollars of economic development bring that in to Burleigh County as well as Oliver County. That's creating jobs. That has sold towers from Fargo, blades from Grand Forks. We're giving up property tax. In Lamoure County, its $300 thousand dollars for property tax at 3%, if we reduce it by 1-1/2% it would be $150 thousand dollars. So we gave up $150 thousand dollars for property tax, but we also created income of 3,500-4,000 thousand dollars for every tower for the land owners for the 25 year contracts. Also we created $75 million dollars of structure, development of the wind farm for that structure part of it. We had the people who came in to build them, and we also the full time jobs that are left afterwards, which is about, we have 6 full time people in Edgeley and another 10 part-time basis year around. There's times when I go into Edgeley and I'll drive by in the morning and they got half a dozen to ten pickups running, getting ready to go out to the wind farms. They've got to be serviced. There's a trade off. If you give away all of that tax break, you wonder who's going to make up the difference? But if you don't build them there, they don't happen, they happen somewhere else. We almost have to give so much away, and it bothers me too, Rep. Drovdal, because why do we have to give so much away to get the building, because that's how close the margin is to get the generation here. My thought is get them here first, before we deal with that.

Representative Headland: You keep mentioning South Dakota and Minnesota and that we need to be competitive. Do their property tax rates stay consistent at the 1-1/2% or do they sunset in those States? What's happening in those States?

Representative Brandenburg: This is exactly what happens when wind farms were built in Edgeley. Basin was looking at 40 mega watts for North Dakota, 40 mega watts in South Dakota and we passed legislation in 2001. South Dakota was not competitive with us and they went into session and I know that they had a drop-dead deadline of the first part of March to deal with their issue of property tax so. They put it upon themselves to tax only what's in the ground and not what's above the ground, making South Dakota competitive. It's a competitive market and if we don't do this there maybe more competitiveness to put these towers in South Dakota. Did I answer your question?

Representative Headland: No, you didn't. I'm asking you if Minnesota or South Dakota sunsets their tax voters in this area?

Representative Brandenburg: I don't know if they're all sunseted. Minnesota's a lot of mandate. South Dakota's just not a lot of tax. I think that's the best way to say it. People around here that work in the energy field probably would have better answers than I do.

Representative Pinkerton: The 2.5 million dollar tower that you're talking about, $75 thousand dollars is 1-1/2%. Of the 1% of 2.5 million dollars it would be $25 thousand dollars. 10% would be $250 thousand dollars. A 2.5 million dollar tower is appraised at $75 thousand dollars and 3% of value. In most taxes in North Dakota and tax amenities give only $20.00 a thousand, you're not talking about a great deal of money. Sounds like in this 2.5 million dollar thing that you're putting in, you're talking about $750.00 per tower.

Representative Brandenburg: Really when you think about it, it's not that... At the 1-1/2% it's not the end of the world. And you'd like to have all of the property tax that you can. But I always say that you got to get them here first and then you can deal with it later.

Representative Pinkerton: If it comes down to this $750.00 that's going to make or break this deal per tower, it's pretty unreasonable not to.

Representative Brandenburg: We're dealing on a 25 year contract. An example is for Lamoure County it's taxed at 3% and it comes to right around $280,000 and that could change depending on the mill levy. If you figure $280,000, now if you want at 1-1/2% you'd be talking $140,000. So if you take that $140,000 times 25 years which is the life of the purchase power agreement and also figure you're interest in there that you'd be paying on for a period of time, is doesn't seem like a big number, but it is. And when you're trying to cut your energy costs as low as you possibly can, and make your bid for your agreement for the purchase power agreement and the price of the power, these are big issues. It's not just a one time number; it's a number for 25 years.

Representative Pinkerton: If the margins are that slim on this kind of business, then what are the guarantees that this wind tower is still going to be there in 10 years and who's responsible for taking it down?

Representative Brandenburg: In energy development the life of these are expected at 25 years, depending on the tower and then they need to be replaced. Let just say worst case scenario, that they're no good, doesn't work, and you're going to have to get rid of the tower. The iron is expensive so you're not going to have a problem dealing with taking that iron and selling or salvaging it and the cement pad is probably 25'x25'. In most contracts, the developers that write the contracts, it states that they have to dig them down to 4 feet in the ground.

Representative Pinkerton: The County is going to be the one who's going to have to clean the problem up. They have to have some revenue streams to protect themselves.

Representative Brandenburg: They all owe the landowners $3500 to $4000 dollars a year for 25 years and the iron is going to more than its worth to clean up and take away and the only thing the landowners are going to be left with is a hunk of cement. And I think for $4000 for 25 years, you can live with that hunk of cement, if it came down to that.

