

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2172

2007 SENATE FINANCE AND TAXATION

SB 2172

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2172**

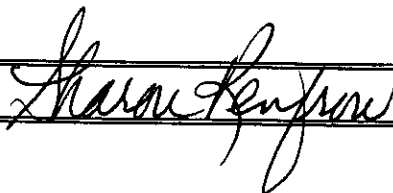
Senate Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 17, 2007

Recorder Job Number: # 1239

Committee Clerk Signature



Minutes:

Sen. Urlacher called the committee to order and opened the hearing on SB 2172.

Sen. Gary Lee, primary sponsor of the bill appeared in support with written testimony. (See attached)

Sen. Urlacher asked if the land portion reference was made to homestead itself and not to other land outside of it. Yes

Sen. Oehlke asked if the bill should state disabled veteran instead of disabled person. That's the way the original language was and it wasn't changed to include just veteran.

Sen. Horne asked if the fiscal impact, if accrued the subdivisions would bare the lost revenue. The counties do administer the property tax and it would be a burden on that county in terms of whatever was taken or recognized here would come from them.

Ron Otto from the Veterans Service Office for Morton and Oliver County appeared in support with written testimony. (See attached)

Bob Evans, Secretary for the ND Veterans Coordinating Council appeared in support asking what is the price of saying thank you for spending the rest of your life with PTSD, minus a limb or sitting in a wheel chair. This is just a small token of our appreciation for the extra sacrifice

that these veterans have given to our country and extending this also the unremarried spouses of a deceased veteran who is eligible.

John Jacobsen, Chairman of the Legislative Committee of the ND Veterans Coordinating Council appeared in support with written testimony. (See attached)

Sen. Urlacher: how does this relate to a veteran living in a rental apartment?

Bob Evans: as the bill is written it would only pertain to those veterans that have ownership of land or a home. So if they are in an apartment or institutionalized in any way, it doesn't affect them.

Jack Heyne, Veterans Service Officer in Grant County in Carson, ND stated he was there to show his support with just a few short comments. Those individuals with disabilities, amputation, those related to ancient orange such as diabetes, lung cancer, prostate cancer, many times those individuals are forced to have someone else do things around their homes where if they received a tax incentive they would have more money to have other people assist where normal home owners without a disability is able to mow their lawns, shovel their snow. I know as a home owner it was very important to me while I was living in Bismarck, but now living in Carson because I feel that my money or taxes is best spent for schools. I haven't even applied for that tax exemption.

Arnold Maier a veteran appeared in support stating this would help ease the hardship experience by some veterans.

Lyle Schuchard, Secretary for the Administrative Committee on Veterans Affairs appeared in support stating he is just appearing today to show our support.

Bob Hanson, Commissioner of Veterans Affairs appeared in support stating what he's finding through the internet is that young veterans want to know what ND has to offer veterans and this bill may draw more people into our state.

Marcy Dickerson with the Tax Dept. appeared neutral on the bill with written testimony.

Sen. Urlacher: in outlying states is there similar legislation or exemptions in effect?

Marcy: I do not know what the other states have.

Sen. Urlacher: well if outlying veterans move in they would be eligible as well as our ND veterans.

Marcy: Yes I believe they would eligible under existing law or under the proposal.

Sen. Triplett: what you remind us what the amount of income provided in 57-02-08.1 is that is being removed?

Marcy: at the present time it is \$14,500.00 and in my opinion that is a very low income and that includes everything including social security.

Sen. Tollefson: we look at the majority of these veterans and are probably WWII veterans yet there are some Vietnam, some Korean and there will not be some Iraqi's, more veterans all of which would be eligible for some time of homestead credit. But you've also got a depreciating number, numbers and its going to be reduced annually, everyday because the credits will go away, people will go away and I think that if you look at it realistically, the numbers you provided, I feel they are certainly correct but its also not forever, its for a very short period of time.

Marcy: this fiscal note is only for one biennium. We did not try to project down the road because we were not asked to. This would apply to all veterans who are honorably discharged with 50% or greater disability just like it does now.

Sen. Tollefson: My point is the majority of veterans today are WWII veterans.

Sen. Urlacher: Is there a way of identifying the ages of qualifying veterans?