Vice Chairman Drovdal: Under current law, in trying to read this Bill it looks like it had a sunset clause on it but under this Bill before, only wind generate turbine generators of 100 kilowatts or more, were taxed at 1-1/2%, the rest were taxed at 3%.

Representative Brandenburg: One hundred kilowatt is so that , these industry type structures that fall under this category, otherwise if it were 100 kw or less which could include some old generators that would qualify for this. That's what we're trying to do is create economic development construction. So that's why that 100 kw is in there. In order to qualify for the newer property tax you'd have to be putting in a big generator.

Vice Chairman Drovdal: Don't the local sub.'s have the ability to waive property taxes for a said number of years for development like this?

Representative Brandenburg: Yes, they would in a tax abatement, but this really isn't dealing with a tax abatement. This is actually lowering property taxes down to a level that becomes competitive.

Representative Froseth: So this would be on anything constructed before January 1, 2011. What is the percentage on anything that would be constructed after 2011?

Representative Brandenburg: I'm not sure.

Representative Grande: It does go into effect in section 2, but it means that it's completed by 2011.

Representative Brandenburg: In order to qualify for the 1-1/2%, you need to have this construction up and going by that date.

Representative Froseth: What would this assessed percent be after 2011?

Representative Brandenburg: I think we will have to address this again, in the next session.

Chairman Belter: Is there further testimony in support of HB1317?

Chris VandeVenter, Representing Basin Electric Power Cooperative; We're here to support this Bill. Basin Electric has invested in nearly 100 mega watts of wind generation in North Dakota. And with the price of steel and wind turbines, those costs are the cost of building and at 1.5% assessed, this will help keep those costs down and create more development, so we would like to build more wind turbines and we believe this Bill will help us do that.

Representative Schmidt: In my area it seems the tax is no problem. We were supposed to have 100 towers in Rugby. The transmission lines are the problem. We have no transmission lines.

Chris VandeVenter: Transmission is a problem as far as the amount of winds you can build in North Dakota. But, the costs of wind farm, we've seen probably 20 to 30 mill levy increase per mega watt. The costs; transmission is a part of it, but bottom line is it is just too expensive to build.

Chairman Belter: Is there further testimony in support? Is there any opposition?

Bob Graveline, President of the Utility Shareholders of North Dakota; (See attachment #2)

Kathy Aas, Representing Xcel Energy; In its current state, we are opposed with the purchase power agreement, but with the proposed amendment, we would support it.

John Olson, Ottertail Power Company; we support this Bill with those amendments. Ottertail Power Company does business primarily by purchasing turn key operations.

Chairman Belter: Is there any other opposition? Is there any neutral testimony?

Cory Fong, Tax Commissioner: I just wanted to clarify a couple of things that came up in the questioning of Rep. Brandenburg. First off, I was involved in the original version of this legislation in 2005 when I was at the Commerce Dept. The whole reason that the purchase power agreement was put into that section was to create parameters on the lifetime of the reduction. And so I think what's being suggested by industry and Rep. Brandenburg is that, you know it creates a problem because there're some industries that are not using purchase power agreements to accomplish this and they feel like they would be discriminated against. So again, we're not concerned about taking that language out, however, keep in mind what Rep. Brandenburg was suggesting that maybe a lifetime, a parameter on the reduction would be wise, say 20 years which I believe the typical length of purchase of power agreement. And again that was the only reason to sell from 5 to the purchase of power agreement reference in statute was, was again to create parameter for how long the reduction would be in place. Rep. Pinkerton I think was getting at the tax. And this is a reduction in the taxable value. And just let me take you through the way that process works. If you start at market value for example, then you divide that in half and get the set value, you then times that by the taxable value, which this is addressing and then you take the taxable value times the actual mill rate to get the tax, and so there's a bit of a disconnect here on how much it would actually be in terms of actual savings and I'm going to identify Marcy Dickerson from the Property Tax division who might be able to clarify that in addition to what I just offered. The other thing that I wanted to address is the deadline that's in the current version. In 2005, there were some limitations put in so that it would spark construction. They had had their purchase power agreement in place by January 1, 2006. And they had to have construction started by July 1, 2006 in order to qualify for that reduced taxable value rate. And so the question came up of what would happen after 2011? Well those would revert back to 10%, which is the rate for centrally assessed property, so I just wanted to clarify that anything up to 2011, if they're starting construction would be at this reduced rate after that period it would revert back to 10%. I hope this sets out some of the parameters and history about why those graduated deadlines were in there of January 1, 2006 and 2011.

Marcy Dickerson, State Supervisor of Assessments; Basically say you started with a wind tower that's worth 2 million dollars. You'd multiply that times 50% to get your assessed value which would be 1 million dollars. Then by what level taxable value you're at, the 3% or the 1-1/2% or the 10% for other essentially assessed property would be multiplied times that 1 million dollars of assessed value. If you were at 10%, it would be about $100,000 taxable value. If you're 1-1/2% you're going to be at $15,000. That would be multiplied by the local mill rate which would be 300 and some mills. The Statewide mill rate is 400 and something but in the rural areas, generally the mill rates are lower. That would be the result of your tax. Your taxable value times that local mill rate. That was just an example on a 2 million dollar investment.

Representative Pinkerton: So what would be the tax?

Marcy Dickerson: At 1-1/2%, set the value on that was $15,000. About a third of $15,000, probably about $5,000 to $6,000 because your mill rate, if it were 500 mills, it would be half of the taxable value. But you're mill rates probably going to be 3oo and some in a Township so; it would be about 1/3 of your taxable value.

Representative Brandenburg: Normally out in the country you look at your mill rate, its 30 - 80, with the average about at 300 mills. In the City it's anywhere from 350 -400 mills.

Marcy Dickerson: Your average City mill's are now between 400-450 mills.

Representative Pinkerton: I thought that property taxes were pretty much of that $20 of a thousand?

Marcy Dickerson: That is about right when you're looking at other property that doesn't have a special taxable value. Like commercial property ordinarily essentially assessed property is 10% of assessed value. So if you have a $100,000 house, you got $50,000 taxable value, you got assessed value times 10% gives you $5,000 for commercial taxable values. You multiply that times 500 mills, you'd be at half the price, $2,500. But if less than 500 mills, say 400 mills, it will work out to about 2% of your true and full value is what your tax will represent, but that's when you're looking at something where the taxable value is 10%. Residences; the taxable value is only 9%, so there a little less. Your residential property is running about 1.80% to 2.1% of market value, that's the effective tax rate. Your commercial property is running 2%-2-1/4%, depending on the mill rate in the area. And the difference between them is the 9% residential taxable value and the 10% commercial taxable value.

Representative Pinkerton: $20.00 per thousand still is a pretty close guess?

Marcy Dickerson: That's low on commercial and high on residential. It's right in the middle of them.

Representative Pinkerton: So the tax, if this was a $2 million veterinary clinic out there, what would the tax be on it?

Marcy Dickerson: About 2% of $2 million dollars, about $40,000.

Representative Pinkerton: If we tax it at, if this was a wind tower taxed at 1-1/2 % of true and real value...

Marcy Dickerson: It's being taxed at 15% of what the veterinary clinic would be taxed for.

Representative Pinkerton: By this Bill they're saving about $6,000 per tower?

Marcy Dickerson: All along since the first legislation was enacted, in 2001, there has been a preferential tax break for wind towers. They were originally put in the legislation at 3%, and in the last session, the ones that fit in that particular time frame were reduced to 1-1/2%. But basically the original concept was that they would save 70% of the tax compared to other commercial essentially assessed property. When they got reduced to the 1-1/2%, they're saving 85% of the tax compared to other commercial essentially assessed property.

Vice Chairman Drovdal: If I had a 2 million dollar farm out there, what would my tax be under the same circumstances?

Marcy Dickerson: Again, you'd probably be at the lower rural mill rate, but you would be paying on the 10% taxable value, so you would be paying $30,000.

Representative Froseth: Is there a sales tax exemption on the purchase of the equipment for the wind farms?

Marcy Dickerson: I would have to refer to someone else.

Dan Rouse, Tax Dept;

Representative Kelsh: A little more background, when we decided to tax all centrally assessed power plants at 10% and we enacted this law in 2001, because wind a mega watt rate of power only produces it's whole output about 30% of the time, so that's why we reduced it to 3% based on the output of power generated. Now with the cost going up, almost doubling since that was originally enacted. Any power plant construction enjoys a sales tax break and during the construction phase there's a sales tax exemption.

Representative Froseth: Then after January 2011, we'll have to either revisit this Bill or does it go to 10%?

Representative Kelsh: That was the sunset we put in at 2001.

Chairman Belter: Any other testimony on HB 1317? If not, we'll close the hearing on HB1317.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1317 B

House Finance and Taxation Committee

☐ Check here for Conference Committee

Hearing Date: February 6, 2007

Recorder Job Number: 2889

Committee Clerk Signature Mickie Schmidt

Minutes:

Chairman Belter called the committee back to order.