Bob Hanson: a lot of this information is confidential; we don't get anything but numbers

Bob Evans: in my estimations with the case load we handle in Williams County. At this time, Sen. Tollefson is very accurate because the majority of my veterans are the WWII and Korean veterans. The Vietnam veterans are the next larger group with the Iraqi veterans coming in, that's our smallest group.

Sen. Anderson: on the no provision to exempt residential or homestead land. What is the committee going to do to get this answered for sure before we can act on this bill?

Sen. Urlacher: can they separate the land value if it isn't qualified for this?

Marcy: the land values are always calculated separately from the improvement value for every assessment of locally assessed property. That number is primary, the two are added together to give your total evaluation.

Sen. Urlacher: so we could get a new fiscal note based on excluding the land?

Marcy: to some extent that would be possible, there would be a lot of assumptions because again we are assuming the value of the home whether we assume it with or without the land, depending where the homes are located, how big and nice the homes are, they could be any amount. The fact that we are no longer to limit the income of the veteran is going to mean that some veterans could have pretty good income and have very nice homes. A person is limited to \$14,500 probably doesn't have a very elaborate home.

Meeting adjourned and further discussion.

Sen. Cook: to be disabled, is it to be a disability caused from military service was that clarified or can somebody come home and get disabled later on and qualify as a disabled veteran. Service connected, service related, we need clarification on that.

Sen. Urlacher: If a WWII veteran dates back a lot of years and some are employed I would imagine and could become disabled by other factors of life. How do you determine where that happened, does veteran affairs have a handle on that.

Sen. Tollefson: the second paragraph of the second page really describes if there is any person claiming exemption under this subsection is required to file a disabled veteran claiming exemption under subsection b file an affidavit from the United States Veterans Administration or its successor certifying the amount of the disability. So I think that's fairly clear but the land is a good point.

Sen. Urlacher: I don't want to sound negative to this bill but if we have a lucrative exemption we could have an influx of veterans in the state because if they are disabled they are not employed, so it's a matter of movement for veterans. But I see this fiscal note being a lot more than I anticipated it to be and when it affects the local entities we could get resistance.

Sen. Triplett: I think that the major thing that's probably impacting the fiscal note is completely removing the income limitation. You have to be very very poor to qualify for this exemption at the moment and by taking the income limitation off completely, we are just opening it up too wide

Sen. Anderson: In 1993 this was set at \$80,000 and I'm sure it was a reasonable amount that was determined at that time, perhaps we should find out what the inflation factor is since 1993 and perhaps put that in there and remove the land. I think we have a real problem with the land.

Sen. Tollefson: I'm a veteran, compare it to a veteran's bonus, a veterans bonus isn't designated on the basis of how much money they make today or what their living standard is, it's based on services provided to the country and believe it or not a majority are still the WWI veterans that it would benefit.

Sen. Cook: do we fix this piece of legislation to get it to a point where maybe we can take it to the floor and get it passed or maybe we need to wait and get our hands around the rest of the

legislation that is coming in. I think we have a vehicle dealing with the homestead tax credit that if we want to and I agree that the \$14,500 needs to be adjusted.

Sen. Anderson: I would like to know the inflation factor.

Adjourned the discussion.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2172**

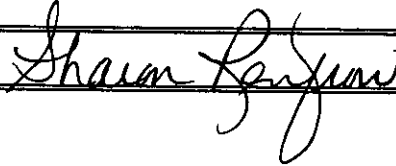
Senate Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 29, 2007

Recorder Job Number: # 2174

Committee Clerk Signature



Minutes:

Sen. Urlacher called the committee to order to address amendments to SB 2172.

Sen. Tollefson read proposed amendments by Sen. G. Lee. Changing the wording from "date" to "provide an expiration date."

Sen. Tollefson moved a Do Pass on the amendments.

Sen. Triplett seconded the motion.

Sen. Oehlke asked about the fiscal note.

Sen. Urlacher responded that a fiscal note would need to be requested.

Sen. Cook asked for clarification on what they would be sunseting. "The effect of this change?" Stated that they would be effecting the entire bill.

Sen. Urlacher responded that removing the land portion would reduce the fiscal effect.

Sen. Triplett The proposed amendment expiration date would not just be for the new information, it would be for the entire existing bill. Probably not what Sen. G. Lee was intending.