Representative Headland: I'd like to move the Brandenburg amendments.

Representative Owens: Second it.

Representive Vig: Are they exactly the same as what the utility shareholders?

Representative Brandenburg: They're exactly the same, line for line.

Chairman Belter: Any discussion?

Representative Pinkerton: This is forever. There's no sunset.

Representative Kelsh: It's 2001.

Representative Pinkerton: My understanding was the 2011; this applies to those completed before 2011 so that the tax reduction is for the life of the equipment. For most economic development that you give tax abatement for, it's for 3, 5, or 10 years but not forever.

Representative Grande: Tax Commissioner Fong said that he didn't feel that this worked as a sunset, although Marcy felt it did, but I didn't understand which of what was being sunseted.

Representative Owens: Rep. Pinkerton is correct. That al song as you build it before, the way it's written right now, al long as you build it and complete construction before January 1, you qualify. If you do it afterwards, you don't qualify. But if you do it before, it's forever right now, there is no sunset.

Vice Chairman Drovdal: If we pass this Bill, then all existing wind towers if they were built before 2011, will have a 1-1/2 %? That's what it says.

Chairman Belter: I would interpret it to mean all of them that have been built during that time frame.

Representative Brandenburg: This does need to be addressed. That was not our intent.

Representative Froseth: Overstrike language on 14, 15, 16, 17, and 18. Those plants that were built in that time frame are under the 1-1/2% and they'll stay under that. So it wouldn't affect anything that's already in existence that's already at 1-1/2%

Representative Owens: That still only applies to wind turbines that have purchase power agreement. This, taking out the purchase power agreement that executed, will take care of all of those that were done before without a purchase power agreement. It's the ones that had one and they are already at 1-1/2% forever according to the information that was struck out. Now it adds all of the other ones in and there is no sunset, and for all new construction between now and January 1, they would fall into that regardless of purchase power agreement or not under the amendment and there's no sunset on that either.

Vice Chairman Drovdal: Not only would that Bill apply to those of a purchase power agreement, it also restricted the construction is to get after April 30, 2005 and before July, so it was a narrow time frame. This is opening it up to everyone built before that's 100 watt.

Representative Grande: We have a couple of gaps in here also. So have any towers been built within ND without a purchase power agreement?

Representative Brandenburg: No there's not.

Representative Grande: In the overstrike, July 1, 2006 was the end time, but this next one doesn't go into effect until December 31, 2006, so anything built within that time frame then would now go into affect too. I don't know what was built in those last six months.

Representative Kelsh: Probably what we need is a little primer on how the agreement as to how it works and that is because they negotiate their power of purchase agreements with the utilities, generally is how it's been working. We have a developer and the utility and they negotiate that price over the lifetime of the project so if you put a sunset on this evaluation before the end of the power of purchase agreements and then renegotiate those contracts, sometime in the middle. It's not as if it applies forever, it's the lifetime of the projects and they can plan what the landowner is going get, what they would pay for the utilities for that power. So the sunset is January 1, 2011, so any projects built after that, unless we revisit this before then, will pay 10%.

Representative Owens: But the ones that were built before January 1, 2011 will forever have the 1-1/2% the way it's written now and if we put in there that after a certain date it goes to 3% or 10%, we sunset it out to where it changes. If it's already in the law, could they not then construct their agreements taking that into consideration.

Representative Brandenburg: Those projects that were already built, they're already grandfathered in. They already got a 3% or 1-1/2%. When we get to the 2011 date, then we deal with what are we going to do with that project tax? What is it going to be? Maybe we should change the construction of January 1, to July 1, 2007.

Chairman Belter: When a purchase power agreement, you make the assumption that if we pass this, they will pay 1-1/2% for the life of the purchase agreement.

Representative Kelsh: The reason why we want to take the purchase agreement out of there because of IOU's, now we get into ownership of the rent facilities themselves rather than just buy the power from the developer.

Representative Pinkerton: Could we add just a line to it, its construction completed after some date in 2007 that would prevent the other units from being added to this Bill, July1 and then could we sunset this in 10 years after construction?

Representative Grande: I wouldn't mind changing the overstrike out of the 13 to18 and changing the dates within there and eliminating the for which a purchase of power agreements, delete in there and that way we've got the time frames that seem to be in the discussion here.

Chairman Belter: I don't have a problem with the July 1, 2011.

Representative Kelsh: So it drops it to 1-1/2% for two more years and then it goes back to 3%.

Representative Grande: You could put 2011 in that line 17.