Sen. Tollefson suggested speaking to Sen. G. Lee to check on the intent. Will get a corrected amendment.

Sen. Tollefson withdrew the motion to accept the amendment.

Sen. Triplett withdrew the second.

Motion to amend was withdrawn.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2172**

Senate Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 30, 2007

Recorder Job Number: # 2324

Committee Clerk Signature

Sharon Renshaw

Minutes:

Sen. Urlacher called the committee back to order to discuss amendment and do action on SB 2172.

Sen. Tollefson: explained the amendments from Sen. G. Lee which is the expiration date and had it clarified with Legislative Council stating it is correct.

Sen. Triplett: that clause only relates to the new information and that will be clarified in the note. Yes

Sen. Tollefson: made a Motion to Move the Amendments, seconded by Sen. Anderson.

Voice vote: 6-0-1 Sen. Horne absent.

Committee will wait for a new fiscal note.

Sen. Cook: this is not to be confused with the homestead tax credit for the elderly and disabled, this is comparable to our farm residence exemption, is that correct? I'm reading the fiscal note and this is not going to reduce the income to the schools, the cities or the counties, it is going to shift to everybody else. The fiscal note should be zero.

Sen. Tollefson: we have to ask for another fiscal note, because it's correct.

Adjourned the discussion.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2172

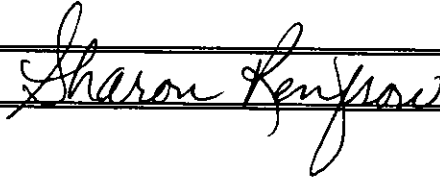
Senate Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: February 6, 2007

Recorder Job Number: # 2942

Committee Clerk Signature



Minutes:

Sen. Urlacher called the committee back to order for discussion and action on SB 2172.

Sen. Cook: I totally disagree with the fiscal note and believe in reality the impact that counties, cities and school districts if this bill is passed is zero. The impact that they are identifying in dollars is not an impact that's going to reduce these political subdivisions budget but its what's going to be shifted to other tax payers.

Sen. Tollefson: I'm sympathetic with the bill but the amendment particularly where it puts the sunset clause on it after 2 yrs, does it not? I'm almost certain that most of these people disabled veterans that would benefit from this bill are WWII veterans and they are disappearing at the rate of 1500 a day. I think in 2 years you'll see this fiscal note drop considerably even here in ND. And if there is anyone or any group that needs any type of break, it certainly could be those people who are at least 50% disabled caused by war, and frankly I don't agree with the fiscal note at all and I think this should be approved and with that I make a **Motion for DO PASS as amended**, seconded by Sen. Oehlke.

Sen. Triplett: despite the fact that I'm a sponsor on this bill I ended up not liking it very much I think the sunset clause does help it but I think there will be a lot of shifting and a lot of money to shift in our county. I don't know what to suggest to make it better.

Sen. Oehlke: bothered me the shifting and not sure if it's the fairest way to handle it. Where did 168,000 come from? How did they arrive at that number?

Sen. Anderson: I think its 80,000 now, is it not? That would be a 25% increase from where it is now

Sen. Cook: we have another homestead credit and that has a limitation of \$80,000 and then it has income limitations and that homestead credit is for elderly and disabled low income people and the State refunds the political subdivisions for the amount of that credit that they give.

This bill is doing is removing the \$80,000 raised it up to 200,000 and now its down to 168,000 and removes the income qualifications for receiving this credit. So basically no matter what the veteran's income is, they will get this credit, that's the way I understand it.

Sen. Triplett: if you reduce the value of the homestead they would still be paying property taxes to be extended, their valuation was about 100,000 or whatever you picked so it would not be a full credit

Sen. Cook: that's correct, line 7 to line 13 on page 1, you just took all the changes that are made in this bill out of that and it will go to 80,000. We have 2 issues in the bill, it changes the value of the property that you can take and the other change is that it deals with removing all income limitations.

Sen. Triplett: made a Motion to further amend to remove both the new language and the first amendment to get back to homestead as defined that 80,000.

Sen. Tollefson withdrew his DO PASS motion and Sen. Oehlke withdrew his second.

Sen. Cook: seconded Sen. Triplett's motion.

Sen. Triplett explained her amendment to John Walstad for drawing up amendment purposes.

Voice vote: 7-0-0

Sen. Tollefson: made a **Motion for DO PASS as Amended and Refer to Appropriations.**

Seconded by Sen. Triplett.

Roll call vote: 7-0-0

Sen. Triplett will carry the bill.

FISCAL NOTE
Requested by Legislative Council
04/26/2007

Amendment to: Engrossed
 SB 2172

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						
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
			(\$1,684,000)	(\$929,000)	(\$3,947,000)			

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).*

Engr. SB 2172 with Conference Committee Amendments changes the requirements for the homestead property tax exemption for disabled veterans.

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.*

The provisions of Engr. SB 2172 with Conference Committee Amendments are expected to reduce political subdivisions' revenues by an estimated \$7.101 million in the 2007-09 biennium, if all counties allow the exemption. The estimated impact for the primary political subdivisions is shown above. The State does not reimburse political subdivisions for these exemptions. Counties may disallow the exemption by resolution.

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.*

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:	04/25/2007

FISCAL NOTE
Requested by Legislative Council
03/21/2007

Amendment to: Engrossed
 SB 2172

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						
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
			(\$1,233,000)	(\$680,000)	(\$2,890,000)			

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).*

Engr. SB 2172 with House Amendments changes the requirements for the homestead property tax exemption for disabled veterans.

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.*

The provisions of Engr. SB 2172 with House Amendments are expected to reduce political subdivisions' revenues by an estimated \$5.199 million in the 2007-09 biennium, if all counties allow the exemption. The estimated impact for the primary political subdivisions is shown above. The State does not reimburse political subdivisions for these exemptions. Counties may disallow the exemption by resolution.

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.*

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:	03/22/2007

FISCAL NOTE

Requested by Legislative Council

02/08/2007

Amendment to: SB 2172

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						
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
			(\$1,372,000)	(\$757,000)	(\$3,215,000)			

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).*

Eng. SB 2172 removes the income limitations for disabled veterans for purposes of the homestead property tax exemption.

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.*

The provisions of Eng. SB 2172 are expected to reduce political subdivisions' revenues by an estimated \$5.785 million in the 2007-09 biennium. The estimated impact for the primary political subdivisions is shown above. The State does not reimburse political subdivisions for these exemptions. The provisions of Eng. SB 2172 are available for 2007 and 2008; the bill sunsets after 2008.

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.*

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:	02/08/2007

FISCAL NOTE
Requested by Legislative Council
01/11/2007

Bill/Resolution No.: SB 2172

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						
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
			(\$2,418,000)	(\$1,334,000)	(\$5,669,000)			

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).*

SB 2172 removes the income limitations for disabled veterans and increases the maximum true and full value of qualifying applicants' homesteads that are allowed to be exempted in subsection 20 of section 57-02-08 NDCC.

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.*

The provisions of SB 2172 are expected to reduce political subdivisions' revenues by an estimated \$10.2 million in the 2007-09 biennium. The estimated impact for the primary political subdivisions is shown above. The State does not reimburse political subdivisions for these exemptions.

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.*

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:	01/16/2007

January 24, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2172

Page 1, line 2, remove "and"

Page 1, line 3, after "date" insert "; and to provide an expiration date"

Page 1, line 7, remove the overstrike over "~~and~~" and remove ", and land"

Page 1, line 8, replace "two" with "one" and after "hundred" insert "sixty-eight"

Page 2, line 27, after "DATE" insert "- EXPIRATION DATE" and after "for" insert "the first two"

Page 2, line 28, after "2006" insert ", and is thereafter ineffective"

Renumber accordingly

PROPOSED AMENDMENTS TO SENATE BILL NO. 2172

Page 1, line 2, remove "and"

Page 1, line 3, after "date" insert "; and to provide an expiration date"

Page 1, line 7, remove the overstrike over "~~and~~", remove "and land", and remove the overstrike over "~~the amount of valuation~~"

Page 1, line 8, remove the overstrike over "~~specified~~" and remove "a true and full value of two hundred thousand dollars"

Page 2, line 5, remove the overstrike over "~~assessed valuation~~" and remove "true and full value"

Page 2, line 22, remove "the value limitation in section 47-18-01 does not apply"

Page 2, line 23, remove "and"

Page 2, line 27, after "**DATE**" insert "- **EXPIRATION DATE**" and after "for" insert "the first two"

Page 2, line 28, after "2006" insert ", and is thereafter ineffective"

Renumber accordingly

Date: 2-6-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2172

Senate Finance & Tax Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DP as Amended & refer to Approps.

Motion Made By Sen. Tollefson Seconded By Sen. Triplett

Senators	Yes	No	Senators	Yes	No
Sen. Urlacher	✓		Sen. Anderson	✓	
Sen. Tollefson	✓		Sen. Horne	✓	
Sen. Cook	✓		Sen. Triplett	✓	
Sen. Oehlke	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Triplett

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

REPORT OF STANDING COMMITTEE

SB 2172: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2172 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "and"

Page 1, line 3, after "date" insert "; and to provide an expiration date"

Page 1, line 7, remove the overstrike over "~~and~~", remove ", and land", and remove the overstrike over "~~the amount of valuation~~"

Page 1, line 8, remove the overstrike over "~~specified~~" and remove "a true and full value of two hundred thousand dollars"

Page 2, line 5, remove the overstrike over "~~assessed valuation~~" and remove "true and full value"

Page 2, line 22, remove "the value limitation in section 47-18-01 does not apply"

Page 2, line 23, remove "and"

Page 2, line 27, after "**DATE**" insert "- **EXPIRATION DATE**" and after "for" insert "the first two"

Page 2, line 28, after "2006" insert ", and is thereafter ineffective"

Renumber accordingly

2007 HOUSE FINANCE AND TAXATION

SB 2172

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2172 A

House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: February 27, 2007

Recorder Job Number: 3926

Committee Clerk Signature

Mickie Schmidt

Minutes:

Chairman Belter opened the hearing on SB 2172 and called the Committee to order and had the clerk take the roll. Everyone was present. He asked for testimony in support.

Sen. Gary Lee: (See Attachment #1)

Chairman Belter: The value of the home, has that changed?

Sen. Gary Lee: It's the same as it was. In the current law it's still fixed at \$80 thousand. The original Bill was different.

Arnold Maier, WW II Veteran: I was drafted in October of 41' and discharged in 45'. I was wounded and came back with a Purple Heart. Some years ago when I testified in favor of the Purple Heart, this is what happens; The Purple Heart stamp. How they're going to keep it, I don't know. I encourage all of you to spend a little money on it because it is worth while. The second project that I ask was naming highway 83; Veterans of Foreign Wars Memorial Highway, which didn't take too much. My main project over the years took place 2 years ago when I was able to bring Military Purple heart Memorial to Bismarck. This was one of my pride projects for the State of ND and I'm very proud of it. Today I come before you to support Bill 2172, which will fulfill some of the promises made to fellow Veterans a when drafted during WW II. Many promises were made, some have been fulfilled, and some have been broken.

And this is one that will help ease some of the pain that have been caused. I ask that you give this Bill a Do Pass to help ease the hardship and experiences of some Veterans. We ask for your consideration and give it a Do Pass, thank you.

Chairman Belter: Any questions? Thank you for your service!

Bob Hanson, Commissioner of Veteran's Affairs: We want to thank Sen. Lee for introducing this Bill. I receive in my office numerous e-mails from Veterans who appear to be young Veterans getting out of the service who asked about what does our State do about filing income taxes for Veterans. I explain the laws encouraged here. I look at this not only as sort of a thank you for what happens to the Veteran when he gets disabled because of a military service, but its also sort of, getting more people into the State that are serving. They do check to see what is happening in various States and they are free to move too. We appreciate you giving this a favorable consideration.

Chairman Belter: Are there any questions?

Representative Headland: I'm just curious, do you have any idea of how many disabled Veterans live in this State?

Bob Hanson: Totally there are around 6,000 to 6,500. The number in this particular category from 50% to 100% disabled is about 2,100, these numbers are from 2004.

Chairman Belter: That 2,100 is the 50% or more, right?

Bob Hanson: Yes.

Chairman Belter: Further testimony in support? Is there any opposition to 2172? Any neutral testimony?

Marcy Dickerson, State Supervisor and Tax Assessor of the Tax Dept.: (See Attachment #2) One thing I would like to address that's not in my written testimony but the amount in the fiscal note does assume all of the Veterans , that 2,116 has an unknown number of surviving