Representative Brandenburg: So what you're saying is that however on central assessed wind turbine electric generation has a capacity of 100 megawatts or more?

Representative Grande: Then jump over to has been...

Representative Brandenburg: Has been executed after July1, 2007 to January 1, 2011.

Vice Chairman Drovdal: We got to take that language out in 20 and 21.

Representative Headland: Did you say Edgeley is at 3%? If we do that, won't we give a competitive advantage to these new towers over that old tower then?

Representative Brandenburg: No, any new construction will be at 1-1/2%. The old towers will stay where they are at.

Representative Headland: I'll withdraw my motion.

Representative Owens: I'll withdraw my second.

Chairman Belter: Ok, we'll hold this until tomorrow. We'll close the hearing on HB1317.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1317 C

House Finance and Taxation Committee

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Hearing Date: February 7, 2007

Recorder Job Number: 2990 & 2991 (last part)

Committee Clerk Signature Mickie Schmidt

Minutes:

Chairman Belter opened the hearing on HB 1317 and Rep. Brandenburg proposed an amendment. The Chairman asked Rep. Kelsh to walk us through the amendment.

Representative Kelsh: After our discussion yesterday we thought we ought to have a beginning time so that if anything is built now, that they wouldn't take advantage of the ½%. So this states that starting July 1, 2007 any project that is built before July and January 1, 2011 would qualify for this property tax reduction. The way it's all references to power purchase agreement that we heard yesterday, the utilities, Xcel, Ottertail, MDU, would like to get into the ownership of wind farms. We just made reference to the life of the project which is from the time that they build it to the time that they decommission.

Representative Froseth: So now what we're creating then is that 2 tier taxation system, the ones that are already built and here which is 3 or 4 that will be assessed at 3% and any new coming on will be taxed at 1-1/2%?

Representative Kelsh: There are some that were built before the deleted language in this Bill that made reference to April 30 2005 to January 1, 2006, those have fallen and are being taxed at 1-1/2%. The ones before that are taxed at 3%.

Representative Froseth: It's kind of interesti9ng after we finished hearing testimony in this Bill yesterday, I went out and checked my e-mail and one said a new wind generating farm near Center ND. I don't know that they have any clue about this Bill. Apparently the wind generating units are coming into the State. My first thought was, is this really necessary? They're coming anyway. How many do we have now, 6 or 7? I wonder if this incentive will bring more or are they coming anyway? Also they get sales tax exemption on all the equipment that they buy and I think they get an income tax deduction for depreciation. Is it really necessary to entice these companies to build wind generating facilities in ND?

Representative Brandenburg: Yes they are a very important part of this, and they knew about this Bill. They're anticipating that this project is not going to be started until after July 1, so they qualify for this. This is very, very important.

Chairman Belter: Some of these projects that are now being put in are being put in where there is transmission available. We're going to eventually get to the point where the new projects are going to need transmission lines with them and when we get to that point then I would think that then these things will really become a player because you'll not only have the wind farm that needs to be built, you got to have all of the transmission lines that go along with them which is a huge investment.

Representative Brandenburg: There's talk right now and being discussed about wind generation being built and also building new transmission. These other Bills being passed just isn't affecting wind energy but also affect coal, because coal needs the transmission to get out of the State.

Representative Grande: On these amendments, I thought we were going to be discussing the time frame and I don't see a time frame.

Chairman Belter: Your amendments aren't right?

Representative Brandenburg: I haven't had a chance to get my amendments ready. We've been up to Legislative Counsel twice.

There was general discussion between the committee about the amendment in correcting the amendment.

Representative Grande: On the third line of the amendments after the words "July 1 2007 must be valued at the current assessed value." I'm striking the word 3% and putting value at their or the current assessed value.

Chairman Belter: Would you like to get that clarified with John Walstad?

Representative Brandenburg: Yes.

Representative Grande: Before you go, I thought we had had discussion of what was over struck, 14-18 and whether or not we were going to try to put a new date in there so that we were covering these incoming projects specifically? Take the overstrikes off and change the date, and delete the power agreement. You're going to have to take off in line 15, the words, the comma, after more through the word agreement, take those words out, right?

Representative Owens: Actually it would be the comma after more for which power agreement, you strike the rest of that line then you come to line 16 and continue to strike there up to 2006, cause then you'd put in on which construction was begun at and that's where the date start. The dates on line 16 refer to the power purchase agreement, so we need to strike those as well.

Vice Chairman Drovdal: Are there any other comments on the proposed amendments for them to work on? Seeing none, I'll close the hearing on HB 1317.

CONTINUATION ON HB 1317, JOB # 2991: