

2011 HOUSE FINANCE AND TAXATION

HB 1047

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

1047  
January 10, 2011  
12682

Conference Committee

Committee Clerk Signature

*Mary Brucker*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

**Senator Cook:** Introduced Bill. This Bill came out of the tax interim committee. It's out property tax relief bill, a continuation of what we passed last session. Because of the increased valuation of real estate in North Dakota you'll see that this bill requires another \$43-45 million. There is an appropriation to fund it into the next biennium. I think this tax policy was well received by the citizens of North Dakota. Session prior to that we had an income tax deduction equal to about 10% of the property value or the tax. We changed to this one. I think it's important to offer some consistency in our tax policy. I would hope to remind you that everyone who made financial decisions in the last two years; purchased property, purchased homes; they've got mortgages out there. A lot of the risk reward that they look at has a lot to do with what the tax policy is and I think it's important that we stay consistent. There are a lot of decisions that were made out there and we certainly don't want to do something drastically different that would have a negative impact on them. It's a good bill; the citizens like it. I would encourage favorable support of this property tax measure.

**Mr. John Walstad, Legislative Council:** I worked with the committee during the interim and last session. On page 4, definition of student unit is being removed because it's a definition of a term that isn't used in the chapter. The bottom of page 4, about taxable valuation, this provision pulls in some overlooked property types that had to be fixed last session. Certain kinds of property that aren't subject to traditional property taxes and yet produce revenue that goes to school districts. This fix costs \$5 or 6 million on top of the \$295 million that was appropriated directly. The price tag for property tax relief as provided last session was a little more \$300 million. On page 6, school districts can't levy over 110 mills. There's a list of things; section 57-15 for taxable year 2008 would allow a school district to have a levy exceeding the 2008 levy. That was not a possibility for the last two years. On line 18, authority for a higher levy under subdivision b of subsection 2 this relates to districts who have voter approval for a levy of more than 110 mills after property tax relief. Last session some language was put in to terminate unlimited levy authority for school districts. But then there was a question and it was supposed to be discussed in the

bill but left it questionable. If a district with unlimited levy authority, after the expiration of time availability under current law, and the voters don't approve the extension of the unlimited levy authority does that district then get kicked back to 185 mills under the statutory provision or does that district stay at the levy authority it was at under 57-15-01? The answer is they stay where they were; they don't get pushed back to 185 mills. Then in section 5 of the draft there's language added if the high school tuition mill rate is reduced to zero then the relief goes against the transportation rate. Now, I think you'll see an amendment at some point dealing with reduction priority because it had an effect on some districts that was unforeseen. Districts with a much lower than average mill rate and much higher tuition and transportation levy. The appropriation amount on line 14 page 7, \$341 million plus and then there's some transfers made from property tax relief sustainability fund. \$295 million was set aside by the legislature last session in that property tax relief fund to fund this as an ongoing thing. Then some additional transfers are necessary to make available the \$341 million.

**Representative Dave Weiler:** There's a change at the bottom of page 2 and top of page 3; can you explain that please?

**Mr. Walstad:** This is an amendment in that section that allows any taxing district to levy the same number of dollars as in the highest of the last three years. This provision says that the normal reduction that occurs when an expired temporary mill levy expires, that gets subtracted out of the tax base so they can't continue to levy that in dollars. This provides that this does not happen with a school district general fund mill rate that exceeds 110 mills that has expired or has not received approval for extension. This means they get to keep that levy authority for that number of mills they're at before going to the voters or even if it expires by operation of law and they decided not even to offer it to the voters. If it doesn't get extended they stay at that levy level in dollars and don't get kicked back down to 185 mill limit.

**Representative Glen Froseth:** On the additional \$46,790,000, that's an increase in evaluations from the school districts two years ago and this runs through July 2012. Do we calculate that on the increase for the past year valuations and the projected increase next year? Or do you feel that that's going to adequately cover the increase in valuations?

**Mr. Walstad:** That is exactly what that is; it's attributable to valuation increases estimated at this time that will occur in those tax years. The tax department and department of public instruction ran the numbers for the formula for allocation and another through the tax department's analysis of growth and valuations. I feel that those are pretty solid estimates and that's the amount of money needed to continue funding the formula in its current state with these changes, that I don't think affect the fiscal note, I think they are clarifications that really didn't impact the funding.

**Vice Chairman Craig Headland:** On page 6 line 15 where you overstruck for taxable years 2008, does this bill allow for the property tax relief then to follow the direction of the mill levy for anyone who is currently under 110 mills? If there's a school district who all of a sudden has a wind farm located on it and has a whole bunch of property wealth and they choose to lower their levy, does this bill essentially lessen the amount of property tax relief that goes to that school districts property owners? Because they've already benefited from

a lower levy because of the new property wealth so I think this bill needs to allow the property tax relief to either raise a levy or lower their mill levy.

**Mr. Walstad:** The language here, taxable year 2008, that is being overstruck; if you look at the lead in language of the three or four subdivisions, this applies for districts exceeding 110 mill levy. There is another provision on the bottom of page 4 lines 25-27 that grant you a district based on the 2008 combined education mill rate minus 100 mills and that's the limitation that will apply those kinds of districts you described after relief are under 110 mills. At 110 there is no authority to go higher without going to the voters. Under 110 the district has some room to increase its levy as otherwise allowed by law. 12% per year up to the 110 is the other provision that would apply. What this means is the district could increase its levy in that circumstance from 100 to 110. However, the property tax relief allocation to that district won't exceed what was allowed in 2008.

**Vice Chairman Craig Headland:** That's what I'm trying to get at. I think there's a fairness with the property tax payer here a question in that if they are in one school district that was below the 110 and your neighbor that was in a district that was at 110, that school district is essentially locked at that 2008 property level so they via a vote to their school board will be paying more property tax but they're not going to get any relief for that portion of the increase.

**Mr. Walstad:** That is correct and the legislative issue that needs to be addressed there is for districts in that situation where they could increase their levy by 3 mills, does the property tax relief provided by the state then pick up that 3 mill increase, which means the taxpayers in that district don't pay any of it, or that 3 mill increase is allowed but it is all on the backs of the property taxpayers and the state does not provide property tax relief to cover it? So that's where the legislature needs to decide what it wants to happen.

**Vice Chairman Craig Headland:** This is not a school funding bill; this is a property tax relief bill that I think the question is the school district was under the levy. If we're going to allow one property taxpayer the relief on a certain number of mills, everybody across the state should have that same luxury. I don't think we should reward any school district or property taxpayer within that school district that has that benefit of a huge increase in property value, such as a wind farm. When that levy goes down by a vote of their board their property tax goes down, they should not remain at a 2008 higher level and essentially benefit from the state buy down. So I think it should work both ways.

**Mr. Walstad:** You've stated what the issue is but it is a legislative decision.

**Representative Jerry Kelsh:** My purpose here is to support property tax reduction. It's a great bill and has been of great service to the people of North Dakota. There are some school districts, however, that were not treated equally in this situation. There are two superintendants here who would like to testify on the funding issue because they can't go over the 110 and they're getting less money from the state.

**Mr. Mitch Carlson, LaMoure Superintendent:** Support. See attached testimony (#1 and #2).

**Mr. Brant Dick, Hazelton, Maddock, Braddock Superintendent:** Our situation is very similar; we were at 160 mills going into the last base year of 2008. In our situation in the year 2008, we had 144 students, next year we are expected to have 100 students so we are declining. We would like some way to push that back to the 185 mills. Overall, this has been a great bill. Our patrons loved it; they enjoyed not having to pay as much taxes. But this is just one area we'd like you to consider.

**Josh Askvig, North Dakota Education Association:** We wanted to thank the legislative assembly for the action they took last session. As many of you know we've had a long set after goal of achieving 70% education funding being provided by the state and this bill coupled with the education funding bill you passed last session reached that. We'd like to see that extended and continue. We think it's an important part of that effort and it should be continued.

**Sandy Clark, North Dakota Farm Bureau:** Provided written testimony in support of 1047 (#4).

**Mr. Dustin Gawrylow, Executive Director of North Dakota Taxpayers Association:** Oppose. See attached testimony (#3).

**Representative Lonny B. Winrich:** I know there are cities at least that have reduced their mill rates because I live in one. We've heard ample testimony in this committee and sections of the legislature about the tremendous infrastructure needs in some of the counties in the state. Is it not conceivable that there are actually local political subdivisions out there that need additional revenue and that that's why they're raising taxes?

**Mr. Gawrylow:** We're not advocating that they not do that we're just saying that when they want more money they should go on record and vote for that new revenue.

**Representative Lonny B. Winrich:** But part of that argument as I understand your testimony, is that some of that additional revenue comes without a vote because of increase in property values? That's essentially an economic situation. There are many situations where revenue increases simply because of economic activity. We happen to be enjoying one in North Dakota right now because of the boom in the western part of the state. Similarly, sales tax has increased because of economic activity and so on. Are you proposing also that the legislative should have to vote on any increase in revenue from those other tax sources?

**Mr. Gawrylow:** No, not in this because those issues have not been created into this crisis over the last decade. For the last ten years we've seen this debate snowball. And as such we need to put in provisions that tie into receiving these new funds from the state to having a proactive approach to trying to keep the rates down at local level. It doesn't do any good for the state to keep putting money into this program if the local are going to keep allowing the property taxes for the individual to keep going up.

**Representative Steven L. Zaiser:** Based on several anecdotal comments from constituents of mine, they've talked about extraordinarily low income tax and therefore, a high property tax. Do you feel that the extraordinarily low income tax of which the state

establishes puts an undo amount of pressure on local political subdivisions to have a higher property tax to compensate with the low income tax?

**Mr. Gawrylow:** I think that that's the assumption that the state should be doing more. I think that if we're going to support a principal of local control its better for the folks who are spending the money to be in charge of collecting the money. So if your question is in that realm then I don't think these two taxes have anything to do with each other. The state can determine what its priority level is and locals have to determine what their priority levels are and I don't think there's a direct correlation of this of the local control issue.

**Representative Steven L. Zaiser:** It's just that from some people I've talked to they feel that there is a correlation because there's a certain amount of money needed to meet some basic infrastructure needs that local political subdivisions have that if the state's not going to do it they're going to have to and therefore, the only way they can do that is by raising property tax or sales tax, which they sometimes have no control over.

**Mr. Gawrylow:** I think that a lot of that gets down to the assumption that the state's always going to do some level. I think that local government would be wise to do their own budgeting in a way that doesn't make assumptions on what the state is going to do because that could change at any given time. This bill could go away someday. The 70% was goal it wasn't a mandate. There's nothing in the constitution that requires it. So I'd say it would be faulty budgeting to run on the premise that the states going to be doing more and more. They should budget on the idea, this is what we need and this is how we're going to pay for it and if the state compensates and buys down a portion of that then they should be happy with that.

**Representative Steven L. Zaiser:** Are you in support of the fact the state is now funding 70% of the education fund costs?

**Mr. Gawrylow:** I think that this is a slippery slope because that is a question of 70% of what comes into play. If the state is not controlling what that larger number is then funding 70% and making the commitment to fund 70% of that is a bottomless number, there's not a top on that because if the state isn't controlling what the total spending is then there's no way to control what that 70% is. And committing to a portion of the total spending is just opening up to problems later on down the line.

**Chairman Wesley R. Belter:** No further testimony on 1047. Hearing closed.

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HB 1047  
February 7, 2011  
#14095

Conference Committee

Committee Clerk Signature

*Mary Brube*

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## Minutes:

*See attached amendments and mill chart #1,  
amendments #1, #2, #3*

**Representative J. Kelsh:** Distributed and reviewed amendments. Please refer to attached amendments and mill chart #1. The reason for this amendment was there were a bunch of schools that were caught under the 175 mills and therefore, are getting quite a bit less money from the state of North Dakota. There is a list of about 70 some schools that ended up in that position one of them was LaMoure, North Dakota, who had taken on some land from a school closing in Verona and in being good stewards they lowered their mill levy to help their taxpayers and got caught with the 2008 limit on when the tax is sent back. This amendment inserts and adds 50% of the increased number of mills levied for the general fund by the school district for the budget year. They got the 58 ½ mill reduction and they are now at 109.9 mills and cannot levy another mill without going to the vote of the people. They are still getting between \$100-120,000 less from the state and will continue to get that unless this amendment is passed.

**Vice Chairman Craig Headland:** This chart reflects what your amendment is attempting to do.

**Representative Kelsh:** There is a chart that was passed out at the meeting. I know that there are a lot of school districts, Carrington being one of them. This is a list of school districts and the amount of mill reduction they got. I can leave that with you.

**Chairman Wesley R. Belter:** Is the fiscal note for one or two years?

**Representative Kelsh:** As far as I know it is for two years. I think it is kind of a fairness issue. These people got caught at the wrong time. They could have probably put their mill levy back up but they were good stewards and they kept their mill where it was needed. Over a period of years if they are at 109.9 mills now they would get just about 5 mills to

build up to the 75 that the state would pay them back. I had asked earlier this morning that John Walstad be here in case there are real technical questions. I'm trying to get those school districts back on track with the amount of tax relief money received from the state and not be penalized because they were good stewards at the wrong time.

**Representative Patrick Hatlestad:** If you were in a school district that was levying less than 185 mills you were already getting a property tax relief compared to what the other districts who were levying 185 were already getting. Why do they feel they've lost something when they really weren't paying all that tax to being with?

**Representative Kelsh:** LaMoure school district at the time had a year or two before taken on part of the Verona school district because they closed. They got a few students and a fair chunk of the land which gave them enough valuation to where they could cut the mill levy some. They were at 158.5 when this bill passed so they only got 58 mills of tax reduction from the state of North Dakota. The law still says they cannot go above 110 mills without a vote of the people. They are at 109.9 now and even if they go to a vote of the people they will still not get any more tax relief dollars from the state. This would allow them to get up to the 75 mills of tax reduction over a period of years by using  $\frac{1}{2}$  of what they levy over 100 mills. They went down to 100 because any district that went under a 185 would go down to 100 mills. If you were 185 you went down to 110 and could not raise your taxes. Those under 110 can raise your taxes but only to 110 without going to a vote of the people. This is trying to rectify that. Hankinson has the same valuation or very close and they get \$120,000 more from the state in property tax reduction than does LaMoure. There is a fairness issue in my opinion.

**Representative Patrick Hatlestad:** May I ask why the difference the other district had levied more mills prior to that date.

**Representative Kelsh:** Yes, they were at enough mills to get the 75 mill reduction where LaMoure only got 58  $\frac{1}{2}$ .

**Representative Patrick Hatlestad:** So you have one tax district in which the taxpayer is paying the maximum and one in which the taxpayer is paying less so in a sense the less already had a tax reduction before the bill went into effect, am I wrong?

**Representative Kelsh:** No, you are not wrong but you have to take a look at the circumstances of why they only got that. If they wouldn't have just taken on the parts of another school district and the land that went with it they would have been there. Now they are trying to finance their school. They are going to have to go over the 110. There are 70 some school districts that are going to have to go to a vote of the people and not get any more tax reduction from the state.

**Vice Chairman Craig Headland:** Presented his amendments. Please refer to attached amendments #2. This allows property tax relief to be based on the prior year's levy. The current bill without any amendments refers to the levy in 2008 and that is where they were capped at their property tax relief. We allowed a 12% increase and they still have that so what my amendment would allow is to base property tax relief on that increase. If that's not correct I need Mr. Walstad to explain it because that was my intent.

**Chairman Wesley R. Belter:** John, can you differentiate between the two amendments here?

**John Walstad, Tax Department:** Representative Kelsh's amendments does what the amendment Representative Headland does but the difference is in addition Representative Kelsh would allow the state to match 50% of the increase for those that are in that window that have some room for a levy increase. The state would provide property tax relief to match half of that. Representative Headland's amendment allows them to increase their property taxes but the state match would apply to that older levy level.

**Chairman Wesley R. Belter:** Can you explain that again?

**John Walstad:** For a district in that window in the example of levying 158 mills before that district was bought down to 100 mill levy; they got 58 mills of property tax relief. Representative Headland's amendment allows that district to go from where it is at 100 mills with the reduction to levy 12% more of an increase in a year. However, that district would continue to get 58 mills of relief from the state. Representative Kelsh's amendment would allow that district to increase its levy from 100 but the 58 mill property tax relief would be increased by  $\frac{1}{2}$  of the mills that were increased by the district. So if they went from 100 to 110 they would get 5 more mills of relief so they would get 63 mills of relief with the changes.

**Chairman Wesley R. Belter:** If I understand you correctly there would be no fiscal note to Representative Headland's because there would be no cost to the state.

**John Walstad:** There would be no cost to the state but the district would have the authority to increase its levy to generate more revenue for that district. You weren't intending to match any additional levy with additional relief money.

**Vice Chairman Craig Headland:** I think what I was trying to do was use the language based on the 2008 tax year and their relief is based on that. I think it was my intent. I think it was between '09 and 2010 and at some point they took that 12% increase then they should be able to use that as far as determining the amount of relief they were going to get. I think my intent was to allow them to capture the difference between the '08 and what the 12% increase would have been in '09.

**Representative Lonny B. Winrich:** The original bill that did this essentially bought every school district down to 110, is that correct?

**John Walstad:** If a district was at 185 or more they got 75 mills of relief. A lot of districts were right at 185 so it did buy them down to 110. There were a number of districts levying fewer than 185 mills so those districts received a buy down to 100. If they were at 175 or less they were bought down to 100. At 158 you got 58 mills that brought you down to 100. If you were at 185 you got 75 it brought you down to 110. From 100 to 110 that range is where the great majority of districts in the state ended up after the relief.

**Representative Lonny B. Winrich:** And they were capped at 110, is that correct?

**John Walstad:** There were two different kinds of caps; one was they were capped at the 2008 levy amount and there was another limitation restricting their property tax relief levies in the future to qualify for relief. The school district was given the option, they didn't have to obey that levy limit but the penalty was you would lose the relief. This was something the voters would not have been happy about.

**Representative Shirley Meyer:** The schools that were caught in a consolidation effort in the middle of this process, were the levies averaged?

**John Walstad:** I'm afraid I can't. I'm not sure what happens to those mill rates when districts are combined. There is no special provision for districts being consolidated that I am aware of.

**Representative Dave Weiler:** Reviewed amendments. Please refer to attached amendments #3. In the 2009 session we approved a \$300 million property tax plan. This amendment keeps it at \$300 million. It does not increase it by \$46 million from what the Governor has proposed and many other legislators have talked about due to the valuation increases. I think the reasons for my proposed amendment are simply that I completely disagree with the property tax relief plan that we passed two years ago. I know everybody likes it because they are paying fewer property taxes and I don't dislike the fact that I pay fewer property tax dollars but this is simply a policy decision that we got into four years ago and we can't get out of it. This is a big mistake because someday it is going to bite us and bite us hard. We do not belong in the property tax game, we are the state of North Dakota and we collect income tax and sales tax and corporate income tax but we do not collect property taxes. We should not be involved in property taxes. It's a road we can't go down and we can't maintain in the future. People complain about property taxes because one time every year they are afraid to go to that mailbox and open up that letter that tells them how much they have to write a check for and they are high. It needs to be left up to the local entities that tax your property taxes. People complain about property taxes because they have to write a check every year because they see that statement. When people say we really don't hear any complaints about income taxes because most people don't write a check for income taxes. If you had to write a check every year to pay your income taxes it would be an issue and a big issue. It is simply how this process works. Two reasons; we don't belong in property taxes and we have to find a way to get out of this. To completely get out of it I would favor to completely eliminate this program and put this dollar amount into something else for tax relief.

**Representative Lonny B. Winrich:** I think it is disingenuous to be involved in property taxes and we should get out of it simply because we don't collect the property taxes. We set all the rules for property taxes. We have in state law the dates of when various commissions and appeals boards meet. We have caps on various levies that political subdivisions can or cannot levy. This morning we heard a bill that could change the system by quite a bit. We are constantly tinkering with the rules of property taxes; we are deeply involved. Furthermore, we have no choice. The constitution gives us the responsibility over public schools and public education. It also gives the state the responsibility for political subdivisions. We need to be involved in property taxes. Should we choose to set policy in such a way we could also collect the property taxes centrally through the tax

commissioner. We have not chosen to take that step so we don't collect them. But to use that as a basis for saying the state should not be involved in property taxes I think is not correct. If we were truly going to get out of property taxes entirely all of those caps that are so dear to people who want to limit the ability of local subdivisions to levy property taxes would go away.

**Representative Dave Weiler:** You are correct; we are involved in a certain level. The level I am talking about is getting involved buying down the property taxes and paying the school districts money so that they lower their mills. Getting involved in property taxes to a point to where the state is actually paying for this, this part is a mistake.

**Representative Shirley Meyer:** Just for clarification, the extra monies in the bill draft, was that not to cover the unintended consequences when we drafted this piece of legislation in 2009 and not realizing at the time utility companies and things like that that were assessed differently and the impact that it had on the school districts. I'd like some clarification on that. It's not that we're kicking \$47 million more into this it was just to correct a consequence. I think that Mr. Walstad could comment on that. My question is this would eliminate the extra dollars?

**John Walstad:** The fix is on bottom of page 4 and top of page 5. The fix was for those kinds of properties that don't pay the garden variety property taxes. That fix is still here. Representative Weiler's amendment would not change that. The total cost from last session, the appropriation was \$295 million and about \$5 million had to be added to that to take care of those omitted kinds of property so it was about \$300 million total.

**Representative Shirley Meyer:** So Representative Weiler's amendment would not take away that fix?

**John Walstad:** Correct.

**Vice Chairman Craig Headland:** I believe that I've got the intent of my amendment. My intent was to give the property taxpayer the relief of the 12% valuation which we gave authority to and part of the big property tax bill. My amendment would give all 12% to them and Representative Kelsh's would only give ½ to them, is that correct?

**John Walstad:** Correct.

**Vice Chairman Craig Headland:** Then it would be safe to assume that the fiscal impact of mine would be \$3.2 million versus their \$1.6?

**John Walstad:** Rough numbers.

**Vice Chairman Craig Headland:** That being the case I believe this is the property tax relief bill that has nothing to do with school funding so if those property taxpayers that are below what we said was the cap and we gave them the ability to increase that by 12% I believe those property taxpayers within that district deserve that 12% relief. I'm going to **move my amendment.**

**Representative Bette Grande: Seconded.**

**Representative Steven L. Zaiser:** In making this change in terms of how this is interpreted were there any language changes made in the bill?

**Vice Chairman Craig Headland:** What it does is overstrike the '08 and replaces it with the prior taxable year and that is all the language change that was needed. The intent is to give that property taxpayer the relief that everybody else got at a higher levy and they just got beneath the cap. I think it's a fairness issue. If you were in one school district and were capped you were getting the full relief. If you were in the other school district that was below the cap you were not getting the full relief but your taxes can go up by 12% and I think that you should be able to recoup that as long as your underneath the limit.

**Representative Lonny B. Winrich:** Does this allow the school district to increase taxes by 12 ½%?

**Vice Chairman Craig Headland:** In the property tax relief bill we allowed school districts that are below the levy cap to increase by 12%. Prior to that school districts that were below a cap could've increased 17 or 18%. We reduced the amount of increase that school districts could take in that bill and this simply says if you were beneath the cap and you took the 12% because you needed it the property taxpayer should get that relief because all the other property taxpayers in other school districts that is at the cap is getting it.

**Representative Lonny B. Winrich:** And that relief is going to come from the state?

**Vice Chairman Craig Headland:** Correct.

**Representative Dave Weiler:** Is there not a fiscal note to this bill then or is there one that we don't know about?

(Inaudible)

**Chairman Wesley R. Belter:** No further discussion. **Voice vote taken: MOTION CARRIED.**

**Representative Dave Weiler:** I would like to move the Weiler amendment and moving the amount to \$300 million.

**Representative Bette Grande: Seconded.**

**Representative Scot Kelsh:** I'm going to oppose this amendment because we promised the voters that they would receive property tax relief and this is a 13 mill property tax increase.

**Chairman Wesley R. Belter:** I'm going to oppose your amendment. I wholeheartedly agree with what you said and the dilemma we've gotten ourselves into but I think that when we make this move we need to have a full proposal in order to get us out of this thing. With

this amendment it doesn't do it, it just freezes it. I think that the next legislature needs to deal with this and is probably something that should be studied during the interim.

**Representative Dave Weiler:** What I've heard so far from the two people who have spoken out to oppose this is that they wholeheartedly agree with me that we need to do something about this. This is a really tough decision to make. The voters will not like this but we are sent here to make tough decisions and if somebody wants to take this \$350 million and put it into foundation aid I would second that motion. We are sent here to make tough decisions. This is putting us further down a road that we cannot sustain and in two years you guys are going to come back here and you're going to say "Well its \$390 or 400 million now let's put it off two more years but let's do this." At some point we have got to make the tough decision and I think we have to do it today.

**Representative Steven L. Zaiser:** I'll be that third person that agrees with you but doesn't support your amendment. My feeling is that this should be a standalone bill rather than an amendment. I think this deserves a hearing. Granted there will be a lot of folks out here but I think you are correct and we have to stand up and make some of the tough decisions. But I think it should be in a bill where it's clearly indicated that this was the intent of the legislature and this is the bill and then vote up or down.

**Representative Dwight Wrangham:** As our retired US Senator once said "When you're in a hole stop digging."

**Representative Glen Froseth:** I just want to remind the committee that this is money that comes from the permanent oil and gas trust fund and is shared by the entire state.

**Chairman Wesley R. Belter:** No further discussion. **Voice vote on Weiler's amendment—MOTION FAILED.**

**Vice Chairman Craig Headland:** Something came to mind when I further looked at the bill, my amendment is going to increase the cost moving forward. Does the appropriation in section 7 have to be changed to make it fit?

**Chairman Wesley R. Belter:** Since we do not have a fiscal note on it I'd recommend we not change that until we get a fiscal note. This bill will have to go to appropriations and they can deal with it there.

**Vice Chairman Craig Headland:** That being said I will move a **DO PASS AS AMENDED AND RE-REFER TO APPROPRIATIONS.**

**Representative Patrick Hatlestad:** **Seconded.**

**A roll call vote was taken: YES 12 NO 1 ABSENT 1  
MOTION CARRIED—DO PASS AS AMENDED AND RE-REFERRED TO  
APPROPRIATIONS.**

**Chairman Wesley R. Belter will carry HB 1047.**

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
February 14, 2011  
#14524

Conference Committee

Committee Clerk Signature

*Mary Bricker*

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## Minutes:

*See attached amendments.*

**Vice Chairman Craig Headland:** Distributed amendment 11.0273.04005. Explained the amendment. The intent of the amendment is to allow a school district to have their property taxes based on their previous year's levy. When they have the ability to increase by that 12% the property taxpayer should be able to capture that relief. However, the way it was drafted last time after we looked at it then it didn't seem to imply that. Mr. Walstad has redrafted that same amendment and he is here to explain it now. **I move to reconsider the actions of how we passed out HB 1047.**

**Representative Mark S. Owens: Seconded.**

**Voice vote was taken—MOTION CARRIED TO RECONSIDER ACTION ON THE DO PASS.**

**Representative Lonny B. Winrich:** We had previously amended 1047 and we also need to reconsider the amendments also.

**Chairman Wesley R. Belter:** I think when we reconsider that strips all the old amendments off.

**John Walstad:** I would think so.

**Representative Lonny B. Winrich:** As I understand Representative Headland's motion was to reconsider our action whereby we passed 1047 with a do pass recommendation. **I move we reconsider out action whereby we amended HB 1047.**

**Representative Mark S. Owens: Seconded.**

**John Walstad, Legislative Counsel:** Explained amendments. Please refer to attached amendments.

**Representative Glen Froseth:** These will also then go back to the last biennium and pay them for those mills in retrospect?

**John Walstad:** No, it does not go back and dish out money from the first two years.

**Representative Glen Froseth:** I feel it is a misinterpretation of what this mill levy buy down program is, it's a property tax relief program and not a school funding program. I feel that school districts that were not levying 185 mills were already getting their property taxpayers a break in their property taxes compared to those districts that had the full complement of 185 mills. They weren't paying that property tax in the first place so I am going to oppose this amendment.

**Vice Chairman Craig Headland:** This doesn't even address that. What this does is address somebody who received only the property tax relief they were able to receive in 2008 but they had room to increase. We gave them that ability and we allowed each district that was capped to increase by 12% per year. All this new language does is allow the property taxpayer in those school districts to get the property tax relief on that 12% increase because they were below the cap. Am I correct in that, Mr. Walstad?

**John Walstad:** Good explanation.

**Chairman Wesley R. Belter:** In other words you won't get any additional property tax relief unless you have increased by the 12%?

**John Walstad:** You wouldn't have to go up 12%, that is the most you can do, or up to 110. But current law would not allow the state to match that increase with property tax relief and this would allow that state match for those increased levies.

**Chairman Wesley R. Belter:** So any school district levying under 185 with the way we've amended this bill would not be allowed to get any additional tax relief unless they increase their mill levy?

**John Walstad:** Yes, that is correct.

**Vice Chairman Craig Headland:** And they would only be eligible to receive up to the amount of the increase, so if they only went up 6% on their levy they will only get an additional 6% of relief.

**Chairman Wesley R. Belter:** And under current law, if we don't put this in they will never be able to get that.

**John Walstad:** They'd have to wait at least two years for more legislature.

**Chairman Wesley R. Belter:** They are capped at 2008 levels.

**John Walstad:** There's one thing to recognize with this. It talks about the previous taxable year that means there is a one year delay in the relief catching up with the levy. That is probably fair because if you don't do it that way and a district increases 6 mills the property taxpayers would pay none of that but the state would pay all six. With a one year delay at least it splits the cost with the taxpayers.

**Representative Patrick Hatlestad:** I'm confused. If I was levying 165 so now I'm down to 100 so I can add 10 more?

**John Walstad:** Yes. That would be under the 12% increase.

**Representative Patrick Hatlestad:** So add 10 more mills and that pushed me up to 175 so now I get 75 mills of relief?

**John Walstad:** No, you started at 165 and added 10 you're at 175 and you get 75 mills. Under the formula at 175 you get 75 mills buys you down to 100.

**Chairman Wesley R. Belter:** Now I'm confused. In order to get the full 75 mill buy down you have to be at 110 mills?

**John Walstad:** No. Current law if your levy is 185 to 175 in that window you get a 75 mill buy down and it puts you in a window of 100-110. If you're at 175 you get 75 mills, if you're less than 175 you get whatever it is that takes you down to 100.

**Chairman Wesley R. Belter:** Now I'm lost. In order to get the 75 mills you had to be at 185 mills or more?

**John Walstad:** No, 175 mills or more.

**Representative Glen Froseth:** I think what this will do is encourage every school district to raise their mills to the 100 level so they get the full 75 mill buy down. The taxpayers weren't paying that gap between 100 and whatever it was.

**Vice Chairman Craig Headland:** Does it also address any school through some kind of a windfall of property tax, whether it would be a wind farm or anything like that and they lower their levy? How does this language work for them now? They aren't capped at the 2008 year. Now when they lower their levy their property tax relief is going to be lowered, is it not?

**John Walstad:** Flip over to page 5 in the middle of the page. The grant to a school district can't be less than it was the previous year. That was built in the 2009 legislation and it hasn't really come into play yet but in this upcoming biennium we are going to see that situation. What this says if you have a million dollars last year you are going to get a million dollars next year regardless how much money you have from other sources.

**Vice Chairman Craig Headland:** I'd like to fix that too.

**John Walstad:** When I talked to Mr. Coleman I had him run a scenario with this language gone and he found quite a few school districts that had substantially less property tax relief in the upcoming year.

**Vice Chairman Craig Headland:** The point of this amendment was supposed to ensure that anybody who has had their property tax increased receives the benefit of a state buy down. I would like to see it work the opposite as well. I don't know if we have time to fix that as part of this amendment or not but I would certainly like to pursue that if it is possible. I don't want anybody getting tax relief that are not deserving of. When your levy goes down that means you're not paying the taxes so why should you be reimbursed by the state for it.

**Representative Shirley Meyer:** One of the circumstances in New Salem and Almont schools is they got caught right in the middle of this because they were in the middle of a consolidation. The way this came up and how they were with their mills it really hurt them. It cost their school a lot of money because they got caught in a special window. I think there are 10-15 school districts with the same thing and I thought your amendment was an attempt to help fix those schools. It was through no other circumstances other than the timing of when they got caught in a consolidation or it wouldn't have happened.

**Chairman Wesley R. Belter:** There are 57 schools that have been affected by this. We have two days. Representative Headland you can take a look at this.

**Vice Chairman Craig Headland:** This just shows how complicated and how this type of relief really isn't going to work.

**Chairman Wesley R. Belter:** No further discussion.

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
February 15, 2011  
#14547

Conference Committee

Committee Clerk Signature

*Mary Brueker*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

*See attached amendments and testimony #1.*

**Vice Chairman Craig Headland:** Distributed amendments 11.0273.04006. Please refer to attached amendments.

**John Walstad, Legislative Counsel:** Reviewed amendments.

**Representative Lonny B. Winrich:** On the upside if the school district is increasing taxes what this essentially allows them to do if they go up to the 110 levy, the current cap, is to actually get back to the equivalent of 185, the previous cap, is that correct?

**John Walstad:** Yes, that is correct. And to be able to get 75 mills of matching state funding.

**Representative Lonny B. Winrich:** What does it do on the downside? What if the school district reduces taxes what is the equivalent description of what is going on there?

**John Walstad:** For reductions in school district levies the state relief match will be reduced accordingly. If the districts mill rate is reduced from 110 to 70 the match will be based on a 70 mill levy of combined education mill rate which means the state relief will be that much smaller. Why a school district would reduce that rate that significantly, new valuation of taxable property or things like that.

**Representative Lonny B. Winrich:** Say the school district is at 100 mills because originally they were at 175 and got bought down to 100. Rather than going up they go down to 90 then they would get what?

**John Walstad:** Basically a 10 mill reduction in relief. To follow that a little bit into the future, a district that has reduced like that going forward would have authority to raise that levy 12% a year. With this amendment the state would match that as the district comes back up. This is not a luxury most districts have. Those districts that are at 110 their only option is to go to the voters.

**Vice Chairman Craig Headland:** The rationale is, if this is truly property tax relief, if new wealth has caused your levy to go down then you've gotten relief so why should the state continue to buy down your relief through the mechanism we have in place. That is the rationale and that is what it does.

**Representative Glen Froseth:** Will this change the appropriation as well? We have \$46,790,000 additional money appropriated to buy down the mills so will it change that number at all?

**John Walstad:** I did not address the number in the bill. From Mr. Coleman's run it does appear that appropriation could be reduced by almost \$2.6 million for the biennium. So we would end up almost \$2.6 million more than necessary with the appropriation amount that is in here now. That number could be reduced by that amount.

**Representative Patrick Hatlestad:** That to me seems a little strange because we are going to allow school districts to raise their mills and we're going to pay them for that yet the appropriation is going to be \$2 million less.

**John Walstad:** I don't think this run anticipates these districts will be taking those increases.

**Jerry Coleman, Department of Public Instruction:** The run doesn't deal with the valuations that were left out it is just for the valuations that we know so there might be 1 or 2% that aren't in these numbers. So the numbers aren't completely accurate but they are pretty close. The way this run is structured I sorted it on like a winners and losers so that last column so you can see the ones that will have their mill levy reduction grants go down over the current system. Langdon is number one on the top as they have a really strong tax base because of other revenue so they dropped their mill levy down to 60 mills so they are way below the 100. Their mill levy buy down rate is going to go down 40 mills for them. That would be a big shift in what they would have gotten. If the amendment is adopted they would see \$800,000 less in their mill levy reduction grant because they are levying so low due to local effort. The other ones on the other end which would be on the bottom end of the schedule those would be the ones that would gain. Those are the ones who had increased their mill levies somewhere between that 100-110 ranges so they would see the benefit of it. It is working both ways, if they are reducing their levies their grant goes down and if they increase their levies their grant goes up if they are below that 75 mill cap.

**Representative Glen Froseth:** There was a rule that schools had to levy a minimum of 140 mills and that was removed when we started this program, isn't that right?

**Jerry Coleman:** Yes there was a minimum and the way that worked is they were within the K-12 funding formula. If they didn't levy a minimum amount of levies there was a reduction in their state aid. That was repealed when the new K-12 formula came into play.

**Representative Glen Froseth:** How is it that Langdon has a 60 mill levy?

**Jerry Coleman:** I believe it is a wind farm. My understanding is that there is also a penalty in the K-12 formula for excess fund balances and so they needed to drop their levy to avoid having a reduction in their state aid. If they carry over more than 45% of their expenditures there is a dollar for dollar reduction in their state aid formula.

**Vice Chairman Craig Headland:** As we move forward they are going to be allowed a 12% increase per year and when they do that they will receive the difference of 12% in their grant, correct? So as their levy increases the state is going to pay that portion of the increase.

**Jerry Coleman:** That's how I understand it. As long as they are up to that 75 mills but if they are under that 75 mills if they increase their levies it is all based on the amount of mills they are levying and over 100 generates their grant up to 75.

**Vice Chairman Craig Headland:** But they would be in the same boat as every other school district that is beneath that cap that has the ability to increase their mills. Every school that is beneath the cap has the ability to increase by up to 12% per year, correct?

**Jerry Coleman:** Yes, in dollars the school districts can't increase more than 12% over the previous year.

**Vice Chairman Craig Headland:** As a matter of fairness they have the same opportunity as every other school district beneath the cap.

**Jerry Coleman:** That would be true.

**Representative Glen Froseth:** Is this an annual projection or biennial?

**Jerry Coleman:** It is a one year look. The left side of the schedule is the way it exists in law now and the right side of the schedule is how it would look with these amendments and it is the projection for next year.

**Representative Glen Froseth:** They will lose \$838,000 per year.

**Jerry Coleman:** They would see a reduction in their grant amount. So their grant would calculate to \$1.1 million under the existing system and under the amendment that would change to \$300,000.

**Representative Glen Froseth:** We can expect to get 29 nasty emails then.

**Representative Lonny B. Winrich:** If they did increase their mill levy for a few years at 12% or something they would try to get that grant back, do you know if the situation is likely

that they would end up with the ending fund balance penalty again because of the revenue from the wind farm?

**Jerry Coleman:** It depends on their situation. If they carry over too much they may be forced to...on one side if they reduce their mill levies they'll receive less in their mill levy reduction grant but if they reduce them too much they could receive less state aid because they bump into another limitation on the other end.

**Chairman Wesley R. Belter:** What is the ending fund balance penalty?

**Jerry Coleman:** There is a test and it looks at their ending fund balance, their general fund ending balance, and their general fund expenditures. It's 45% of the general fund expenditures plus \$20,000, that's the benchmark and anything you carry over in that ending fund balance, is subtracted from their state aid dollar for dollar.

**Representative Wayne Trottier:** I just happened to be at the Cavalier county commission meeting and from what I understood the county commissioner or the county was running in the red but this looks like the school district was surviving and doing well. Either the county is not being run very well or the school district is running very conservative and very well. It just seems like \$800,000 would be a tremendous hit on them. The county was really suffering with their budget.

**Chairman Wesley R. Belter:** They are not taking a hit from the standpoint that they get the revenue from the wind farm. Probably their revenues will not change because of the influx of wind farm revenues, is that correct Jerry?

**Jerry Coleman:** Yes, but the county should also have the advantage of the extra valuation too. I'm not sure of their situation up there.

**Vice Chairman Craig Headland:** If there are no other questions I am just going to go ahead and move the amendment.

**Representative Wayne Trottier:** One of the things I did when I drove by the wind towers in the wind farm I commented to the commissioners that they must be doing really well with their wind towers. On the other hand I heard stories that Langdon built a track equal to UND's facility so it was sort of confusing that most of the wind farm dollars were generated for the school fund. That wouldn't be the case because the county was suffering but the school was doing very good. It's an issue it seems we should be addressing by taking away the \$800,000 from one school district. Some others are \$500,000.

**Chairman Wesley R. Belter:** In looking at this amendment do you see any pitfalls that we as a tax committee should be looking at as we don't have all the experience of going through this in the education arena?

**Jerry Coleman:** If you leave it the same then there is some inequity too. You've heard some of the arguments on those where they would like to get up to that 75 mills and you also see others that are experiencing significant jumps in taxable valuation and they're getting a windfall on it. Not allowing it to float from year to year causes problems and

changing it also causes problems as the printout will show you. There is no ideal solution to make everybody happy.

**Representative Patrick Hatlestad:** This new bill will go into effect a year from now, is that correct? It starts in 2011? So Langdon is currently levying 60 mills and will get a check from the state for \$1.153 million and yet they are only levying 60 mills in 2010, is that correct? Under the current bill they won't lose any money, is that correct?

**Vice Chairman Craig Headland:** The way I understand it their grant is going to be reduced by \$838,000 and this will be for this year because this grant is based on your prior year's taxes.

**Jerry Coleman:** This projection is based on what their grants would be for the next school year so if you passed the amendment Langdon would receive \$300,000 but if you didn't make any changes it would \$1.1 million. It would be affected for the next school year because it always needs to look back one year to get its statistics. They wouldn't have an opportunity to make an adjustment in their mill levies for next year to affect their grant; it would take them at least one more year to do that. We are a year behind in our statistics.

**Representative Shirley Meyer:** The amendment is the right hand column, correct?

**Jerry Coleman:** Correct.

**Representative Shirley Meyer:** So what would happen to Langdon, they'd lose \$838,000 for the coming year?

**Jerry Coleman:** Their grant would be that much less.

**Representative Shirley Meyer:** So then the middle column they would get \$1.1 without the amendment on the bill?

**Jerry Coleman:** With no changes at all that is what their grant would look like.

**John Walstad:** In Landon's situation with the \$800,000 reduction would they have to increase their tax rate then to account for that revenue or is their tax revenue already in the stream that takes care of that? Do they lose money for their operating expenses in the year?

**Jerry Coleman:** The grant would certainly go down. They would know it was going to go down so they would have the ability within that 12% to get their levy back up. Whether or not that 12% is a restriction on them...because when they levy locally they are levying on their current year taxable valuation but their grant is going to lag one year behind.

**John Walstad:** Would that 12% help them stay even?

**Jerry Coleman:** I do not know that answer.

**Chairman Wesley R. Belter:** If it doesn't then their only alternative would be to go to a vote of the people to increase their mill rate?

**Jerry Coleman:** If they needed to do that, yes. The reason for the drop in their mill levy rate was to avoid a penalty on the other end so they have some carry over reserves they could rely on.

**Representative Steven L. Zaiser:** It just seems to me that Langdon is being penalized for generating renewable energy. It shouldn't be.

**Chairman Wesley R. Belter:** What are your wishes?

**Vice Chairman Craig Headland:** Made a motion to move the amendment.

**Representative Bette Grande:** Seconded.

**Representative Wayne Trottier:** By the vote of the people they could bring their taxes up to this level, is that right?

**Chairman Wesley R. Belter:** They can go above the 12%.

**Vice Chairman Craig Headland:** With that vote of the people if they are still below the cap the state is going to pick up the cost.

**Representative Steven L. Zaiser:** Would they end up with a too high of an ending fund balance if they were to levy additional taxes?

**Representative Patrick Hatlestad:** Can you tell me what size the check is that Langdon will get for 2010?

**Jerry Coleman:** Their revenue amount would be somewhere around the \$1.1 million. It would only be changes in property valuations that would affect the amount of their grant. Their current school year grant they are getting will be close to that \$1 million mark.

**Representative Patrick Hatlestad:** So their smaller grant would take place with the start of the next school year.

**Chairman Wesley R. Belter:** Voice vote taken to adopt amendments: **MOTION CARRIED.**

**Vice Chairman Craig Headland:** Made a motion for **DO PASS AS AMENDED AND REREFER TO APPROPRIATIONS.**

**Representative Bette Grande:** Seconded.

**A roll call vote was taken: YES 11 NO 3 ABSENT 0  
MOTION CARRIED---DO PASS AS AMENDED AND REREFER TO APPROPRIATIONS.**

**Vice Chairman Craig Headland will carry HB 1047.**

**FISCAL NOTE**  
 Requested by Legislative Council  
 04/21/2011

Amendment to: Engrossed  
 HB 1047

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$147,125,000)			
Expenditures			\$341,790,000			
Appropriations			\$341,790,000			

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

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).*

Engrossed HB 1047 with Conference Committee Amendments reduces individual, corporation, and financial institutions income tax rates and provides state funding to school districts for mill levy reduction grants.

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.*

Section 2 of the bill reduces the financial institutions tax rate from 7% to 6.5%. Only the state general fund share of the tax revenue is impacted by this change, resulting in a reduction in state general fund revenues of approximately \$2.125 million for the 2011-13 biennium.

Section 6 of the bill reduces all existing corporation income tax rates by 19.5%. This rate reduction is expected to result in a reduction in state general fund revenues of approximately \$25 million for the 2011-13 biennium.

Section 7 of the bill reduces all individual income tax rates by 17.9%. This is expected to reduce state general fund revenues approximately \$120 million in the 2011-13 biennium.

Section 13 provides a general fund appropriation of \$341.790 million to the superintendent of public instruction for grants to school districts under the mill levy reduction program. The Department of Public Instruction concurs that this appropriation is adequate to make the required grants to school districts. Expenditures will increase by this amount.

Section 14 transfers \$295 million from the property tax sustainability fund to the general fund on July 1, 2011. This transfer is not reflected in the state general fund revenues shown above.

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.*

There is an appropriation of \$341.790 million to the Department of Public Instruction.

<b>Name:</b>	Kathryn L. Strombeck	<b>Agency:</b>	Office of Tax Commissioner
<b>Phone Number:</b>	328-3402	<b>Date Prepared:</b>	04/21/2011

YR  
2/7/11

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

Page 4, line 27, overstrike "for taxable year 2008"

Page 4, line 30, remove "For purposes of this section, "taxable valuation" means the valuation to which the mill"

Page 4, remove line 31

Page 5, remove lines 1 through 15

Page 5, line 16, remove "4."

Page 5, line 16, overstrike "The grant to a qualifying school district may not be less than the grant to that school"

Page 5, overstrike line 17 and insert immediately thereafter "For purposes of this section, "taxable valuation" means the valuation to which the mill rate is applied to determine the amount of ad valorem taxes or payments in lieu of taxes, and includes taxable valuation determined for agricultural, residential, and commercial property; gas company property, pipeline property, power company property, and railroad property assessed by the state board of equalization under chapter 57-06; mobile homes under chapter 57-55; land controlled by the game and fish department subject to valuation under chapter 57-02.1; land owned by the board of university and school lands or the state treasurer subject to valuation under chapter 57-02.3; national guard land subject to valuation under chapter 37-07.3; farmland or ranchland owned by nonprofit organizations for conservation purposes subject to valuation under section 10-06.1-10; land acquired by the state water commission for the Devils Lake project subject to valuation under chapter 61-02; a workforce safety and insurance building and associated real property subject to valuation under section 65-02-32; and carbon dioxide pipeline property subject to valuation under section 57-06-17.2. For purposes of this section, "taxable valuation" includes the taxable valuation of the homestead credit reimbursed by the state under section 57-02-08.2 and the disabled veterans' credit reimbursed by the state under section 57-02-08.8."

Page 5, line 18, remove the overstrike over "4."

Page 5, line 18, remove "5."

Page 5, line 21, remove the overstrike over "5."

Page 5, line 21, remove "6."

Page 5, line 25, remove the overstrike over "6."

Page 5, line 25, remove "7."

Page 5, line 27, remove the overstrike over "7."

Page 5, line 27, remove "8."

Renumber accordingly

Date: 2-7-11  
Roll Call Vote # 1

# 4002

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
(.4002)  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep. Headland Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

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

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

VOICE VOTE  
AYE MAY  
MOTION CARRIES

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

- Page 3, line 1, replace "ten" with "twenty-one and one-half"
- Page 4, line 26, after "hundred" insert "eleven and one-half"
- Page 4, line 27, after "for" insert "the previous"
- Page 4, line 27, overstrike "2008"
- Page 4, line 29, overstrike "seventy-five" and insert immediately thereafter "sixty-three and one-half"
- Page 5, line 16, remove "4."
- Page 5, line 16, overstrike "The grant to a qualifying school district may not be less than the grant to that school"
- Page 5, overstrike line 17
- Page 5, line 18, remove the overstrike over "4."
- Page 5, line 18, remove "5."
- Page 5, line 21, remove the overstrike over "5."
- Page 5, line 21, remove "6."
- Page 5, line 25, remove the overstrike over "6."
- Page 5, line 25, remove "7."
- Page 5, line 27, remove the overstrike over "7."
- Page 5, line 27, remove "8."
- Page 6, line 6, overstrike "ten" and insert immediately thereafter "twenty-one and one-half"
- Page 6, line 9, overstrike "ten" and insert immediately thereafter "twenty-one and one-half"
- Page 6, line 20, overstrike "one hundred ten mills" and insert immediately thereafter "the mill rate limitation that would otherwise apply under subsection 1"
- Page 7, line 14, replace "\$341,790,000" with "\$300,000,000"
- Page 7, line 22, replace "\$46,790,000" with "\$5,000,000"
- Page 7, line 26, replace "\$341,790,000" with "\$300,000,000"
- Renumber accordingly

Date: 2-7-11  
Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider  
4004

Motion Made By Rep. Weiler Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streytle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

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

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

VOICE VOTE

MOTION FAILED

Date: 2-7-11  
Roll Call Vote # 3

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep. Headland Seconded By Rep. Hatlestad

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	✓		Scot Kelsh	✓	
Vice Chair. Craig Headland	✓		Shirley Meyer	✓	
Glen Froseth	✓		Lonny B. Winrich	✓	
Bette Grande	✓		Steven L. Zaiser	AB	
Patrick Hatlestad	✓				
Mark S. Owens	✓				
Roscoe Streyle	✓				
Wayne Trottier	✓				
Dave Weiler		✓			
Dwight Wrangham	✓				

Total (Yes) 12 No 1

Absent 1

Floor Assignment Rep. Belter

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

Date: 2-14-11  
Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment

Rerefer to Appropriations  Reconsider

Motion Made By Rep. Headland Seconded By Rep. Owens

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

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

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

VOICE VOTE

MOTION CARRIED

Date: 2-14-11  
Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider *previous amendments + motion*

Motion Made By Rep. Winrich Seconded By Rep. Owens

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

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

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

VOICE VOTE

MOTION CARRIED.

VK  
2/15/11  
1082

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

- Page 4, line 27, after the first "the" insert "previous year"
- Page 4, line 27, overstrike "for taxable year 2008" and insert immediately thereafter "plus the previous year number of mills of property tax relief under this chapter"
- Page 4, line 30, remove "For purposes of this section, "taxable valuation" means the valuation to which the mill"
- Page 4, remove line 31
- Page 5, remove lines 1 through 15
- Page 5, line 16, remove "4."
- Page 5, line 16, overstrike "The grant to a qualifying school district may not be less than the grant to that school"
- Page 5, line 17, overstrike "district in the preceding school year." and insert immediately thereafter "For purposes of this section, "taxable valuation" means the valuation to which the mill rate is applied to determine the amount of ad valorem taxes or payments in lieu of taxes, and includes taxable valuation determined for agricultural, residential, and commercial property; gas company property, pipeline property, power company property, and railroad property assessed by the state board of equalization under chapter 57-06; mobile homes under chapter 57-55; land controlled by the game and fish department subject to valuation under chapter 57-02.1; land owned by the board of university and school lands or the state treasurer subject to valuation under chapter 57-02.3; national guard land subject to valuation under chapter 37-07.3; farmland or ranchland owned by nonprofit organizations for conservation purposes subject to valuation under section 10-06.1-10; land acquired by the state water commission for the Devils Lake project subject to valuation under chapter 61-02; a workforce safety and insurance building and associated real property subject to valuation under section 65-02-32; and carbon dioxide pipeline property subject to valuation under section 57-06-17.2. For purposes of this section, "taxable valuation" includes the taxable valuation of the homestead credit reimbursed by the state under section 57-02-08.2 and the disabled veterans' credit reimbursed by the state under section 57-02-08.8."
- Page 5, line 18, remove the overstrike over "4."
- Page 5, line 18, remove "5."
- Page 5, line 21, remove the overstrike over "5."
- Page 5, line 21, remove "6."
- Page 5, line 25, remove the overstrike over "6."
- Page 5, line 25, remove "7."
- Page 5, line 27, remove the overstrike over "7."
- Page 5, line 27, remove "8."

Renumber accordingly

2 of 2

Date: 2-15-11  
Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
11.0273.04006  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep. Headland Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

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

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

VOICE VOTE:

MOTION CARRIED.

Date: 2-15-11  
Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

House Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep. Headland Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	✓		Scot Kelsh	✓	
Vice Chair. Craig Headland	✓		Shirley Meyer	✓	
Glen Froseth	✓		Lonny B. Winrich	✓	
Bette Grande	✓		Steven L. Zaiser		✓
Patrick Hatlestad	✓				
Mark S. Owens	✓				
Roscoe Streyle	✓				
Wayne Trottier	✓				
Dave Weiler		✓			
Dwight Wrangham		✓			

Total (Yes) 11 No 3

Absent ∅

Floor Assignment Rep. Headland

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

**REPORT OF STANDING COMMITTEE**

**HB 1047: Finance and Taxation Committee (Rep. Belter, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING). HB 1047 was placed on the Sixth order on the calendar.

Page 4, line 27, overstrike "for taxable year 2008"

Page 4, line 30, remove "For purposes of this section, "taxable valuation" means the valuation to which the mill"

Page 4, remove line 31

Page 5, remove lines 1 through 15

Page 5, line 16, remove "4."

Page 5, line 16, overstrike "The grant to a qualifying school district may not be less than the grant to that school"

Page 5, overstrike line 17 and insert immediately thereafter "For purposes of this section, "taxable valuation" means the valuation to which the mill rate is applied to determine the amount of ad valorem taxes or payments in lieu of taxes, and includes taxable valuation determined for agricultural, residential, and commercial property; gas company property, pipeline property, power company property, and railroad property assessed by the state board of equalization under chapter 57-06; mobile homes under chapter 57-55; land controlled by the game and fish department subject to valuation under chapter 57-02.1; land owned by the board of university and school lands or the state treasurer subject to valuation under chapter 57-02.3; national guard land subject to valuation under chapter 37-07.3; farmland or ranchland owned by nonprofit organizations for conservation purposes subject to valuation under section 10-06.1-10; land acquired by the state water commission for the Devils Lake project subject to valuation under chapter 61-02; a workforce safety and insurance building and associated real property subject to valuation under section 65-02-32; and carbon dioxide pipeline property subject to valuation under section 57-06-17.2. For purposes of this section, "taxable valuation" includes the taxable valuation of the homestead credit reimbursed by the state under section 57-02-08.2 and the disabled veterans' credit reimbursed by the state under section 57-02-08.8."

Page 5, line 18, remove the overstrike over "4."

Page 5, line 18, remove "5."

Page 5, line 21, remove the overstrike over "5."

Page 5, line 21, remove "6."

Page 5, line 25, remove the overstrike over "6."

Page 5, line 25, remove "7."

Page 5, line 27, remove the overstrike over "7."

Page 5, line 27, remove "8."

Re-number accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1047: Finance and Taxation Committee (Rep. Belter, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1047 was placed on the Sixth order on the calendar.

Page 4, line 27, after the first "the" insert "previous year"

Page 4, line 27, overstrike "for taxable year 2008" and insert immediately thereafter "plus the previous year number of mills of property tax relief under this chapter"

Page 4, line 30, remove "For purposes of this section, "taxable valuation" means the valuation to which the mill"

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Page 5, line 18, remove the overstrike over "4."

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Page 5, line 25, remove "7."

Page 5, line 27, remove the overstrike over "7."

Page 5, line 27, remove "8."

Re-number accordingly

2011 SENATE FINANCE AND TAXATION

HB 1047

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Finance and Taxation Committee  
Lewis and Clark Room, State Capitol

HB 1047  
3/16/2011  
Job Number 15504

Conference Committee

A. Bittmiller

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

Relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies to school districts

## Minutes:

Written Testimony Attached

**Chairman Cook** opened the hearing on HB 1047.

**John Walstad, Legislative Council** introduced the bill with an explanation of its content.

**Pat Feist, Enderlin Area School** – (See attached testimony A in support of HB 1047)

**Chairman Cook** – So you were at 166 mills when we passed this?

**Pat Feist, Enderlin Area School** – That's correct.

**Chairman Cook** – You got 66 mills of property tax reduction and that took you to 100?

**Pat Feist, Enderlin Area School** – Yes.

**Chairman Cook** – Now you are up to 110 but are still limited to 66 mills of mill levy reduction?

**Pat Feist, Enderlin Area School** – This school term that is correct.

**Chairman Cook** – And with the amendments that the House put on you'll get an extra 10 mills of property tax reduction.

**Pat Feist, Enderlin Area School** – Right. In effect we were not allowed to levy 185 mills this past year because we didn't get the entire tax relief.

**Mitch Carlson, LaMoure School District** – We do support tax relief for the citizens of North Dakota. We also support the current amendments that were made specifically in section 3 within subsection 2b. For the past 2 years the LaMoure School has been levying up to or near the maximum of 110 mills. Coupled with the 58 mill levy reduction that we get

from the state, the LaMoure School District has been capped or maxed out at 168 mills for the past 2 years. Preceding the mill levy reduction enactment all schools had a maximum mill levy of 185 mills to operate. Since that time the mill levy maximum varies from school to school across the state. We are one of many schools that have been caught in what I believe is sort of unintended circumstances. Our belief is that is not equitable to have a different mill levy cap for varying schools across the state of North Dakota. While our mill levy was below 175 in 2008 the situation for our school district has changed like many other schools across the state and it will continue to change in the future. With the change made on page 4 section 3 this amendment does allow schools to have the ability to eventually operate at a maximum of 185 mills if the school boards so desire. The current law as it stand now has changed so school districts have a maximum operating mill levy ranging from 165-185 mills across the state. The LaMoure School District does support the amendment made in HB 1047 which is located on page 4 lines 25-29.

**Chairman Cook** – You would effectively be able to raise your mill rate by 17 mills and 100% of that would be picked up by the state?

**Mitch Carlson, LaMoure School District** – Yes

**Senator Triplett** – On page 5 at the top of the page, the first 2 lines, I think I heard you say you would like us to put that language back in, is that what you said?

**Mitch Carlson, LaMoure School District** – That is my contention. I think that would solve a lot of problems if that line was put back in.

**Senator Dotzenrod** – It seems to me that under the provisions of this bill that if we adopted it as it is that your school district would be able to get more by raising the mills you have and have 100% of that increase covered by the property tax reduction then 100% of that increase would be covered by the state. Is that correct?

**Mitch Carlson, LaMoure School District** – Yes

**Senator Dotzenrod** – Would the property tax relief to the local patrons come in a following year? If you raised your mill levy up to 109 or 110 and then the state provides property tax relief you've still got the local patrons paying at least what they were before the state provided the increase.

**Mitch Carlson, LaMoure School District** – That would be for this school year but when we set our levy we usually set our levy in July so knowing what's coming we would be able to adjust our mill levy factor.

**Senator Dotzenrod** – Then in the year following when the state looked at your situation again and saw that you were no longer at 110 then your grant would be smaller from the state, is that correct?

**Mitch Carlson, LaMoure School District** – Not if you are between 100-110. The way this is written if you are below 100 mills, yes you would get less money from the state, but if you

reenact page 5 lines 1 and 2 then the amount stays constant, your basically frozen if you are below the 100 mills.

**Marlyn Vatne, Ray Public School** - (See attached testimony B in support of HB 1047)

**Vice Chairman Miller** – How many mills were you levying before the buy down?

**Marlyn Vatne, Ray Public School** - 172.8

**Senator Triplett** – What I think I hear you saying is you would like us to remove the 12%.

**Marlyn Vatne, Ray Public School** – We can do it several ways. One way would be to, if you have a certain amount of increase or impact in your district, put on a trigger that would trigger it in. I don't know that we ask that it become unlimited because I think that's not realistic either. I would say an increase to maybe 18% or something.

**Senator Dotzenrod** – The state did at one time have 18% didn't it?

**Marlyn Vatne, Ray Public School** – Yes, this has changed throughout the years in legislative sessions, that number has floated.

**Senator Dotzenrod** – If you get the valuation increases that by its self brings extra money without any percentage adjustment. For most schools they would be pretty happy to see a valuation increase that means more money so they've got more dollars without doing anything. The 12% becomes a problem because it's in the total dollar amount.

**Marlyn Vatne, Ray Public School** –Correct, we are always operating basically a year behind.

**Nathan Green, Own Behalf** – I just want to stand here today in support of HB 1047. Property tax relief is good for our citizens and I would encourage you to support this bill.

**Bill Shalhoob, North Dakota Chamber of Commerce** – We encourage your work on this bill.

**Brandt Dick, Hazelton-Moffit-Braddock School** – We went in to 2008 with 160 mills, we got 60 mills back at that time we had 144 students, and next year we are looking at 97 students so we have a great decrease. With the way the formula is for foundation aid we are looking at a great decrease in amount of money from the state. Also we are going to be hit with high property valuation per student so we are going to get deducted that way. With the amendment that was passed in the House, we had a board meeting last night and were able to not have to go through a reduction in force, we could keep our teachers because of the way the bill was put into place because we have the opportunity to get those mills back. We are in full support of the way the bill is now with the amendment that is put in to place.

**Sandy Clark, North Dakota Farm Bureau** was unable to attend but submitted written testimony. (Attachment C)

**Chairman Cook** asked for testimony opposed to HB 1047.

**Jason Kersten, Bottineau School** - (See attached testimony D opposed to HB 1047)

**Senator Hogue** – Couple questions, can you tell us how much do you have in your building fund and some of your other funds that aren't used for ongoing operations?

**Jason Kersten, Bottineau School** – We have a building fund that is at approximately 8 mills at this time and a technology fund.

**Senator Hogue** – How much money is in those accounts?

**Jason Kersten, Bottineau School** – Approximately \$50 some thousand in the technology that we levy for and approximately \$180,000 in the building.

**Senator Hogue** - \$180,000 that is all that is in the fund?

**Jason Kersten, Bottineau School** – Yes

**Senator Hogue** – Isn't that fund accumulating or are you spending that money?

**Jason Kersten, Bottineau School** – We are spending that on building projects or summer projects and that type of thing.

**Brian Nelson, Lewis and Clark School District** – I am opposed to part of this bill based I believe on a House amendment. Lewis and Clark is a reorganized school district of Berthold, North Shore, and Plaza. We stand to lose \$96,000 if this goes through. The only way to get that back is to raise property taxes. We do appreciate that we've got \$805,000 from the state in terms of property tax relief. I want to talk about dollars. We are so hung up on what everyone's mill levies and things are but let's talk about actual dollars of what school districts levy. Back in 2003-04 the Lewis and Clark School District had a levy of \$1,232,031.20 as of this year our mill levy is \$1,229,338.40. It is almost \$2,600 less, and the reason why it's less is because I believe we are reorganized, we do things efficiently; we also have the \$805,000 from the state. Without that it's a lot higher. I think North Dakota is in a slippery slope here I believe.

**Chairman Cook** – So your deal is with the amendments put on by the House?

**Brian Nelson, Lewis and Clark School District** – Yes

**Senator Dotzenrod** – You gave us numbers that were basically dollars and the dollars are significant and important but it doesn't really tell us, there are a lot of things that happen in a school district that we don't know about like enrollments could double, or half. The valuation could double or it could be half. There are a lot of other things that could change in a school district that will result in dollars going up or down which have an explanation that actually makes sense because of whatever. I am curious, has there been something in your district, have there been large increases in valuations or enrollments, and also what is the mill levy?

**Brian Nelson, Lewis and Clark School District** – According to the print out here it was 178.74 was the mill levy. What's been going on is our taxable valuation has increased substantially and it's going to continue.

**Senator Dotzenrod** – When the bill was passed, at our first shot at this 2 years ago the whole idea was that schools generally are going to get their money to operate through 2 sources, state foundation aid and they are going to have some local property contributions. This effort in this was not to affect that. This effort was to try to find a way to give people who own property some reduction in the taxes they pay. You could have done it through county mill levies or some other reductions, could have been a percentage of the total bill you pay, but we chose to look at delivering that tax relief through the mills that are paid to the school. So the whole idea was to hold the school neutral. That is this bill should not raise or reduce the amount of money that was available to any school, they should be kept the same. Does it appear to you that by adopting the changes in this bill, which you seem to be quite critical of, that if we adopted this as it came to us from the House that essentially would have created a state program of incentives to encourage schools to do whatever they can to spend more money? To raise their spending and to get their budgets raised as high as they can because the state is going to be providing all of that extra revenue at no cost to the school.

**Brian Nelson, Lewis and Clark School District** – In a nut shell, yes and I'll say the other thing that affected us this year was, we closed a school in our reorganization. Ryder school closed and they all go to Plaza now. I also want to tell you that in terms of cost for education we rank 100<sup>th</sup> out of 151 as far as cheapest.

**Vice Chairman Miller** – I think the challenge here and why this bill's a force is because we've locked in at 2008 so everyone's valuations have been going up. How do we address that in some way that's equitable?

**Brian Nelson, Lewis and Clark School District** – You are going to have to hold the line on these taxes. You may have to cap it, I don't know.

**Senator Dotzenrod** – There was a suggestion earlier that we restore to the bill the language that said no school would receive less than they did in the prior year. If that were done would that solve the problem that you've got in your district?

**Brian Nelson, Lewis and Clark School District** – Yes, we didn't receive anything less.

**Senator Dotzenrod** – If that were done would that be something you would support?

**Brian Nelson, Lewis and Clark School District** – It would fix it, but we want to be treated good too. We don't want to be left behind if you will. Our taxpayers don't want to be left behind either. We want as much tax rebates as everyone else gets.

**Rich Rogers, Langdon Area School District** – (See attached testimony E opposed to HB 1047)

**Brad Rinas, Washburn School District** – (See attached testimony F opposed to HB 1047)

**Senator Dotzenrod** – It does appear to me that when the legislature did offer the property tax reduction 2 years ago that the general impression that most schools had is that they were quite happy to have those reductions and that they only began to see some problems and criticism when they found out what their neighboring school districts got.

**Brad Rinas, Washburn School District** – I can agree with the portion where you said schools were generally happy. In all honesty I didn't check what our neighboring school districts were receiving.

**Jim Blomberg, Max School District** – I'm not totally against the bill but against the one line that refers to the prior year funding. The Max School District is a school district that started this mill levy reduction grant business. We had 178 mills that we were levying. We took full advantage, we got the 75 mills that we were promised, we told our people it was coming, it did come, they were happy, life was good. We tried then to sandwich ourselves between that 100 and 110 mills which we did until 2009. In the fall of 2009 we benefitted from having about 47 wind towers in our school district. We knew it was going to have a significant impact on our taxable valuation. When we levied our taxes in October like many districts we didn't know exactly what our taxable valuation was going to be. At the board level we had discussions about this matter and we too are trying to be as efficient as possible, tax as little as we can, and we ended up levying 81.8 mills. We thought we were going to be a little more than that. Our district will lose \$92,000 we can regain about half of that using the 12% funding increase that's allowable. In all likelihood we are going to need to do that.

**Senator Triplett** – Would your fix be to increase the 12% limitation or to maintain a dollar amount from previous years? What is your idea of how we should fix this?

**Jim Blomberg, Max School District** – I think perhaps maybe in that line where it says the grant the qualifying school district may not be less than the grant to the school the preceding year. I'd like to see that stay where it is for now but I think that might need some tinkering, maybe a percentage in there or something like that. The long and short of it is if it continues that way we are kind of forcing school districts to get in that sweet spot 100-110.

**Senator Dotzenrod** – The problem in your school district is the wind towers so the valuations of your district went up. So you had more revenue because of that. Because of that there was a penalty of reduction of state support through this property tax measure. If we were to hold the amount you received to be no less than the years prior you essentially would be getting extra revenues from the wind towers and have the same dollars of property tax relief so you would essentially be in a pretty good position.

**Jim Blomberg, Max School District** – There is no question that is positive, tax wise for us. Maybe our bigger challenge is, we need to explain that, are we going to get in that sweet spot so to speak 100-110 or do we give up some state money and go down. I understand what you are saying. For now our intent would be that we need to fix the loss and then find where we can level out at in terms of dollars we need.

**Mike Lautenschlager, President of the Lewis and Clark School Board** – I'm kind of in the middle. I support what you are doing but I don't agree with certain parts of this bill. The mill levy cap Mr. Nelson pointed out; the mills don't necessarily say that we are not asking for more dollars or the same amount. Our taxable valuations are going to go through the roof. We have farm land turning into commercial land quarters at a time. My point is in all of this is, like Mr. Nelson said, don't make me the bad guy by having to make up locally.

**Chairman Cook** asked for neutral testimony for HB 1047. No one came forward.

**Chairman Cook** closed the hearing on HB 1047.

# 2011 SENATE STANDING COMMITTEE MINUTES

## Senate Finance and Taxation Committee Lewis and Clark Room, State Capitol

HB 1047  
3/16/2011  
Job Number 15528

Conference Committee

A. R. Miller

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

Relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies to school districts

### Minutes:

Committee Work

**Chairman Cook** opened discussion on HB 1047.

**Chairman Cook** – This bill starts out by amending chapter 57-15-01.1 which is one of the tools, one of the means that a school district can use to build their budget, is that correct?

**Marcy Dickerson, Tax Department** – It doesn't affect building their budget but it does affect calculating what their maximum mill levy is.

**Chairman Cook** – This is an election the school district can take, they don't have to do this, they could just say no thank you we aren't going to take the mill levy reductions, we are going to stay at 185 mill cap.

**Marcy Dickerson, Tax Department** – Yes, they can do that but that's not because of this.

**Chairman Cook** – There is another way they could put their budgets together and deal with the mill levy caps also right?

**Marcy Dickerson, Tax Department** – I'll hand out this mill levy worksheet (attachment G).

**Marcy Dickerson** discussed the worksheet.

**Chairman Cook** – Would there be a financial advantage for a school district because of their unique circumstances to back away from being able to take the mill levy deduction, use calculation one for one budget year, get the mill levy up, and then come back and use calculation 2 to obtain a higher property tax reduction?

**Marcy Dickerson, Tax Department** – That might be possible but the taxpayers in a school district that do that would have a fit that they didn't get their property tax reduced.

**Vice Chairman Miller** – If a school district elects to not take the tax buy down or if for some reason we just didn't give it this year, what happens?

**Marcy Dickerson, Tax Department** – I guess they just go ahead and levy what they can otherwise levy and don't worry about the 110 mills. They are still limited to the 185 or 12% increase unless they have a mill levy that has been approved by the voters.

**Vice Chairman Miller** – I think some people seem to think that if we weren't getting this that they would be somehow stuck at the 110 or 100 mill levy or something like that.

**Marcy Dickerson, Tax Department** – The 12% increase is based on the taxes levied last year which will lower because of the mill levy reduction. In calculation two you can go back to the highest of the last three years. Only a couple of school districts have last year as their highest year of levying and they had to meet circumstances. Most everybody levied higher in the 2 or 3 years because of the mill levy reduction.

**Jerry Coleman, Department of Public Instruction** – This morning listening to testimony there were lots of questions, we increase our mills, where is that coming out of, my impression on that was that if you increase your mills, you get one and then you'll get another and your mill levy reduction grant and if you go the other way it will go down one and your mill levy reduction grant will also go down one. Well it turns out that is not the way that that works. It's not working at all as we had envisioned it. In order to prove this out I come up with an example. (Attachment H)

**Jerry Coleman** went on to explain the example sheet.

**Senator Triplett** – Is there anyone for whom the House amendments do work? If you were exactly at 100 and stayed exactly at 100 forever would it work then?

**Jerry Coleman, Department of Public Instruction** – If you didn't change anything it works just fine. Those that are capped I think it would work for; there is just no change for them.

**Vice Chairman Miller** – What happens if you have a 5 year average?

**Jerry Coleman, Department of Public Instruction** – If we did a 5 year average it would react the same it would just be a little more compressed.

**Chairman Cook** – One of our biggest challenges that we have here is we sit here with 2 bills that affect school districts. One is a property tax reduction bill and one is an educational funding bill and we seem to be getting funding issues in this committee and maybe some property tax issues in that committee, you work with both committees now, are any of these issues that surfaced here this morning being addressed in the funding bill?

**Jerry Coleman, Department of Public Instruction** – No, not to my knowledge.

**Marcy Dickerson, Tax Department** – One more thing, we have been looking in conjunction with Jerry at some really big valuation increases in oil country school districts and that might make a difference in the amount of money required to fund this, of course any changes you might make to the bill might make a difference too. Another issue is we are anticipating about an 18% increase in agricultural values for 2012. When I ran that just by itself not with any of the oil country business, just that ag increase, anticipating 18% increase in 2012 and then dropping back to about a 7% increase in 2013 apparently would increase the money needed to fund this by about 3% so it's something that any changes you make you may have to consider recalculating the cost.

**Chairman Cook** – These ag increases are not the same across the state are they?

**Marcy Dickerson, Tax Department** – The part that is based on production would definitely be different depending on the location and the soils and what have you but the cap rate alone is going to bring in about an 18% increase because you are dropping back to the regular formula cap rate instead of the artificial floor.

**Chairman Cook** – The cap rate will be the same for every county.

**Marcy Dickerson, Tax Department** – That is correct and that portion of the change would be the same but there will be other changes county by county too, there always are.

**Chairman Cook** closed discussion on HB 1047.

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Finance and Taxation Committee  
Lewis and Clark Room, State Capitol

HB 1047  
3/28/2011  
Job Number 16077

Conference Committee

A. R. Miller

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

Relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies to school districts

## Minutes:

Committee Work

**Chairman Cook** opened discussion on HB 1047.

**John Walstad, Legislative Council** gave an explanation of the bill with the House amendments.

**Senator Triplett** – Are the issues of oil country and the oil boom in western North Dakota being taken in to consideration in the education funding bill adequately?

**Bev Nelson, School Board Association** – Just this morning the House Education Committee did adopt 2 amendments to SB 2150, one addressing property relief and allowing for districts whose valuations increase by more than 20% allowing them to increase their spending by the 18% which was the old number rather than the 12%, giving them the benefits of the extra 6%. Then for the rapid growth in those districts, for those who increase enrollment by more than 3% over the previous fall if it's 25 student or more would get an additional 30% of aid foundation payment for each of those students. If it was 7% it would go a 70% additional payment, if it was 13% it would go to 100%. Those are grant based not formula based.

**Chairman Cook** talked a little bit about the buy down chart, attachment I.

**Senator Dotzenrod** – I have a question on the amendment that says it can't exceed the percentage growth statewide in taxable valuation. I was thinking of the situation we had when we the bill was heard here. Some of these schools have a pipeline or a wind farm and they will get growth in their taxable valuation with no more students. In that case you would expect that the mill levy if they add 25% in valuation to their district, you would expect that the mill levy would drop. Under the provisions of this then it looks like they would take 75 mills times their new valuation and that would show a pretty big increase. They can't get that but they are limited to 7% or some number. Instead of having a decrease in the grant because their valuation went up they are actually going to get an

increase if I understand this right and I don't know if that is what we would normally intend. It does seem they are sort of getting a payment extra by having extra valuation and then getting a state grant to go with that so it's fairly good reward for a district to have a valuation increase with no additional students.

**Senator Burckhard** – We had many that were opposed to this bill originally would this soften it?

**Chairman Cook** – There is always winners and losers, I'm sorry. There are some that are opposed to this bill that wanted us to fix something that we aren't addressing. Those are the ones that didn't get the full 75 mill buy down and another school district did and they think they should. Our most difficult challenge is separating property tax relief from educational funding.

**Senator Dotzenrod** – I think the part that is pretty legitimate on the part of some of these schools is that the purpose of this property tax buy down was to leave those schools neutral, that is they wouldn't need any money, they wouldn't use any money and I think that one thing we did to some of these schools is before we passed this they had this 185 mill levy upper limit and now that we've passed this some schools don't have 185 mills upper limit. They have 160 or 165 or some smaller number. The problem with the bill that came over from the House is that any additional money that the schools could get would be 100% paid for by the state so it would make sense then, we've just created sort of, any time you offer people extra dollars and they don't have to do anything except ask, you'd think that they are going to be asking. I think we had to do something about that. I still think those schools that were left in sort of a situation where they don't have the grant working for them as much as their neighbor so now they have a situation where those mills, they are feeling that pressure to do something about it but they don't have available what they had available before we passed this.

**Chairman Cook** closed discussion on HB 1047.

**Chairman Cook** reopened discussion on HB 1047.

**Vice Chairman Miller** – I'll move the amendments .6003.

Seconded by **Senator Triplett**.

**Chairman Cook** – All in favor say yea. Opposed? (7-0-0)

**Vice Chairman Miller** – I'll move a Do Pass as Amended and rerefer to Appropriations.

Seconded by **Senator Triplett**.

**Chairman Cook** – Ask the clerk to take the roll. (7-0-0)

Carried by **Chairman Cook**.

March 28, 2011

*JB*  
3-29-11

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

Page 4, line 27, remove "previous year"

Page 4, line 27, remove the overstrike over "~~for taxable~~"

Page 4, line 28, remove the overstrike over "~~year 2008~~"

Page 4, line 28, remove "plus the previous year number of mills of property tax relief under this"

Page 4, line 29, remove "chapter"

Page 5, line 1, remove the overstrike over "~~The grant to a qualifying school district may not be less than the grant to that school~~"

Page 5, line 2, remove the overstrike over "~~district in the preceding school year.~~" and insert immediately thereafter:

"4. The grant to a qualifying school district may not exceed the grant to that school district in the preceding school year by a percentage that is more than the percentage increase in statewide taxable valuation from the previous taxable year to the current taxable year.

5."

Page 5, line 20, overstrike "4." and insert immediately thereafter "6."

Page 5, line 23, overstrike "5." and insert immediately thereafter "7."

Page 5, line 27, overstrike "6." and insert immediately thereafter "8."

Page 5, line 29, overstrike "7." and insert immediately thereafter "9."

Renumber accordingly

Date: 3-28-11  
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

Senate Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Senator Miller Seconded By Senator Triplett

Senators	Yes	No	Senators	Yes	No
Dwight Cook – Chairman			Jim Dotzenrod		
Joe Miller – Vice Chairman			Connie Triplett		
Randy Burckhard					
David Hogue					
Dave Oehlke					

Total (Yes) 7 No 0

Absent 0

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

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

Verbal vote

Date: 3-28-11  
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1047

Senate Finance and Taxation Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Senator Miller Seconded By Senator Triplett

Senators	Yes	No	Senators	Yes	No
Dwight Cook - Chairman	X		Jim Dotzenrod	X	
Joe Miller - Vice Chairman	X		Connie Triplett	X	
Randy Burckhard	X				
David Hogue	X				
Dave Oehlke	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Cook

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

**REPORT OF STANDING COMMITTEE**

**HB 1047, as engrossed: Finance and Taxation Committee (Sen. Cook, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1047 was placed on the Sixth order on the calendar.

Page 4, line 27, remove "previous year"

Page 4, line 27, remove the overstrike over "~~for taxable~~"

Page 4, line 28, remove the overstrike over "~~year 2008~~"

Page 4, line 28, remove "plus the previous year number of mills of property tax relief under this"

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Page 5, line 27, overstrike "6." and insert immediately thereafter "8."

Page 5, line 29, overstrike "7." and insert immediately thereafter "9."

Renumber accordingly

2011 SENATE APPROPRIATIONS

HB 1047

# 2011 SENATE STANDING COMMITTEE MINUTES

## Senate Appropriations Committee Harvest Room, State Capitol

HB 1047  
March 31, 2011  
Job # 16254

Conference Committee

Committee Clerk Signature

*L.N. for Rose Lansing*

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

A bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies.

### Minutes:

See attached testimony # 1-2.

**Chairman Holmberg** called the committee hearing to order on HB 1047.

**Becky J. Keller** - Legislative Council;

**Joe Morrissette** - OMB.

**Dwight Cook, District 34, State Senator:** Introducing HB 1047 the amendment that we put on should have a fiscal note reduction of about 3.2 million. Mr. Coleman will give you the information and aware this bill has an appropriation. The double appropriation is out there twice. The Tax Commissioner would like to adjust the original fiscal note. You will have to get to the accurate number and would like to change the language in one sentence in the bill.

**Chairman Holmberg** The DPI .....do you have the appropriation is in the DPI budget 2013. What is the current status?

**Becky J. Keller:** It hasn't changed....same amount.

**Chairman Holmberg:** Before we pass it out, we will make certain we coordinate so we eliminate the double appropriation. We might hear some different numbers as to what we need.

**Senator Robinson:** Chairman of tax committee, we have several tax relief bills. Becoming concerned or uneasiness about the relief that is permanent. There are bills that at some time have ourselves in a complicated situation?

**Senator Cook:** There are others who share your concern, maybe justified. The amendment we put on will minimize some of that concern as it limits the growth in what a school district can get in their mill levy reduction to no more than the state wide average increase in property wealth....that is where you will see the reduction. We are sensitive to what increase in valuations cost now.....we are the main property tax payer ....that is wise

as we can look at how this affects tax payers. Another way to look at this is we are giving 7% more in property tax relief. We ought to be able to sustain....that is where the concern comes from.

**Senator Robinson:** That is a very popular package. People like it and growing use to it.

**Senator Cook:** I would hate to take it away without replacing it without something that creates many winners and losers.

**Senator Christmann:** Did we address anything with DOT or Game and Fish or anyone who pay in lieu of taxes?

**Senator Cook:** We did give that considerable consideration, we are not going to address it ....best left as it is. Taking money from one and giving to another.....if we take Game and Fish out of there, it would create a burden as how local political subdivisions/local school districts would go through this process. The burden would probably not worth what we are trying to accomplish.

**Senator Christmann** Would it be reasonable to visit the idea instead of the general fund money, to have that amount of Game & Fish money be made up with Game & Fish funds and off set that from the General Fund?

**Senator Cook:** A reasonable item to consider. Marcy Dickerson resource for information.

**Senator Bowman** What exactly does this do? If there is a reduction of cost, who is the winner or the loser?

**Senator Cook:** Last session, we bought down 75 mills for school districts 185 or more. Since we did that there are school districts that didn't get 75 mills. They've tried to get it a fixed amount. (They would be able to raise their mill levy and the state would pick up 100% of the cost.) It is not a wise policy for us to put in place....all would raise their mills and let the state pick up the fee. We worked on this and tried to find a fix for that....there isn't a fix; it is a property tax relief. Some school districts are gaining a lot of wealth. New buildings going up, etc....if we would leave that untouched, it is conceivable that 75 mill buy down could be paying the full cost for educating students in those school districts if they continue to grow in a rapid growth. The amendment that is on the bill .... Limits a mill levy buy down to the state wide average in growth....so that would never happen. Same plan that was put in place last session except for the one amendment that we passed earlier.

**Jerry Coleman: Department of Public Instruction**  
MLRG Estimate 2 updated 2011-2013.xls (Attachment #1)

(Hand out) Property tax evaluations done throughout the state. The fiscal note, without any changes, would be \$349 M, Current school year is based on 9% (over the previous) going forward, the closest assumption is 7.4%. We have situation in SB 2023 (passed both Houses) and signed by speaker, waiting for the governor's signature, a deficiency appropriation to make up the payment. Suggest that we ask for some to make up that

payment out of this existing appropriation if we have enough to cover that. If an emergency measure on that particular bill and a small language adjustment. We want the language to be correct and match the period of the grant.

**John Walstad: Code Reviser, Legislative Council**

Handed out amendment 11.0273.06004 – (Attachment #2)

Glitch in valuation and increase in payments to school districts. The situation that developed ....some districts valuation increases that we would not have thought....but is happening now. It would have increase their funding and payments. The solution the committee agreed on was to limit the payment increase on relief payments to an increase percentage not greater than the statewide average growth in taxable valuation. Districts that are experiencing increases get an increase equal to the state wide experience. When this was written, the increase from the previous tax year to the current tax year. Mr. Coleman caught - instead of previous year and current year, you now say, we used 2 years ago versus last year.....difficulty how you say that. Interpretation of the language (read from the amendment)

**Chairman Holmberg:** None will have to carry this bill. Do you all understand this amendment?

**Senator Bowman:** I'm still trying to figure out who the winners and losers are. Someone made money or someone lost money in order/cause for this bill to come in. No discussion of data ....example... why this is needed?

**John Walstad:** That's a policy issue. Mr. Coleman can provide a print out so you can see which districts this "tweak" affects.

**Jerry Coleman:** Anyone who had without the change, a district that had 30 or 40% increase in taxable evaluation over the previous year, their mill levy grant would be allowed to increase 40% also, but with this amendment, it would be limited to the state average which would be about 7 – 8%

**Senator Bowman:** Are those school districts going to be short or long? If their mill levies increase, the same amount of mills generates more money.

**Jerry Coleman:** Their mill levy reduction grants will be less and to make up that short fall, if their increase in their regular taxable valuation wouldn't cover it, they are restricted to some limitation on that side.....which is a 12% increase, which is one of the caps....they can only increase their local levy by 12%... The mill levy reduction grant would be limited to 7% .....if they couldn't live within those two increases, they'd have to go to their voters or have to make up within their existing budges.

**Chairman Holmberg:** When you look at it not as a school district, but of the property owner in that community, without this bill, they as a property owner would have received a larger property tax reduction. If this bill passes, those people in those districts that have the large increase will see less of a property tax reduction.....is this correct? I am looking at this through the Home Owners standpoint, not the school district side.

**Jerry Coleman:** Had one school district that levied a total of 155 mills before, so they got 55 mills state buy down and were leveling 100 mills locally, because their evaluation increased so dramatically they were in a position to lower their mills down to 60 mills, but their mill levy reduction grants stayed at 55. Rather than 100 mills or 55 mills it was 55 mills and 60 mills ....that case it allowed that school district to reduce their local levy more .....under that 100 mills.

**Chairman Holmberg:** The homeowner in that district was better off?

**Jerry Coleman:** Yes. If this passes, there would be that restriction and if the school district needed to recover, they would have the capacity to go back and get it from their local tax payers.

**Chairman Holmberg:** Is it a subtle shift, then back to the local tax payer for those districts who have high increase in valuations?

**Jerry Coleman:** Review on a case by case basis.

**Senator Robinson:** How difficult is it to run off print off school districts for a comparison in contrast.....get it to us soon?

**Jerry Coleman:** I can do that.

**Chairman Holmberg:** The committee is not going to take action on this bill today. Two questions to resolve. (Policy question) Do we want this a buy down the state \$349M to be in this bill which comes out of the General Fund or remain in SB 2013 which is in the House.....we have to do a coordination. We'll do it next week as that is the last date.

**Senator Wanzek:** In your scenario, in that school district they were able to lower the mill levies benefiting the lower property tax payer, but we came in with the mill buy down, and could nearly wipe their property taxes down to near zero?

**Jerry Coleman:** That could theoretically happen. The House put amendments on the bill which the Senate reversed where they tried to have the mill reduction grant vary with the changes in the General Fund levies with the school districts. However, the mechanics turned out to be not workable. The fiscal note on this was the numbers I gave you with re-projection were without any changes. This cap would save money .... about \$8M if we restrict the rate of growth in the mill reduction grants to state average.

**Chairman Holmberg:** Your committee took position of some sort of bridle on runaway changes which the state will pick up the bag.....doesn't make any difference to a school district that hasn't had large increases in their valuation, but in those handful (whatever the handful is??)

**Senator Christmann:** How well does it correspond to district where there is this dramatic valuation increase with them in district with the cost increase.....maybe a school can go

from 20 students a year to 80. (New building, added classrooms) And now we say you can't grow....is this a concern?

**Jerry Coleman:** When you see large increases in tax low valuation (oil country), you see more students. That means they have to hire more teachers. Do they have to build or add classrooms, or teachers? They may be in school district with a lot of students. It depends on what kind of relevant range they are in currently with students.

**Marcy Dickerson:** Game & Fish State Supervisor of Assessments. To remove the Game and Fish property from this program when the mill levy reduction grant, it would not apply to that. There would have to be language put in that Game & Fish property would be subject to the full school district mill levy...not deducting the mill levy reduction grant. If you have a school district levying 110mill and get a 75 mill grant, they would have to levy 185 mills on that G & F property in order to get the same amount of money they would be getting under the present system.....where they get the 75 from the state and 100 from the tax payer. The county auditor would have 2 separate mill rates. One for all other property in the school property and one for the G & F property. That would create a problem and additional work and be confusing. For the G&F property, they have to distribute on a separate percentage. In this case because there is a different levy on that land distribution, the school districts would have to have different percentage.....the school district having a higher percent and other having a lower.....different rate for G & F and different distribution of the taxes . Seems burdensome

**Senator Christmann:** Their estimate was that they save \$200,000 (example) shift from G&F to general.

**Marcy Dickerson:** That would alleviate problems that I just described.

**Chairman Holmberg:** Closed meeting.

# 2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee  
Harvest Room, State Capitol

HB 1047  
April 5, 2011  
Job # 16361

Conference Committee

Committee Clerk Signature

*Rae Laning*

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

A bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies.

## Minutes:

You may make reference to "attached testimony."

**Chairman Holmberg** called the committee hearing to order on HB 1047 saying this bill was about mill levy reduction grants. We had amendments prepared by Mr. Walstad as he testified on this bill. Did we attach the amendments that were presented or have we done nothing to the bill?

**Senator Robinson:** Wasn't this an issue involving a handful of school districts that with the new finance plan for school districts, they fell through the cracks.

Chairman Holmberg: And would have the benefit that the state would be paying most of their school funding, but the Senate Finance & Tax put on amendment .06003 but Mr. Walstad came down and said there was a problem and we should look at .06004 which is another amendment that I believe you should have in your books. The first thing we might want to do, and that was a technical correction that was supported by Senator Cook, that we should attach the proper amendments and then look at the bill.

## Vote #1-

**Senator O'Connell** moved amendment # 11.0273.06004.  
**Senator Erbele** seconded.

**Chairman Holmberg:** I'm trying to look at the difference. It's a minor thing. Oh, to the current tax year versus it should have been the previous tax year. Remember, he made that comment.

**A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0**

**Vote #2-**

**Senator Wardner moved Do Pass as Amended on HB 1047.**

**Senator Robinson seconded the motion.**

**A Roll Call vote was taken. Yea: 13 Nay: 0 Absent: 0**

**The bill goes back to Finance & Tax and Senator Cook will carry the bill.**

**Senator Kilzer:** I have a note that this bill we just passed out doubles up with SB 2013. I'm assuming that Finance and Tax will be sure that is corrected.

**Chairman Holmberg:** 2013 is the budget for DPI and I don't know, has the House finalized their amendments? (Legislative Council said no.) It will be part of the process and what happens when we get into 2013, Council will raise the red flag that there is a conflict and it will get resolved. So if one is in Finance and Tax and one in Appropriations, that will be caught.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

In lieu of the amendments adopted by the Senate as printed on pages 911 and 912 of the Senate Journal, Engrossed House Bill No. 1047 is amended as follows:

Page 4, line 27, remove "previous year"

Page 4, line 27, remove the overstrike over "~~for taxable~~"

Page 4, line 28, remove the overstrike over "~~year 2008~~"

Page 4, line 28, remove "plus the previous year number of mills of property tax relief under this"

Page 4, line 29, remove "chapter"

Page 5, line 1, remove the overstrike over "~~The grant to a qualifying school district may not be less than the grant to that school~~"

Page 5, line 2, remove the overstrike over "~~district in the preceding school year.~~"

Page 5, line 2, after the overstruck period insert:

"4. The grant to a qualifying school district may not exceed the grant to that school district in the preceding school year by a percentage that is more than the percentage increase in statewide taxable valuation which was determined for the previous taxable year.

5."

Page 5, line 20, overstrike "4." and insert immediately thereafter "6."

Page 5, line 23, overstrike "5." and insert immediately thereafter "7."

Page 5, line 27, overstrike "6." and insert immediately thereafter "8."

Page 5, line 29, overstrike "7." and insert immediately thereafter "9."

Renumber accordingly

Date: 4-5-11

Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1047

Senate APPROPRIATIONS Committee

Check here for Conference Committee

Legislative Council Amendment Number 11.0273.06004

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By O'Connell Seconded By Erbele

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

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

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

Date: 4-5-11

Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1047

Senate APPROPRIATIONS Committee

Check here for Conference Committee

Legislative Council Amendment Number. \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Wardner Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment F+T Cook

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

**REPORT OF STANDING COMMITTEE**

**HB 1047, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1047, as amended, was placed on the Sixth order on the calendar.**

In lieu of the amendments adopted by the Senate as printed on pages 911 and 912 of the Senate Journal, Engrossed House Bill No. 1047 is amended as follows:

Page 4, line 27, remove "previous year"

Page 4, line 27, remove the overstrike over "~~for taxable~~"

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Renumber accordingly

2011 HOUSE FINANCE AND TAXATION

CONFERENCE COMMITTEE

HB 1047

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
April 14, 2011  
Job 16590

Conference Committee

Committee Clerk Signature

*Janette Cook*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

*See attached bill and amendments.*

**Chairman Wesley R. Belter:** Distributed the marked up version of the bill and amendments .06006 and reviewed. On 1047 the biggest contention that we had on the House side was dealing with the school districts. There are two entities that we are concerned about. There is a group of schools that feel that they were short changed in the original disbursement of funds because of the various situations they fell into at the time that this was instituted. Then the other thing we discovered on the House side was that there are a number of schools that are in a sense getting a real free fall of property tax relief because their property evaluations have grown immensely. They are in situations that they are not having to levy very much and are getting substantial funds. Those are issues that we feel need to be resolved.

**Senator Cook:** I assume that this first engrossment .06006 is your bill with the amendments in it.

**Chairman Wesley R. Belter:** That is our proposed amendments for this conference committee.

**Senator Cook:** I know that when you had this bill in the house, you tried to find a fix for those two types of school districts. I think you had what you believed was the consequence of the fix that you put on there when that bill came to the Senate. I think the actual consequence of that was explained to us after more consideration by DPI. The actual consequence was a different consequence than you were of the belief that it was. That is why we took it off. We spent some time trying to find a fix for the school districts that you described as those who didn't feel like they got enough. We certainly could not find something that results in the state picking up 100% of any mill levy increases that they were going to make, as sound policy. I don't know what these amendments do and the

results of that. But, we ended up putting a fix on for the other school districts that are having increased valuation, and we capped it at the statewide growth, which is 7% this year. So, the greatest amount of new money that a school district could get in their mill levy buy down this year is 7%. Then it will depend on what the statewide average is here after. I think the most important thing as we move forward is what these do to the big picture? The person that I would like to analyze and explain these amendments is Mr. Coleman. I think that is most important. What do you think these amendments do to the school districts that we would first describe as those that feel like they didn't get enough relief?

**Chairman Wesley R. Belter:** I would like to have John Walstad walk us through these amendments. I talked to Jerry Coleman this morning, and he has not had an opportunity yet to make a run as far as what the financial impact would be. We will have to wait until we get those numbers from Jerry before we would want to do anything with this bill. But, I would like Mr. Walstad to walk us through these amendments, so we have an understanding of what we on the House side are attempting to do with the amendments.

**Senator Cook:** That would be fine with me. As far as the fiscal impact that these amendments have on the bill, we don't know yet, what that is?

**Chairman Wesley R. Belter:** That is correct. We won't know until Mr. Coleman runs the numbers.

**John Walstad, Legislative Council:** The amendment .06006 was prepared at the chairman's request and addresses the two issues you discussed. He reviewed the marked up bill.

**Senator Cook:** I think I'm following you, but let's walk through a scenario here. There is a school district, that prior to us implementing this law, was at 160 mills. They received 60 mills of buy down. They went to 100 mills, and they are capped at 110. Chances are, the increase that they are going to have is going to be less than ten?

**John Walstad:** Up to 10.

**Senator Cook:** Let's say they go up to 108 mills. Finish the math... you would figure out the percentage that 60 is of 160?

**John Walstad:** Yes, take that percentage times eight. They increase by eight, and the state is going to pick up the same percentage of that eight that it picked up originally from their entire 160. Whatever that percentage is, is the state mill increase. So, the taxpayers of the district will still have a responsibility for some of that increase, and the state won't pay all of it. It is in the same proportion as that district's relief payment is made now.

**Senator Cook:** Is there ever a chance for that district to get more than 75 mills buy down?

**John Walstad:** No, because of Subdivision C.

**Senator Cook:** So, with fix instead of the state picking up 100% of their increased mill levy, we are picking up a lesser percentage of it. That percentage that the state would pick up of any increases in the taxes that a school district imposed would vary amongst the school districts that did receive the full 75 mills.

**John Walstad:** Exactly. There's one more important change here. In paragraph one, where I was talking about the declining mill rate because of valuation increases, where a 40 mill drop would mean a 40 mill drop in the relief. If we flip over to page 6, line 15, the new language added: If the districts combined education mill rate is fewer than 100 mills in the most recent year. So, these are the ones that were at 100 and have dropped below. The grant to that district may not be ... the decline may not be more than 12%. The relief cannot be more than 12% less than the previous year. In the instance of Langdon, say they are at 60 (not sure that is correct). They drop 40 mills. Under the change on page 5 they would get 40 mills less property tax relief, but with this provision, they would only go down 12% from where they were the previous year. In the year following that they could go down 12% more. The 12% look back is just last year. Eventually the decline could get down to about 40, but there is a parachute, if you will, so the fall is 12% a year not all at once.

**Representative Headland:** In prior language they still have the ability to increase that 12%. So, for budgeting purposes at least, it should be revenue neutral. I mean if they need the money.

**John Walstad:** Yes. They have authority to increase their levy under another provision of law by 12% in dollars each year. That is why the 12% was chosen here. There is another provision that hasn't been approved yet, called rapid growth school districts. They would be allowed to go up 18%. There is one additional breaking provision on page 6, line 19. That is the one that would limit the increase in the payment to a district in dollars to no more than whatever the statewide evaluation increase is for that year.

**Senator Cook:** That's the limit that we put on there.

**John Walstad:** Right. That's because there is another issue with those districts that have rapidly increasing valuation. If they keep their mill rate the same, they get a lot more money. Plus, they get a lot more property tax relief. This would limit that relief growth to whatever the statewide valuation increase would be.

**Senator Cook:** The issue that deals with school districts that are seeing rapid increase in their valuation, would this language here create less of an incentive for them to lower their mills? Because if they lower their mills, they would lower their state mill levy buy down, and therefore, wouldn't it just create some pressure for them not to do that and increase spending instead?

**John Walstad:** I am not sure that I am smart enough to figure out all of the variables that come into play. If it would be possible, to the extent that they could hold their mill levy up, I imagine that it would have to come down some with that much valuation increase. They are limited in how much money they can have on hand. I might be some incentive to hold that rate up, to the extent that they can.

**Senator Cook:** Let me ask the House, as we deal with the issues of the school districts with increasing valuation, is it your intent to somehow find language that would reduce the amount of money that they would get with a mill levy buy down more than what we did in the Senate? We put a cap on how much their mill rate buy down could actually grow. You are actually trying to put language in here that would **reduce** the amount of their mill rate buy down. Is that correct?

**Chairman Wesley R. Belter:** That is correct.

**Senator Cook:** You're limiting that reduction to 12%.

**Chairman Wesley R. Belter:** That's correct. We will wait to get information from Jerry to see what his run down will do to the fiscal note on this.

**The conference committee on 1047 was closed.**

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
April 15, 2011  
Job # 16644

Conference Committee

Committee Clerk Signature *Janette Cook*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

See attachments 1-3

**Chairman Wesley R. Belter:** We are going to go straight to Jerry Coleman and hear the information he has.

**Senator Miller:** The document I handed out, I thought was interesting and something that we should keep in the back of our minds as we examine any kind of education funding or pass through funding. If you look at the numbers, it seems incredible that similar sized school districts with similar situations can have a radically different amount of costs.

**Jerry Coleman, Department of Public Instruction** distributed attachments of Expenditure Calculation of Average Cost Per Pupil for 209-2010 and the Mill Levy Reduction Grant Projections and reviewed them. Please refer to attachments #1-3. He referred to attachment #2 first.

**Jerry Coleman:** I will start with the description of the mill levy reduction program as it works right now, and then I will talk about how the amendments affect that. The program that was put in place provides a grant to school districts for the number of mills that they were levying over 100 mills in the taxable year 2008. That established a mill levy reduction rate for each school district. That was what was going on at that time. So, the state would have paid the number of mills over 100 up to a cap of 75. Those that were levying less than 100 got no mill levy reduction grant. So, if you were levying at 160 mills that year, your buy down rate would have been 60 mills. This schedule in the column that says, "Maximum Levy Reduction", that is the mill levy buy down rate for school districts. That mill levy buy down rate is applied to their taxable evaluation and that generates the amount for their reduction grant. In column one there is a rate adjustment. That is what these amendments are doing. There are two parts to that. If a school district dropped below 100 mills; there is a reduction in their mill levy buy down rate, one mill for each mill they drop

down below 100. Then there is another adjustment for those over 100 mills. They will increase their mills but that will be increased by the number of mills they are levying over 100 in the current taxable year that we are using. If that is over 100, then the state would increase their mill levy reduction rate by the percentage of the ratio of their combined education mill rate in 2008. If you look at the first school district, Hettinger, which was levying 168.82, the state gave them a grant for 68.82. So, that mill levy ratio is .41. The number of mills that they are levying over 100 in the most recent taxable year was 110. So, it would be that 10 mills times the .41 ratio. It gives them an additional 4.1 mills to be added to their rate. That is how it works. The column that is called "Rate Adjustment", for those that are levying under 100 there is a negative adjustment, for those that are levying over 100 see an adjustment up. It is still all capped at 75 mills. That is one part of the test. If we move over to column #2, where we see the "Additional Grants Estimate", that is where there is an adjustment in the bill for taxable valuation that was not in ... (inaudible 11:14)... reported valuation. I just wanted to point that out. It is an additional amount that school districts will get.

The first step is to adjust their mill levy reduction rate. It is in the bill, called the Reduced Mill Rate by definition. Then there are two other adjustments that are made at the end. The first one is in column #3 where it says "Hold Harmless". It limits the amount of decrease that in mill levy reduction grant from the previous year that a school district can have. If they are levying under 100, and their mills dropped to 60 mills, for example, so we would reduce their mill levy reduction grant rate by 40 mills which is a significant amount of money. That rate of decrease is limited to 12%, which parallels to the amount that they can raise their local levies. The first part of the formula takes it away, the Hold Harmless adds some of that money back for the school districts. There is also a Hold Harmless for those that are levying over 100 that their mill levy reduction grant can't go down. The reason for that would be if they are in a declining taxable valuation situation, their grants would actually go down for the previous year. The Hold Harmless was in the original bill as passed.

**Senator Cook:** We haven't had anybody benefit from the hold harmless, have we?

**Jerry Coleman:** We have, to maybe five school districts that saw slightly lower taxable valuation. Overall our taxable valuation increases statewide were close to 8% for this past school year.

So, in column 4 we have another limit. That is the limit – taking a look over the previous year – they can't go up more than the statewide increase in taxable valuation. So, that was what the Senate put on. Basically, we have a number of steps that we run through here.

**Chairman Wesley R. Belter:** In column 4 the Senate limitations, isn't that out of the bill with the amendments that we proposed?

**Jerry Coleman:** I don't think so. At least that is not how I did that. In the engrossed version it would be in subsection 4 on page 2. I believe it is also in your amendments. Are there any questions on that first schedule?

Let's move to the second one. See attachment #3. It will give us an idea of what the overall cost is going to be. That schedule will have the first two years of the mill levy reduction grant program. Then we have projected for the next two years, based on these amendments, the 11-13 mill levy reductions. I also put the status with the Senate amendments on the final two columns, so we can see what kind of a difference they make. Based on these projections the price tag is close to \$340 million. I think the money in the bill is about \$342 million.

**Senator Miller:** On the far column where it says the difference?

**Jerry Coleman:** That is the difference between the projection with the amendments versus the projection in the way it came over from the Senate.

**Senator Cook:** When this bill was in the Senate, the amendments we put on it were to deal with only those schools districts that were seeing an extreme increase in property valuation. That is why we limited it to the statewide average. The amendments that the House conferees offered in the conference committee, that are before us now, have another solution for those school districts where we reduced the buy down, one mill for each mill below one hundred. How does what they do and ours work together? I thought that ours had been taken off. What we have is two perceived fixes for the school districts that are seeing increased valuation. Wouldn't the amendments that the House is offering now completely remove any effect of the amendments that the Senate put on? Or, do they still have an effect on a school district?

**Jerry Coleman:** With the new amendments they are going to reduce the mill levy grants down by about 12%, and with the Senate amendments they are going forward from today. They would cap that at 7%. Effectively going forward, that would control the situations where they have tremendous increases in taxable valuation. With the proposed amendments they are actually going in and reducing the calculation. They are going to actually reduce the calculation of their mill levy grant. Then in the end, the projected amendments will adjust the mill levy buy down rate. The way the Senate put on their controls was only to the change in grant from year to year. The projected amendments are trying to deal with the calculation of the grant itself, rather than to just measure the changes between the increases in grants between school years.

**Senator Cook:** This print out that we have that shows the effect of these House amendments, are any of these numbers even affected by the cap that the Senate has? Is there a school district that is affected by both of them?

**Jerry Coleman:** If you look at Bottineau or Langdon, they will both be affected. Bottineau is 05001 and the cap on 7% growth versus adjusting their buy down rate makes that kind of difference for them.

**Representative Headland:** I think it was the intent of our amendment to pull the Senate provisions out. How would these numbers look different if we didn't allow them the 7% or whatever the statewide average is?

**Jerry Coleman:** That test is put on, if you go back to the first set in Subsection 4 – the growth limit, so, you can see that impact. In terms of dollars there should be a total at the bottom of that. About \$3 million dollars is what that does.

**Chairman Wesley R. Belter:** In Bottineau's case the Senate implication doesn't have any affect?

**Jerry Coleman:** That would be true, because their grant increase from last year to this year was no less than the 7%.

**Chairman Wesley R. Belter:** I think it was our intent to remove the Senate provision. I am not quite sure whether we have a conflict or not.

**Senator Triplett:** The only change I can find between the amendments 2006 and 2008 is in the second to the last line on page 1 where it replaces General Fund Mill Rate with Combined Education Mill Rate. Is that correct?

**Senator Cook:** I was just going to point out on this sheet column 4, and you can see the effect of the Senate amendments. They affect school districts that are seeing an increase in growth, but they are not lowering their mill rates. So, they affect school districts that your amendments do not affect, and your amendments are affecting school districts even more than what the Senate amendments affect. I haven't gotten all the way through it to see if there is a school district that is affected by both.

**Chairman Wesley R. Belter:** I will reschedule us for Monday. The conference committee on HB 1047 was adjourned..

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
April 18, 2011  
#16719

Conference Committee

Committee Clerk Signature *Mary Brucher*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

*See attached amendments.*

**Chairman Wesley R. Belter:** Distributed the .06010 amendments and reviewed. Please refer to the attached amendments. Our intent was to remove the language the Senate put in that said no increase could be beyond the average increase in taxable valuation. Then we added a study on it. Jerry, did you do a new run with this language?

**Jerry Coleman, Department of Public Instruction:** I took a look at it. It removed the former subsection four. It changed the amount of the fiscal note from \$346.3 million and the Senate version was \$341.4 million. By removing that section it seemed it was about \$4 million additional. That's just at the top of my head.

**Chairman Wesley R. Belter:** Who's getting the increased money?

**Jerry Coleman:** On the handout I gave you on Friday in column 4 is where I would be getting those numbers.

**Senator Cook:** If you look at this handout from last Friday both column 3 and 4 deal with various amendments that touch on school districts that have increasing valuation in property. Section four is the Senate amendments that capped it at 7.77% and you can see the school districts that were affected. Column three is the consequence of the House amendments you offered in .06008. You can see that in the Senate amendments every school district affected by the Senate amendments are unique, none of them are included in subsection three. Your subsection three just reduces the amount of money that would go to these school districts by a greater amount than what we would and you deal with more school districts that we would not deal with. My question to you would be that I don't think we would want to take out the Senate amendments. My concern is that the degree you are reducing the mill levy buy down to some of these schools with your amendments.

**Senator Triplett:** I think I heard you say the difference in the House and Senate is about a \$4.9 million difference and you said that should match with column four but I see your total in column four is just over \$3 million.

**Jerry Coleman:** I don't have an answer on that as my printout is a bit incomplete. Can I get back to you on that?

**Representative Headland:** On the .06008 draft school districts that we were going to allow a percentage increase in their mills if they were between 101 or 110, was it the intent of this .06010 to only allow that increase only once or year after year like the school districts on the other end of the spectrum will be reduced by 12% year after year? I can't tell.

**John Walstad:** The adjustment there is annual. Each year a look is taken to see where the levy is and if it's more than 100 then the match applies to that amount each year going forward. It's not a one year match.

**Representative Headland:** If they're going to receive a 30% increase they are going to receive 30% and then the next year that 30% will be incorporated into their mill and they will get another 30% increase.

**John Walstad:** They will get the same 30%, not another 30%.

**Representative Headland:** I don't think that was the intent. I think the intent was to allow them another 30% until they got to the point where they were at 75 mills of relief if they were at 110. It was meant to allow them to move up towards 75 mills of relief.

**John Walstad:** That's not going to happen. It can't happen is the 110 mill limit stays there.

**Senator Cook:** I would argue that it could happen. With that mechanism in there we would continually increase their mill levy buy down and eventually they would be able to get themselves up to a 75 mill buy down. If we are worried about the sustainability of this property tax relief program then you really ought to start worrying if we add that amendment to it because that's just a mechanism that will continually allow school districts the ability to raise their spending and their mill levy rate with the mill rate buy down simply picking up a great portion of their increase. I do not think that is sound policy. The Senate struggled with those school districts to try and find a solution. We look at this as property tax relief and we set a time certain when we gave it and I know there are some who looking back wished they would have been at a higher mill rate at that time so they would've gotten more. It's not wise now just to let them raise it and we continue to give them more.

**Representative Headland:** I would argue that sound policy would attempt and treat everyone the same. The property taxpayer is really the one being mistreated in a district where they were below the cap at the time. I understand it's going to add cost to it and I think that's why the House believes that a district that has extreme growth in their property value shouldn't benefit from that and they should be reduced. We're trying to make this

thing fair on both sides of the spectrum. Whether or not we can come to the language that works I don't know but I think that's what we are trying to attempt to do in the House.

**Senator Cook:** I would argue that the property taxpayer that was being treated unfair when we passed this was the property taxpayer who was paying 175 mills to educate his children when across the road in another school district where that property taxpayer was only paying 150 mills. We can't have it both ways. That's the situation that we had when we first put this into place. We looked at the relationship when they were over 100 mills.

**Chairman Wesley R. Belter:** You're still looking at individual school districts with individual needs and decisions on what to provide for their schools. I don't know if we can make the assumption that because one school district had a lower mill levy it could have been because they have more property so they could do that but they also may have made some choices and said they weren't going to provide that type of curriculum. There are a lot of variables that go into it. It would be my position that we need equitable tax relief to both ends of the spectrum. It seems to me like the ones that were under the 185 are the ones being penalized and we're giving a bonus to the ones that are having the property tax increase. I would hope that we could come to some common ground that would give us some more equity between the two groups.

**Representative Headland:** Also what we've done if we don't allow these districts to get closer to the 75 mill levy buy down is we've taken away their ability to get to the cap. Before we provided this relief every school district had the ability to eventually get to the mill cap of 185. Today, these school districts we're talking about some of them are capped where they were and they will be capped at 165 or 170, wherever they fall into the spectrum. I think as an issue of fairness I don't know if that was the intent at the time but I certainly think they are being treated differently in this case because of that.

**Senator Cook:** The fact of the matter is we didn't take away the school district's ability to go to the 185 mill cap. That was something they agreed to when they took the amount of money that was put in the fund for them to buy down their mills. This isn't mandated. We put money in a fund to buy down mills and we told the school districts how much money was available for them and if they take the money then they subject themselves to the 110 mill cap. They all took the money. My guess is that they could all go back to the way it was by just refusing to take the money. What you're trying to do with your amendments now is to put more money in there for them to reach out and take simply by raising their mill rate. The 185 mill cap is still available for any school district that wants it.

**Representative Headland:** Would it be possible to have Jerry do another run with the proposed House amendments. It's really hard to tell exactly what we're doing unless we can see the numbers.

**Chairman Wesley R. Belter:** Jerry, could you put that together for us?

**Jerry Coleman:** Yes, I can. I just need a copy of the amendments.

**Chairman Wesley R. Belter:** How long do you think that would take you?

**Jerry Coleman:** I could have it for you this afternoon if all you did was remove that subsection four.

**Representative Headland:** Is that also going to put in the provision that I'm talking about to give them their increase be built in to their rate and allow them another percentage increase on top of that so they are able to work towards the 75 mills? That's what I'm asking for.

**John Walstad:** That was never expressed to me. In order for that to work the 110 mill limit has to be increased for those districts. A district that is getting 40 mills of relief now to work toward a 75 mills of relief they would have to increase their levy beyond the 110 unless it's all provided by state match.

**Jerry Coleman:** As it's drafted right now, that is correct. They can only increase by the number of mills over 100 times that percentage rate.

**Representative Headland:** I don't know if the 12% allows the school districts to get to 110. I would like to ask to allow them increases and a percentage associated with that all the way up to 110 and if it takes them more time to get there then so be it.

**Chairman Wesley R. Belter:** I'm not following you, John. If we want to attempt to allow these school districts to get to the 110 amount and you mentioned we needed to do away with the 110 rate and I'm not following you.

**John Walstad:** I think the problem that exists is if a district was bought down 50 mills to 100 mill levy they now get 50 mills of relief and 100 mills of property tax. They can add 10 more mills of property tax and that's still gives them a total of 160. They need 25 more mills and to get it they need to go beyond 110 unless the state is going to pay the entire additional 25 to kick it up. Do you see what I mean?

**Senator Cook:** You have a school district that was at 150 mills and they have 50 mills of buy down so they go to 100. The way this amendment is written is that they raise their mill rate to 110 the state is going to buy down the ratio of that 10 mill increase based on the ratio of 50 was to 100. The state is going to buy down part of those mills which will take them down let's say 106 and their mill rate buy down just went from 50 to 54. The next year they could go up to 110 again and the state is going to buy down a few more mills. They could continually raise their mills to 110 and the state would continually buy down a greater portion of their mill rate buy down until eventually they would get the 75 mills.

**Jerry Coleman:** I believe the way it is crafted if we have that percentage, let's use 30% as the state buy down percentage when this program was implemented so that's that ratio and they get their mill levy reduction grant figure then to that we add the number of mills they are levying over the 100 so say they go right to 110 so that's 10 mills so that would be 10 mills times that ratio and that would be the additional mills they get on top of the original mill levy reduction buy down. If they go right to 110 and it was 30% they would get the three mills would get added to their original and I don't see it going beyond that.

**John Walstad:** That's correct because they would still be at the 110. They buy down wouldn't buy down the 110 it would be added on. They would get a bigger match but it wouldn't bring the 110 down so they could go up again and again and again.

**Senator Cook:** Are you sure?

**John Walstad:** Pretty sure.

**Senator Cook:** I'd like you to be real sure.

**Jerry Coleman:** Maybe at your next meeting if it's this afternoon.

**Chairman Wesley R. Belter:** I would like to meet this afternoon but we need to make sure that we have some numbers put together so we know exactly what we're dealing with.

**Jerry Coleman:** I would like to meet with John to make sure we were responding correctly.

**Senator Triplett:** Could you make sure my request is on your list to locate that last \$1.9 million on column four?

**Chairman Wesley R. Belter:** We will adjourn until further notice.

# 2011 HOUSE STANDING COMMITTEE MINUTES

## House Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1047  
April 19, 2011  
Job #16764

Conference Committee

Committee Clerk Signature

*Vicky Crabtree*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

### Minutes:

*See attached handouts #1 and #2.*

**Chairman Wesley R. Belter:** Called the conference committee to order on HB 1047. Roll call was taken and all members were present. Did you get a chance to look at the printouts from Jerry Coleman that was emailed to you? Jerry will be coming down and he will walk us through this. I also have a set of amendments that we will have to put on this bill at sometime that pulls the money out of this bill. They want the money to put into HB 1451.

**Senator Cook:** When Jerry gets here, I'd hope that our conversations focus on the wealthy school district's side of this amendment so we know the affect of the roughly 7.7% cap that the Senate had on there; versus the fix that you propose and how it affects each school district. We also need a conversation at some point about an amendment that is in SB 2150. That is an amendment that the same school districts that are seeing increase in evaluation as asked to be put on SB 2150 that probably should be addressed in this committee. It allows them (drops sentence). Certain school districts that are seeing rapidly increased taxable valuation are considering an amendment to change their 12% limit and what they can build their budgets and give them 18%. It is important that we understand what is in SB 2150.

**Jerry Coleman:** From the Department of Public Instruction: Distributed handouts (#1 and #2) and reviewed.

**Representative Headland:** As we look through this there are a couple of schools that pop out; the Stanley school district, it looks like they've had a major increase in taxable value and because of that, they are seeing a major increase in their relief. Can you explain this?

**Jerry Coleman:** The Stanley school district was in a situation where they got a huge increase in taxable valuation. Ordinarily the limitation on the amount of dollars levied in the previous year for a school district is limited to 12%. However, there is a secondary test for

school districts that acquired a lot of new property. They can't go up more than 12% up to the old 185 mils. Then when they accept the levy reduction grant they can't go up more than 12% up to the new 110 mils. There is another test that still exists in law that takes a look at what the base year was (three years) and adjusted up or down for property going off or new property going on. So they are able to levy without restriction on that new property up to the amount of the dollars they levied the previous year and plus the amount of levy on that new property. So the secondary test allowed them to stay at 110 mils.

**Representative Zaiser:** Could you explain that second test again?

**Jerry Coleman:** They can look back three years and that will be their base year. This is adjusted for new property coming on and new property going off to determine what their limitation is. It is in dollars. If no new property was coming on, they could levy the same amount as they did the previous year and also can add the amount of levy on the new property coming on.

**Representative Headland:** In the case of a school district like Stanley there is a provision in the law where they can only bank so much money. If we were to move forward with this proposal would they be able to build new buildings and continue to levy at 110 by spending the money on construction like a new an Olympic size swimming pool if we allow this provision to go forward?

**Jerry Coleman:** There would be some limitations out there. If they were going to build they would need construction approval and if they were funding it with tax payer dollars they will have to get building approval from the voters. If they fund some of that out of the general fund resources, possibly then there would be some wiggle room. The early question about the limitation on their general fund balances, there is an offset in the state aid formula for situations where they carry over more than 45% of what their expenditures are. There is a \$1 for \$1 offset in there.

**Representative Headland:** Could you explain what is happening in Fort Totten? They were levying in 2008, 328 mils and today they don't have a levy.

**Jerry Coleman:** They just failed to ask for a levy this year. They have a new business manager and superintendent and they couldn't get their act together.

**Senator Cook:** How do they pay their teachers?

**Jerry Coleman:** The taxable property in the Ft. Totten school district doesn't generate very much money for that school district. They would have substantial federal money that would probably replace that.

**Senator Miller:** Wasn't Fort Totten receiving \$756,000?

**Jerry Coleman:** No. That \$756,000 is another test in the formula where (inaudible, talked at once) levy reduction grant, you can't get more than what you get in (inaudible) aid payments. It is a limitation that affects very few.

**Senator Cook:** The example you gave for Hettinger, their mill levy buy downs is going to go from 68 to 72.92; is that extra 4 mills value determine by subtracting \$518,000 from \$528,000? In other words, the affect of the House amendments for the school districts who have not received 75 mills is \$10,000 for Hettinger? I see it here in column 2.

**Jerry Coleman:** Column 2 is not correct. That is not the additional amount with the extra 4 mills added. The additional grants are for the property they had but isn't in the reported numbers. I get the figure from the Tax Department.

**Senator Cook:** How do we determine what the total fiscal note is of the House amendments that are trying to deal with the school districts that are not getting 75 mils?

**Jerry Coleman:** It would be those 4 additional mills times their property evaluation.

**Senator Cook:** I'd have to do that for every one of those school districts?

**Jerry Coleman:** I could do that for you.

**Representative Headland:** Would it be possible that we could look at the taxable valuation the year prior?

**Jerry Coleman:** I could run a report for valuations for the past few years for each of the school districts. I did one for the Senate committee, but do one for you too.

**Senator Cook:** The House amendments that deal with the poorer school districts and I'm looking at Hettinger. You show where they are going to go from 68 to 72.9. Is that a one-time adjustment or do we do this every year?

**Jerry Coleman:** This would be a yearly thing, but we always go back and adjust the original reduced mill levies.

**Senator Cook:** If they got voter approval then this will fit into this calculation also. Could they ultimately get over 75 mill buy down?

**Jerry Coleman:** They can't exceed the 75 mills. There is a 75 mill cap.

**Senator Cook:** The mechanism is here to allow just about any school district if they so desired the tools they need to get the 75 mills.

**Jerry Coleman:** If they wanted to get there they would have to put mills on locally to do that, but they could.

**Representative Headland:** It certainly would not be my intent to allow a school district to go to the voters and go over the 110 mill cap and then have the state reimburse them for those. I don't know how we would write it in there, but I think our property tax at least needs to stay focused on 110 mills in (inaudible). I would ask that you would put that kind of a provision in.

**Senator Triplett:** It seems to me what we are talking about in this bill is more about equity for the citizens of the state more than we are equity for the schools. This is about property tax relief and the sustainability of that tax relief. Since we have defined a 75 mill buy down as the standard for property tax relief that there is some argument that we should allow the school districts to get themselves in a place where their citizens can access the full 75 mill buy down. I don't know why we would put additional caps on there when we already have a cap.

**Representative Headland:** I think if the attempt was to get every property taxpayer 75 mills then there would be a lot easier way to do it then what we are looking at.

**Chairman Wesley R. Belter:** We've run out of time. I've scheduled a session again this afternoon. Senator Cook asked Jerry to get the costs of the House amendments on a school district basis.

**Senator Cook:** I want the costs for the amendment

Chairman Wesley R. Belter: Any other things you want Jerry or John to look at prior to our afternoon meeting? If not, we are adjourned.

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
April 19, 2011  
16780

Conference Committee

Committee Clerk Signature

*Mary Brucke*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

See attached handouts #1, #2, #3.

Chairman Wesley R. Belter: Jerry, can you give us your presentation?

Jerry Coleman, Department of Public Instruction: Distributed three handouts that were requested. Please refer to attached handouts #1, #2, and #3. I brought down some information that was requested earlier this morning. The handout that says Mill Levy Reduction Grants on the bottom, this is a list of the general fund levies and the taxable valuations and the mill levy reduction grants for school districts for the period of the last three years. We only have two years for the mill levy reduction grant. This is how the program's been going. It is sorted on that last column and that is the percentage increase in the grant from the previous year. Where it says MLRG, that's the mill levy reduction grant. There are amounts there and we do have the mill levy reduction grant rate; in the bill it is called the reduced mill rate.

Senator Miller: This is if we do what again?

Jerry Coleman: This is just history. This has been going on for the last three years for school districts.

Senator Cook: Looking at the history, if we had the Senate amendments that are on the bill right now, if we had put that on two years ago when we passed it, this last page would all be capped at some number, wouldn't they.

Jerry Coleman: Yes, that is what those caps would do; it would limit that rate of increase.

Sen. Cook: Two years late.

Jerry Coleman: Yes.

Chairman Wesley R. Belter: Any questions on this chart?

Jerry Coleman: The next one is the school district taxable valuation; that is just a five year and on the right hand side that is the percentage change annually in their taxable valuations. You can see how they react.

Chairman Wesley R. Belter: Griggs County Central had a 27%, was there a consolidation there that took place that it would jump that much.

Jerry Coleman: I guess I'm not sure what they had going on there. They did not have a consolidation; they had consolidated over 10 years ago. Around the Valley City area, they did have a wind farm come in. I don't know if that was close enough to them to have an impact or not, but something happened.

Senator Cook: The Senate version caps all school districts at the statewide average as far as how much their mill rate buy down can go up, which is 7.7%. When we see some of these increases in taxable valuation that some of these school districts can have, have you come up with any ideas if we had a second means of reducing their mill rate if a school district's valuation went up, let's say a certain percentage above the statewide average, they could subject themselves to another deduction. When you see a school district's valuation goes up 60%, we're only capping their mill rate buy down by 7%. Could one make an argument that there should be another deduction at some point or are we getting into equity?

Jerry Coleman: I don't really have a good answer to address that. If we capped the rate of increase, they can't go over more than 7%, regardless of their taxable valuation situation increases.

Senator Cook: I'm talking about an actual deduction. The House amendments that they elect to offer look at the amount of mills that they lower and then because of that, of course, they are able to lower the mills because they've had considerable increase in valuation and if they lower a mill in property tax, then they lose a mill in their mill rate buy down. All we're doing is telling them to quit lowering your mills. On the other hand, a school district that has tremendous increase in valuation, that elects not to lower the tax rate that the taxpayers pay, they get another million dollars, we see here in the Stanley situation. I can't see that we want to go down that road, because we're giving them an awful big incentive not to try to lower their tax rates that the taxpayers pay.

Jerry Coleman: Some of that increase in taxable valuation for school districts probably comes with an increase in students; like the Stanley area, I think

somewhere between 40-60 kids that they gained from the previous year. They would probably need to take advantage of some of that in spending.

Senator Cook: I'm not saying it's not justified that they don't lower the mill rate, but if you look at this, it seems to offer an incentive not to when they can. If they are in an opportunity where they could lower the mill rate, they are going to realize a penalty in their mill rate buy down and that will just deter them from doing so.

Jerry Coleman: I fully agree that this is not going to encourage school districts to reduce their local taxes; it is going to encourage them to keep their rates up.

Representative Headland: That's what prompted this question this morning. What can they use that money for? If they can start building new buildings, swimming pools and state-of-the-art track and field, baseball parks, and just keep continually adding at the taxpayers' expense, we would have a problem. If there are limitations somewhere, that limits their ability on what they can spend that money on, I would like to know about it. I don't know about them. I'm just a tax guy.

Chairman Wesley R. Belter: Any other questions on this chart?

Jerry Coleman: At the request of Sen. Cook, this last handout takes a look at the proposed amendments that would look to add mills if school districts increased their levies over 100 by a certain percentage. So the effect is on the last two columns. I just did it in effect in total dollars and I also put it on a weighted per student unit basis to normalize that somewhat. There are about 70 districts that received less than the 75 mills and on this schedule, it would be about 45. The other ones that aren't on this schedule probably actually were able to reduce their mills. This would just be the effect of the additional mills that we would be adding to the mill levy buy down program.

Representative Headland: Could you explain the change in the effect that the weight of the student. What is happening here.

Jerry Coleman: That's basically just a dollars per student measure. I did it on weighted student units because that was easy to do, but that would be equivalent to what the formula generates for them in foundation aid payments. Weighted means let's say that you are a small school, you get a slight adjustment in your student account by 25%. It kind of normalizes it on a person student basis. The first one is in Barnes County, the effect of this would be that they would get an additional \$3.74 per weighted student unit. The second one on the list, the effect of that change, the added mills for Fessenden-Bowden would generate for them, \$13.52 a piece. The average for those added mills is at the bottom, \$7.50 per weighted student unit. These are annual numbers. The cost of adding those additional mills is \$813,000, just based on this projection.

Chairman Wesley R. Belter: Going back to the first handout, in reference to questions that Sen. Cook asked, if we really go to this chart, with the Senate amendments, you cut the line at 7%.

Senator Cook: A statewide average right now is 7.7%

Chairman Wesley R. Belter: So then anybody who had higher than that would've been frozen at that level.

Senator Cook: There wouldn't be any 8, 9, 10, 11, 16s.

Chairman Wesley R. Belter: Why do we give any increase? You cut it off at 7.7%, why not freeze it at a given level and give no increase. In a sense, is it not a windfall, especially if you gave everybody the 75 mills, or if you are at the 75 mills, it's a windfall, isn't it.

Senator Cook: You're saying that if 75 mills, instead of the statewide average, just guarantee your 75 mills.

Chairman Wesley R. Belter: Why do we give any increase? This is all based on 2008 numbers.

Senator Cook: If we didn't give anybody any increase, if we just capped their mill rate buy down at the number they are getting this year, then we're going to have to do something with the 110 mill cap because they are all going to start going over that again.

Representative Headland: You won't be buying down 75 mills.

Senator Cook: You won't be buying down 75 mills, we'll be buying down something less than that. We are with that cap at 7.7%, too; we're not buying down.

Chairman Wesley R. Belter: Are there any further questions of Jerry? Thank you. John, you prepared some amendments, didn't you.

Representative Headland: I made a request at some point that we want to make sure that if we move forward with our proposed House amendment, that we don't allow schools to capture property tax relief if they take a vote and go over 110 mills.

Chairman Wesley R. Belter: I'm not sure what direction we want to take here.

Representative Headland: I'd like answers to a couple of things. I'd like the question addressed whether we have any limitations of any kind on how the money can be spent. If that's the answer, then I would like to hear it from somebody and also like to find out how the 18% increase that Sen. Cook addressed this morning ties into this; that they are looking at in SB 2150.

Chairman Wesley R. Belter: Jerry, didn't you indicate here that the way you see it, there is probably not a limitation on the spending or for those schools that.

Jerry Coleman: There's no specific limitation, the only limitation is on the amount of money they can raise.

Chairman Wesley R. Belter: As long as they kept spending it away, they could keep their mills up and still get the full amount. They have a choice, if they don't spend the money they are probably going to run up against their carryover cap. So as long as they spend the money, they probably won't hit that cap and will also get the property tax relief, is that accurate.

Jerry Coleman: Correct.

Chairman Wesley R. Belter: It could be buildings, whatever. .

Jerry Coleman: That would be accurate. There is no spending limitation. I understand it to be that way.

Senator Cook: I want to just speak to half of your amendments, and that's the part of your amendments that deal with the school districts that don't get 75 mills buy down. I started meeting with those school districts long before the Session started. I listened to their arguments. The first time I met with them, I think they had 4 or 5 solutions. We've seen many solutions offered since then. We've had this bill in the Senate Finance and Tax Committee and we worked hard at trying to find a solution. Even when I look at the solution you have now, where they can gradually creep up to 75 mills, you'll see the effect per weighted student. The challenge with what you're trying to do when you find a solution in these areas, you're no longer talking about a property tax relief bill. In my mind, you're talking educational funding. The argument is all over the amount of funding that they are getting relative to a neighboring school district and that's not what this bill is about. This bill is about property tax relief. That's our challenge. I understand their argument. I understand that they certainly feel that they didn't get as much relief as a neighboring school district did. But my answer is always the same, this is a funding issue, not a property tax relief issue. It is an issue that they need to have vetted down in the Educational Committee, when they talked educational funding. If we go down this road, we are all of a sudden turning this bill into an educational funding bill also, and that's just going to create a nightmare for the future. We have worked hard in this state to solve any equity challenges we have. We just have to keep the two issues separate. I don't know where you are going to get something before us dealing with those particular school districts that are going to find Senate conferees or the Senate embracing them. We've only got 9 days left in the session, and we are willing to meet with you; but sooner or later I think we have to come to grips with this issue.

Chairman Wesley R. Belter: I appreciate your comments but I still have a real problem with the situation with those schools that have the tremendous increase in property valuation. So we have a tremendous inequity there. I just find it hard, with the way our proposals are now, we are over time going to make an attempt to correct that inequity. In that process of correcting it, these schools continue to get substantial aid, that under the formula, we never intended them to get. I have a problem allowing this one sector of the schools to have time, yet the other ones for various reasons to ask for some equity there because I think maybe we weren't fair with them in the initial property tax relief area.

Senator Cook: The other side of the equation that you're dealing with your amendments that you would like to offer is those school districts that are seeing increased wealth, and I'm perfectly open to discuss solutions that deal with that challenge. The Senate bill that we passed out has one solution; that's where we cap them at the average statewide growth. If there is a better solution, we're willing to look at that. We need to focus our attention on the school districts that have increasing wealth.

Chairman Wesley R. Belter: Any other comments directed towards Jerry or John to address for our meeting tomorrow morning. We'll adjourn the conference committee.

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee  
Fort Totten Room, State Capitol

HB 1047  
April 21, 2011  
Job # 16820

Conference Committee

Committee Clerk Signature

*Jeannette Cook*

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

A Bill relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

*See attached amendments and colored marked up bill.*

**Senator Cook:** Distributed amendments 11.0273.06015 and reviewed them. Please refer to attached amendments. I hope that these will offer us the means to find a compromise that we need. It could bring forth a comprehensive tax policy for the people of North Dakota. I point out that at the very top it says, "The House accedes to the Senate amendments on HB 1047." I know that we have had a lot of discussion on those schools that felt that they were shorted, and those schools that seemed to have rapidly increased valuation. We haven't found a solution that works. The amendments simply leave the Senate version in place. I should point out that at the bottom of page 7 and the top of page 8 that you find language that deals with HB 1047. I believe that that is the amendments that we put on 1047 in the Senate bill. Being that the House is acceding to our amendments, this language should not be in the bill. I am crossing it out, it starts on page 4 (of the amendments), line 27 and goes to page 8, down to Section 15

**Chairman Wesley R. Belter:** Do you want Mr. Walstad to walk us through this?

**Senator Cook:** I think that would be wise. Mr. Walstad, my comments about the amendment language in here regarding the property tax bill, is that correct?

**John Walstad, Legislative Council:** That is correct.

**Senator Cook:** Are they in this Christmas tree bill?

**John Walstad, Legislative Council:** They are in here as they should be because that is now part of the package, so what is in here is what will become law. It includes those Senate amendments. But, what happened when I hit the "create amendment" button, it threw them all in here. I should have pulled them out. When we redo this for the committee's report, if adopted, those will be stricken because they are covered by the first

line that says House accedes to Senate amendments. (Distributed colored marked up bill 11.0273.06015)

**John Walstad** reviewed the colored mark ups.

**Page one** is the provision that was included during the interim. It has been in the bill from the outset, and it relates to school districts with voter approval with a higher levy than 110 mills under the property tax relief formula. The change here is meant to cover the situation where that district either does not offer to the voters an opportunity to extend that enhanced levy, or does so and the voters do not approve it. What happens to that district? This is intended to make sure that that district gets to stay where they are. That voter disapproval or expiration does not kick them down to 110 mills from where they are at that point. It is a clean-up thing that was intended to be done last session, but a tweak was needed in that Section. (The stuff that is gray in this mark-up is being plugged in here.)

**Section two** is a bank tax.

**Section three, four, and five** are all bank tax changes, the reduction of  $\frac{1}{2}$  of a percentage point in bank tax rate. There are also some strange looking fractions that are involved there and making sure that the allocation is not changed because those taxes are allocated in a couple of different ways.

**In the corporate rate section** the high rate of 5.1% is a \$25 million fiscal note for the biennium.

**Section seven** is the individual rate chart. The rates here range from the low end rate at 1.51% to the high end rate at 3.99%. The fiscal note for that change is \$120 million for the biennium. As you can see by looking at those rates, it is a pretty significant rate reduction for individual income tax payers.

**Senator Cook:** We're reducing every rate by the same percentage?

**John Walstad:** It is an across the board percentage.

**Senator Cook:** 18%?

**John Walstad:** 17.7% or 17.9%

**Representative Headland:** Going back to the corporate rate. Is that an equal percentage reduction as well? Do you know what that percent is?

**John Walstad:** We will get that for you.

**On page eleven** of the mark-up we get back to the white paper, which means we are dealing what is in the bill. It is a chapter on property tax relief. The changes that you see on page twelve, the red stuff, those are changes that were made to the bill that are now being removed from the bill. The base here remains the same for considering the amount of relief a district will receive. The green language in line 19 is the Senate's change that limits grant increases for school districts to a percentage not exceeding the statewide

percentage increase in taxable valuation for the year. That caps the growth in the payment that a school district may receive.

**Chairman Belter:** At the current time, what is that projected to be?

**Jerry Coleman, Department of Public Instruction:** It is 7.7%

**Representative Headland:** A school district that the taxable value does not go up to the statewide average only receives what the taxable value increase really is, correct?

**John Walstad:** That is correct.

**On page 14** there is not much change. There are some amendments there that have been in the bill from the outset.

**On page 15** there a couple of provisions that are stricken. Section 15 and 16 transfer \$46 million from permanent oil to the general fund and a transfer of \$341 million from permanent oil to the property tax relief sustainability fund. Those have been covered from another bill. . .

**Chairman Wesley R. Belter:** 1451.

**Senator Cook:** I said earlier that the language on the front of the bill says that the House accedes to the Senate amendments on 2047, and that the amendments that you had there were not needed. But, now because we are taking this out of SB 2047, that is actually action that is taken in this conference committee that the Senate did not take, so I would think then that the bill has to be that the Senate recede from our amendments on 2047 and that we further amend. The further amend would be taking out these two sections, is that correct?

**John Walstad:** It is in the instruction on page eight of the amendment sheet; that page seven replace lines 23 – 29. That is these two sections that are being pulled out, and then we are plugging in those two study provisions.

**Senator Cook:** So, we are alright with the language?

**John Walstad:** Yes.

That gets us to the place where we are plugging in the **two study provisions**. Then the **effective date section**, and there is little change there because the first seven sections are taxable year provisions and the remaining sections are July 1 provisions. So, the effective date clause is adjusted to recognize that we have some income tax stuff in here now.

**Senator Miller:** To be clear we have about \$508 million in tax relief in this bill.

**John Walstad:** My math is about \$492 million. The appropriated amount for property tax relief is unchanged from introduced, \$341,790,000. The bank tax, corporate tax, and individual tax changes are a little short of \$150 million. That is \$489 million.

**Chairman Belter:** What's the exact amount for the bank tax again?

**John Walstad:** \$2.125 million.

**Senator Cook:** Mr. Coleman, the fiscal note on this bill, the appropriation of \$341 million, is that sufficient?

**Jerry Coleman:** We agreed on that.

**Senator Cook:** Okay, we agreed to that. We have come a long way. You will see that this is amendment .06015. We could see if we could build that number up, but I would just as soon we don't.

**Senator Cook** moved the amendments as presented in .06015.

**Representative Headland** seconded the motion.

**Senator Triplett:** I intend to vote no on these amendments for the reason that I don't think that there was any necessity shown in the description of the bill for combining these four separate topics into one bill. I know that there will be a number of members of my caucus who would have preferred to vote affirmatively for the property tax relief, but may have voted against one or more of the income tax portions. By combining the two of them together it makes it impossible to do that. I don't see any need for combining them.

**Representative Zaiser:** As we discussed about 15 minutes ago, I shared my feelings in regard to consolidating these various taxes into one bill. I don't think this is good public policy to do it this way. For the same reasons as Senator Triplett indicated, I will be voting no also. I may vote for this bill on the floor because some of them I support, and some of them I am not as supportive of.

**Senator Triplett:** Senator Cook mentioned as part of his presentation that the conference committee on SB 2320 had not been able to come to a resolution regarding the financial institutions tax. I serve on that subcommittee, so I know exactly what has gone on in there. The chair of that committee reported to us, day after day, that he was instructed not to move it along by leadership. We would meet for three minutes. I don't think there was any particular disagreement, but we were instructed apparently to hold that bill while other things were discussed. It is simply not true that we were not able to come to a decision. Representative Zaiser was also on that committee. We simply had no substantive discussions.

**Senator Cook:** That's correct and I hope that if I did indicate that, that the dialog that we did have was on the corporate income tax. We have always, from the beginning understood that we were bringing the financial institutions tax in there. If I in any way indicated that, I didn't mean to. She is correct in that statement.

**Chairman Wesley R. Belter:** Thank you. I appreciate all the comments made here. I think the overriding factor is that this legislature has a substantial reduction in taxes for the people of North Dakota. I think that is the key measure that we always want to keep in

mind. I would commend you, Senator Cook for putting this together. I think it is something the legislature should pass. I think it indicates the willingness of the legislature to continue to pass on much of the wealth that has been created through our tax system. I think it is only appropriate that we turn a proportion of that back to the people of North Dakota through these tax reductions.

**Representative Headland:** I intend on supporting the motion. I realize that in legislation sometimes compromise is needed. I want to be on the record stating that I would have liked to have seen more tax relief for business, but I think that the compromise that Senator Cook has come up with moves us forward as a state. It will provide some relief to those businesses. As far as the individuals I am very pleased with the amount of tax relief that they are going to get. I would also like to address the property tax provisions in this. I think that it is unfortunate that we haven't been able to come up with a viable solution for everybody in this bill. However, Senator Cook did a fine job of pointing out that the House provisions that we were fighting for didn't work as we intended. I wish there was a better solution for some of those schools, but I think this is fair and will help us move forward. In the end we have a good bill, and I intend to support it.

**Representative Zaiser:** I commend Senator Cook as well, given his objective of combining this. My only hope is that this large tax decrease is sustainable in the long run. I hope we don't have to come back in the future and ask for more money.

**Senator Cook:** We're not done with our work yet, as there are two chambers to go by, and there is a lot of work to do it. I hope that we are successful in that. In the last two sessions we have sat on committees dealing with the issue of property tax. It is tough work. We have had a heavy load this session with certainly our share of tax bills. The Senate and House Finance and Tax have managed to work through it in a manner of working together in a manner of compromise. I think this continues it. Mr. Chairman, I commend you for your leadership over there.

**Senator Miller:** I just hope this policy throws a little fuel on the fire that is burning out in North Dakota industry, and we can take our state to new levels of prosperity. I hope that this is a catalyst that does that.

**A roll call vote was taken on the amendments as proposed by Senator Cook. (.06015)**

**Aye 4 Nay 2 Absent 0**

**The motion passed.**

**The meeting was adjourned.**

April 20, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

That the House accede to the Senate amendments as printed on pages 1423 and 1424 of the House Journal and pages 911 and 912 of the Senate Journal and that Engrossed House Bill No. 1047 be further amended as follows:

Page 1, line 1, after the first comma insert "57-35.3-03, 57-35.3-05, 57-35.3-07, 57-35.3-08, 57-38-30, subsection 1 of section 57-38-30.3,"

Page 1, line 2, after "Code" insert "and section 13 of chapter 520 of the 2007 Session Laws"

Page 1, line 2, after the first "to" insert "reduction of the rate of the financial institutions tax and adjustment of the allocation of the tax and a reduction in income tax rates for corporations, individuals, estates, and trusts and"

Page 1, line 5, replace "transfers" with "a transfer"

Page 1, line 5, after the third semicolon insert "to provide for legislative management studies;"

Page 4, after line 3, insert:

**"SECTION 2. AMENDMENT.** Section 57-35.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-03. Imposition and basis of tax.**

An annual tax is imposed upon each financial institution for the grant to it of the privilege of transacting, or for the actual transacting by it, of business within this state during any part of each tax year. The tax is based upon and measured by the taxable income of the financial institution for the calendar year. The rate of tax is sevensix and one-half percent of taxable income, but the amount of tax may not be less than fifty dollars.

**SECTION 3. AMENDMENT.** Section 57-35.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-05. Credits.**

1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the taxable year to nonprofit private institutions of higher education located within the state or to the North Dakota independent college fund. The amount allowable as a credit under this subdivision for any taxable year may not exceed five and seven-tenths~~four and six-tenths~~ percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.
- b. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the

taxpayer during the taxable year to nonprofit private institutions of secondary education located within the state. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

- c. For the purposes of this subsection, the term "nonprofit private institution of higher education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education at a level above the twelfth grade. The term "nonprofit private institution of secondary education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum approved by the department of public instruction and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education to students in the ninth through twelfth grades.
  - d. For the purposes of this subsection, a taxpayer may elect to treat a contribution as made in the preceding taxable year if the contribution and election are made not later than the time prescribed for filing the return for the taxable year.
- 2.
- a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to any overpayment of tax paid pursuant to chapter 57-35 or 57-35.1, for a taxable year beginning before January 1, 1997, to the extent that the overpayment would have been an allowable deduction from tax payable for the current taxable year, under section 57-35-12 or 57-35.1-07, if chapters 57-35 and 57-35.1 applied to the current taxable year. The amount allowable as a credit under this subsection for any taxable year may not exceed five-sevenths of the tax before credits allowed under this section.
  - b. For purposes of determining distributions to and from the counties under section 57-35.3-09:
    - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
    - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
    - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee.

3. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in rural leadership North Dakota conducted through the North Dakota state university extension service. Contributions by a taxpayer may be earmarked for use by a designated recipient. The amount allowable as a credit under this subsection for any taxable year may not exceed ~~five and seven tenths~~ four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

**SECTION 4. AMENDMENT.** Section 57-35.3-07 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-07. Payment of tax.**

~~Two-sevenths~~ Three-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 1 of section 57-35.3-05, must be paid to the commissioner on or before April fifteenth of the year in which the return is due, regardless of any extension of the time for filing the return granted under section 57-35.3-06. ~~Five-sevenths~~ Ten-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 2 of section 57-35.3-05, must be paid to the commissioner on or before January fifteenth of the year after the return is due. Payment must be made by check, draft, or money order, payable to the commissioner, or as prescribed by the commissioner under subsection 15 of section 57-01-02.

**SECTION 5. AMENDMENT.** Section 57-35.3-08 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-08. Disposition of tax.**

The commissioner shall deposit the portion of the tax payable in the year the return is due in the general fund of the state treasury and shall deposit the portion of the tax payable in the year after the return is due in the financial institution tax distribution fund of the state treasury, ~~which is hereby created~~. Interest, penalty, and late tax payments attributable to each portion of the tax must be deposited in the appropriate fund.

**SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-30. Imposition and rate of tax on corporations.**

A tax is hereby imposed upon the taxable income of every domestic and foreign corporation which must be levied, collected, and paid annually as in this chapter provided:

1. a. For the first twenty-five thousand dollars of taxable income, at the rate of ~~two one and one-tenth~~ sixty-eight hundredths percent.
- b. On all taxable income exceeding twenty-five thousand dollars and not exceeding fifty thousand dollars, at the rate of ~~five~~ four and twenty-three hundredths percent.

- c. On all taxable income exceeding fifty thousand dollars, at the rate of ~~six~~five and ~~four-tenths~~fifteen hundredths percent.
- 2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

**SECTION 7. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

- 1. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. A taxpayer computing the tax under this section is only eligible for those adjustments or credits that are specifically provided for in this section. Provided, that for purposes of this section, any person required to file a state income tax return under this chapter, but who has not computed a federal taxable income figure, shall compute a federal taxable income figure using a pro forma return in order to determine a federal taxable income figure to be used as a starting point in computing state income tax under this section. The tax for individuals is equal to North Dakota taxable income multiplied by the rates in the applicable rate schedule in subdivisions a through d corresponding to an individual's filing status used for federal income tax purposes. For an estate or trust, the schedule in subdivision e must be used for purposes of this subsection.

- a. Single, other than head of household or surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over <del>\$33,950</del> <u>\$34,500</u>	<del>4.84%</del> <u>1.51%</u>
Over <del>\$33,950</del> <u>\$34,500</u>	<del>\$624.68</del> <u>\$520.95</u> plus <del>3.44%</del> <u>2.82%</u>
but not over <del>\$82,250</del> <u>\$83,600</u>	of amount over <del>\$33,950</del> <u>\$34,500</u>
Over <del>\$82,250</del> <u>\$83,600</u>	<del>\$2,286.20</del> <u>\$1,950.57</u> plus
<del>3.81%</del> <u>3.13%</u>	
but not over <del>\$171,550</del> <u>\$174,400</u>	of amount over <del>\$82,250</del> <u>\$83,600</u>
Over <del>\$171,550</del> <u>\$174,400</u>	<del>\$5,688.53</del> <u>\$4,747.61</u> plus
<del>4.42%</del> <u>3.63%</u>	
but not over <del>\$372,950</del> <u>\$379,150</u>	of amount over
<del>\$171,550</del> <u>\$174,400</u>	
Over <del>\$372,950</del> <u>\$379,150</u>	<del>\$14,590.41</del> <u>\$12,180.04</u> plus
<del>4.86%</del> <u>3.99%</u>	
of amount over	
<del>\$372,950</del> <u>\$379,150</u>	

- b. Married filing jointly and surviving spouse.

If North Dakota taxable income is:

Not over ~~\$56,750~~\$57,700

Over ~~\$56,750~~\$57,700

~~3.44%~~2.82%

but not over ~~\$137,050~~\$139,350

Over ~~\$137,050~~\$139,350

~~3.84%~~3.13%

but not over ~~\$208,850~~\$212,300

~~\$137,050~~\$135,350

Over ~~\$208,850~~\$212,300

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$208,850~~\$212,300

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

The tax is equal to:

~~1.84%~~1.51%

~~\$1,044.20~~\$871.27 plus

of amount over ~~\$56,750~~\$57,700

~~\$3,806.52~~\$3,173.80 plus

of amount over

~~\$6,542.10~~\$5,457.14 plus

of amount over

~~\$13,795.32~~\$11,513.79 plus

of amount over

c. Married filing separately.

If North Dakota taxable income is:

Not over ~~\$28,375~~\$28,850

Over ~~\$28,375~~\$28,850

but not over ~~\$68,525~~\$69,675

Over ~~\$68,525~~\$69,675

~~3.81%~~3.13%

but not over ~~\$104,425~~\$106,150

Over ~~\$104,425~~\$106,150

~~4.42%~~3.63%

but not over ~~\$186,475~~\$189,575

~~\$104,425~~\$106,150

Over ~~\$186,475~~\$189,575

~~4.86%~~3.99%

The tax is equal to:

~~1.84%~~1.51%

~~\$522.10~~\$424.10 plus ~~3.44%~~2.82%

of amount over ~~\$28,375~~\$28,850

~~\$1,903.26~~\$1,586.90 plus

of amount over ~~\$68,525~~\$69,675

~~\$3,274.05~~\$2,728.57 plus

of amount over

~~\$6,897.66~~\$5,756.90 plus

of amount over

~~\$186,475~~\$189,575

d. Head of household.

If North Dakota taxable income is:

Not over ~~\$45,500~~\$46,250

Over ~~\$45,500~~\$46,250

but not over ~~\$117,450~~\$119,400

Over ~~\$117,450~~\$119,400

~~3.81%~~3.13%

but not over ~~\$190,200~~\$193,350

~~\$117,450~~\$119,400

Over ~~\$190,200~~\$193,350

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$190,200~~\$193,350

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

e. Estates and trusts.

If North Dakota taxable income is:

Not over \$2,300

Over \$2,300

but not over ~~\$5,350~~\$5,450

Over ~~\$5,350~~\$5,450

but not over ~~\$8,200~~\$8,300

Over ~~\$8,200~~\$8,300

but not over ~~\$11,150~~\$11,350

Over ~~\$11,150~~\$11,350

The tax is equal to:

~~1.84%~~1.51%

~~\$837.20~~\$698.38 plus ~~3.44%~~2.82%

of amount over ~~\$45,500~~\$46,250

~~\$3,312.28~~\$2,761.21 plus

of amount over

~~\$6,084.06~~\$5,075.84 plus

of amount over

~~\$14,161.61~~\$11,820.38 plus

of amount over

The tax is equal to:

~~1.84%~~1.51%

~~\$42.32~~\$34.73 plus ~~3.44%~~2.82%

of amount over \$2,300

~~\$147.24~~\$123.56 plus ~~3.81%~~3.13%

of amount over ~~\$5,350~~\$5,450

~~\$255.83~~\$212.77 plus ~~4.42%~~3.63%

of amount over ~~\$8,200~~\$8,300

~~\$386.22~~\$323.48 plus ~~4.86%~~3.99%

of amount over ~~\$11,150~~\$11,350

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax

otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

- g. ~~For taxable years beginning after December 31, 2009, the~~The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same as that used for adjusting the income brackets for federal income tax purposes.
- h. The tax commissioner shall prescribe an optional simplified method of computing tax under this section that may be used by an individual taxpayer who is not entitled to claim an adjustment under subsection 2 or credit against income tax liability under subsection 7."

Page 4, line 27, remove "previous year"

Page 4, line 27, remove the overstrike over "~~for taxable~~"

Page 4, line 28, remove the overstrike over "~~year 2008~~"

Page 4, line 28, remove "plus the previous year number of mills of property tax relief under this"

Page 4, line 29, remove "chapter"

Page 5, line 1, remove the overstrike over "~~The grant to a qualifying school district may not be less than the grant to that school~~"

Page 5, line 2, remove the overstrike over "~~district in the preceding school year.~~" and insert immediately thereafter:

"4. The grant to a qualifying school district may not exceed the grant to that school district in the preceding school year by a percentage that is more than the percentage increase in statewide taxable valuation which was determined for the previous taxable year.

5."

Page 5, line 20, overstrike "4." and insert immediately thereafter "6."

Page 5, line 23, overstrike "5." and insert immediately thereafter "7."

Page 5, line 27, overstrike "6." and insert immediately thereafter "8."

Page 5, line 29, overstrike "7." and insert immediately thereafter "9."

Page 7, replace lines 23 through 29 with:

**"SECTION 15. AMENDMENT.** Section 13 of chapter 520 of the 2007 Session Laws is amended and reenacted as follows:

**SECTION 13. LEGISLATIVE COUNCIL MANAGEMENT STUDY.**

The legislative council~~management~~ shall study in each interim through 2012 the feasibility and desirability of property tax reform and providing property tax relief to taxpayers of the state, with the goal of reduction of each taxpayer's annual property tax bill to an amount that is not more than one and one-half percent of the true and full value of property, and including examination of the proper measure of education funding from local taxation and state resources and the variability of funding resources among taxing districts and examination of improved collection and reporting of property tax information to identify residency of property owners with minimized administrative difficulty. The legislative management shall consider the sustainability of state-funded property tax relief in view of the compounding effect of ongoing property taxable valuation increases. The legislative council~~management~~ shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the legislative assembly subsequent to each interim.

**SECTION 16. LEGISLATIVE MANAGEMENT STUDY - FINANCIAL INSTITUTIONS TAXATION AND CORPORATE INCOME.** During the 2011-12 interim, the legislative management shall consider studying the feasibility and desirability of revision of the financial institutions taxes, including the feasibility of taxing financial institutions under the state corporate income tax laws. The study under this section must include consideration of corporate income taxes, including corporate income apportionment factors and potential impact of federal legislation on state corporate income taxes. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 7, line 30, replace "Section 1" with "Sections 1 through 7"

Page 7, line 30, replace "is" with "are"

Renumber accordingly

April 21, 2011

VR  
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1 of 8

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

That the House accede to the Senate amendments as printed on pages 1423 and 1424 of the House Journal and page 1191 of the Senate Journal and that Engrossed House Bill No. 1047 be further amended as follows:

Page 1, line 1, after the first comma insert "57-35.3-03, 57-35.3-05, 57-35.3-07, 57-35.3-08, and 57-38-30, subsection 1 of section 57-38-30.3, and sections"

Page 1, line 2, after "Code" insert "and section 13 of chapter 520 of the 2007 Session Laws"

Page 1, line 2, after the first "to" insert "reduction of the rate of the financial institutions tax and adjustment of the allocation of the tax, a reduction in income tax rates for corporations, individuals, estates, and trusts, and"

Page 1, line 5, replace "transfers" with "a transfer"

Page 1, line 5, after the third semicolon insert "to provide for legislative management studies;"

Page 4, after line 3, insert:

**"SECTION 2. AMENDMENT.** Section 57-35.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-03. Imposition and basis of tax.**

An annual tax is imposed upon each financial institution for the grant to it of the privilege of transacting, or for the actual transacting by it, of business within this state during any part of each tax year. The tax is based upon and measured by the taxable income of the financial institution for the calendar year. The rate of tax is sevensix and one-half percent of taxable income, but the amount of tax may not be less than fifty dollars.

**SECTION 3. AMENDMENT.** Section 57-35.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-05. Credits.**

1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the taxable year to nonprofit private institutions of higher education located within the state or to the North Dakota independent college fund. The amount allowable as a credit under this subdivision for any taxable year may not exceed five and seven-tenths~~four and six-tenths~~ percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.
- b. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the

taxpayer during the taxable year to nonprofit private institutions of secondary education located within the state. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~ four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

- c. For the purposes of this subsection, the term "nonprofit private institution of higher education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education at a level above the twelfth grade. The term "nonprofit private institution of secondary education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum approved by the department of public instruction and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education to students in the ninth through twelfth grades.
  - d. For the purposes of this subsection, a taxpayer may elect to treat a contribution as made in the preceding taxable year if the contribution and election are made not later than the time prescribed for filing the return for the taxable year.
2. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to any overpayment of tax paid pursuant to chapter 57-35 or 57-35.1, for a taxable year beginning before January 1, 1997, to the extent that the overpayment would have been an allowable deduction from tax payable for the current taxable year, under section 57-35-12 or 57-35.1-07, if chapters 57-35 and 57-35.1 applied to the current taxable year. The amount allowable as a credit under this subsection for any taxable year may not exceed five-sevenths of the tax before credits allowed under this section.
- b. For purposes of determining distributions to and from the counties under section 57-35.3-09:
    - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
    - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
    - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee.

- 3. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in rural leadership North Dakota conducted through the North Dakota state university extension service. Contributions by a taxpayer may be earmarked for use by a designated recipient. The amount allowable as a credit under this subsection for any taxable year may not exceed ~~five and seven tenths~~ four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

**SECTION 4. AMENDMENT.** Section 57-35.3-07 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-07. Payment of tax.**

~~Two-sevenths~~ Three-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 1 of section 57-35.3-05, must be paid to the commissioner on or before April fifteenth of the year in which the return is due, regardless of any extension of the time for filing the return granted under section 57-35.3-06. ~~Five-sevenths~~ Ten-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 2 of section 57-35.3-05, must be paid to the commissioner on or before January fifteenth of the year after the return is due. Payment must be made by check, draft, or money order, payable to the commissioner, or as prescribed by the commissioner under subsection 15 of section 57-01-02.

**SECTION 5. AMENDMENT.** Section 57-35.3-08 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-08. Disposition of tax.**

The commissioner shall deposit the portion of the tax payable in the year the return is due in the general fund of the state treasury and shall deposit the portion of the tax payable in the year after the return is due in the financial institution tax distribution fund of the state treasury, ~~which is hereby created~~. Interest, penalty, and late tax payments attributable to each portion of the tax must be deposited in the appropriate fund.

**SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-30. Imposition and rate of tax on corporations.**

A tax is hereby imposed upon the taxable income of every domestic and foreign corporation which must be levied, collected, and paid annually as in this chapter provided:

- 1. a. For the first twenty-five thousand dollars of taxable income, at the rate of ~~two one~~ and ~~one-tenth~~ sixty-eight hundredths percent.
- b. On all taxable income exceeding twenty-five thousand dollars and not exceeding fifty thousand dollars, at the rate of ~~five~~ four and ~~twenty-five~~ twenty-three hundredths percent.

- c. On all taxable income exceeding fifty thousand dollars, at the rate of ~~six~~five and ~~four-tenths~~four~~fifteen~~hundredths percent.
- 2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

**SECTION 7. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

1. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. A taxpayer computing the tax under this section is only eligible for those adjustments or credits that are specifically provided for in this section. Provided, that for purposes of this section, any person required to file a state income tax return under this chapter, but who has not computed a federal taxable income figure, shall compute a federal taxable income figure using a pro forma return in order to determine a federal taxable income figure to be used as a starting point in computing state income tax under this section. The tax for individuals is equal to North Dakota taxable income multiplied by the rates in the applicable rate schedule in subdivisions a through d corresponding to an individual's filing status used for federal income tax purposes. For an estate or trust, the schedule in subdivision e must be used for purposes of this subsection.

a. Single, other than head of household or surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over <del>\$33,950</del> <u>\$34,500</u>	<del>1.84%</del> <u>1.51%</u>
Over <del>\$33,950</del> <u>\$34,500</u>	<del>\$624.68</del> <u>\$520.95</u> plus <del>3.44%</del> <u>2.82%</u>
but not over <del>\$82,250</del> <u>\$83,600</u>	of amount over <del>\$33,950</del> <u>\$34,500</u>
Over <del>\$82,250</del> <u>\$83,600</u>	<del>\$2,286.20</del> <u>\$1,950.57</u> plus
<del>3.81%</del> <u>3.13%</u>	
but not over <del>\$171,550</del> <u>\$174,400</u>	of amount over <del>\$82,250</del> <u>\$83,600</u>
Over <del>\$171,550</del> <u>\$174,400</u>	<del>\$5,688.53</del> <u>\$4,747.61</u> plus
<del>4.42%</del> <u>3.63%</u>	
but not over <del>\$372,950</del> <u>\$379,150</u>	of amount over
<del>\$171,550</del> <u>\$174,400</u>	
Over <del>\$372,950</del> <u>\$379,150</u>	<del>\$14,590.41</del> <u>\$12,180.04</u> plus
<del>4.86%</del> <u>3.99%</u>	
of amount over	
<del>\$372,950</del> <u>\$379,150</u>	

b. Married filing jointly and surviving spouse.

If North Dakota taxable income is:

Not over ~~\$56,750~~\$57,700

Over ~~\$56,750~~\$57,700

~~3.44%~~2.82%

but not over ~~\$137,050~~\$139,350

Over ~~\$137,050~~\$139,350

~~3.81%~~3.13%

but not over ~~\$208,850~~\$212,300

~~\$137,050~~\$135,350

Over ~~\$208,850~~\$212,300

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$208,850~~\$212,300

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

c. Married filing separately.

If North Dakota taxable income is:

Not over ~~\$28,375~~\$28,850

Over ~~\$28,375~~\$28,850

but not over ~~\$68,525~~\$69,675

Over ~~\$68,525~~\$69,675

~~3.81%~~3.13%

but not over ~~\$104,425~~\$106,150

Over ~~\$104,425~~\$106,150

~~4.42%~~3.63%

but not over ~~\$186,475~~\$189,575

~~\$104,425~~\$106,150

Over ~~\$186,475~~\$189,575

~~4.86%~~3.99%

The tax is equal to:

~~1.84%~~1.51%

~~\$1,044.20~~\$871.27 plus

of amount over ~~\$56,750~~\$57,700

~~\$3,806.52~~\$3,173.80 plus

of amount over

~~\$6,542.10~~\$5,457.14 plus

of amount over

~~\$13,795.32~~\$11,513.79 plus

of amount over

The tax is equal to:

~~1.84%~~1.51%

~~\$522.10~~\$424.10 plus ~~3.44%~~2.82%

of amount over ~~\$28,375~~\$28,850

~~\$1,903.26~~\$1,586.90 plus

of amount over ~~\$68,525~~\$69,675

~~\$3,271.05~~\$2,728.57 plus

of amount over

~~\$6,897.66~~\$5,756.90 plus

~~\$186,475~~\$189,575

d. Head of household.

If North Dakota taxable income is:

Not over ~~\$45,500~~\$46,250

Over ~~\$45,500~~\$46,250

but not over ~~\$117,450~~\$119,400

Over ~~\$117,450~~\$119,400

~~3.81%~~3.13%

but not over ~~\$190,200~~\$193,350

~~\$117,450~~\$119,400

Over ~~\$190,200~~\$193,350

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$190,200~~\$193,350

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

e. Estates and trusts.

If North Dakota taxable income is:

Not over \$2,300

Over \$2,300

but not over ~~\$5,350~~\$5,450

Over ~~\$5,350~~\$5,450

but not over ~~\$8,200~~\$8,300

Over ~~\$8,200~~\$8,300

but not over ~~\$11,150~~\$11,350

Over ~~\$11,150~~\$11,350

of amount over

The tax is equal to:

~~1.84%~~1.51%

~~\$837.20~~\$698.38 plus ~~3.44%~~2.82%

of amount over ~~\$45,500~~\$46,250

~~\$3,312.28~~\$2,761.21 plus

of amount over

~~\$6,084.06~~\$5,075.84 plus

of amount over

~~\$14,161.61~~\$11,820.38 plus

of amount over

The tax is equal to:

~~1.84%~~1.51%

~~\$42.32~~\$34.73 plus ~~3.44%~~2.82%

of amount over \$2,300

~~\$147.24~~\$123.56 plus ~~3.81%~~3.13%

of amount over ~~\$5,350~~\$5,450

~~\$255.83~~\$212.77 plus ~~4.42%~~3.63%

of amount over ~~\$8,200~~\$8,300

~~\$386.22~~\$323.48 plus ~~4.86%~~3.99%

of amount over ~~\$11,150~~\$11,350

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax

otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

- g. ~~For taxable years beginning after December 31, 2009, the~~The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same as that used for adjusting the income brackets for federal income tax purposes.
- h. The tax commissioner shall prescribe an optional simplified method of computing tax under this section that may be used by an individual taxpayer who is not entitled to claim an adjustment under subsection 2 or credit against income tax liability under subsection 7."

Page 7, replace lines 23 through 29 with:

**"SECTION 15. AMENDMENT.** Section 13 of chapter 520 of the 2007 Session Laws is amended and reenacted as follows:

**SECTION 13. LEGISLATIVE COUNCIL MANAGEMENT STUDY.**

The legislative council management shall study in each interim through 2012 the feasibility and desirability of property tax reform and providing property tax relief to taxpayers of the state, with the goal of reduction of each taxpayer's annual property tax bill to an amount that is not more than one and one-half percent of the true and full value of property, and including examination of the proper measure of education funding from local taxation and state resources and the variability of funding resources among taxing districts and examination of improved collection and reporting of property tax information to identify residency of property owners with minimized administrative difficulty. The legislative management shall consider the sustainability of state-funded property tax relief in view of the compounding effect of ongoing property taxable valuation increases. The legislative council management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the legislative assembly subsequent to each interim.

**SECTION 16. LEGISLATIVE MANAGEMENT STUDY - FINANCIAL INSTITUTIONS TAXATION AND CORPORATE INCOME.** During the 2011-12 interim, the legislative management shall consider studying the feasibility and desirability of revision of the financial institutions taxes, including the feasibility of taxing financial institutions under the state corporate income tax laws. The study under this section must include consideration of corporate income taxes, including corporate income apportionment factors and potential impact of federal legislation on state corporate income taxes. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 7, line 30, replace "Section 1" with "Sections 1 through 7"

Page 7, line 30, replace "is" with "are"

Renumber accordingly



**REPORT OF CONFERENCE COMMITTEE**

**HB 1047, as engrossed:** Your conference committee (Sens. Cook, Miller, Triplett and Reps. Belter, Headland, Zaiser) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1423-1424, adopt further amendments as follows, and place HB 1047 on the Seventh order:

That the House accede to the Senate amendments as printed on pages 1423 and 1424 of the House Journal and page 1191 of the Senate Journal and that Engrossed House Bill No. 1047 be further amended as follows:

Page 1, line 1, after the first comma insert "57-35.3-03, 57-35.3-05, 57-35.3-07, 57-35.3-08, and 57-38-30, subsection 1 of section 57-38-30.3, and sections"

Page 1, line 2, after "Code" insert "and section 13 of chapter 520 of the 2007 Session Laws"

Page 1, line 2, after the first "to" insert "reduction of the rate of the financial institutions tax and adjustment of the allocation of the tax, a reduction in income tax rates for corporations, individuals, estates, and trusts, and"

Page 1, line 5, replace "transfers" with "a transfer"

Page 1, line 5, after the third semicolon insert "to provide for legislative management studies;"

Page 4, after line 3, insert:

**"SECTION 2. AMENDMENT.** Section 57-35.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-03. Imposition and basis of tax.**

An annual tax is imposed upon each financial institution for the grant to it of the privilege of transacting, or for the actual transacting by it, of business within this state during any part of each tax year. The tax is based upon and measured by the taxable income of the financial institution for the calendar year. The rate of tax is ~~seven~~six and one-half percent of taxable income, but the amount of tax may not be less than fifty dollars.

**SECTION 3. AMENDMENT.** Section 57-35.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-05. Credits.**

1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the taxable year to nonprofit private institutions of higher education located within the state or to the North Dakota independent college fund. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.
- b. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the taxable year to nonprofit private institutions of secondary education located within the state. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~four and six-tenths percent of the tax

before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

- c. For the purposes of this subsection, the term "nonprofit private institution of higher education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education at a level above the twelfth grade. The term "nonprofit private institution of secondary education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum approved by the department of public instruction and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education to students in the ninth through twelfth grades.
  - d. For the purposes of this subsection, a taxpayer may elect to treat a contribution as made in the preceding taxable year if the contribution and election are made not later than the time prescribed for filing the return for the taxable year.
2. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to any overpayment of tax paid pursuant to chapter 57-35 or 57-35.1, for a taxable year beginning before January 1, 1997, to the extent that the overpayment would have been an allowable deduction from tax payable for the current taxable year, under section 57-35-12 or 57-35.1-07, if chapters 57-35 and 57-35.1 applied to the current taxable year. The amount allowable as a credit under this subsection for any taxable year may not exceed five-sevenths of the tax before credits allowed under this section.
  - b. For purposes of determining distributions to and from the counties under section 57-35.3-09:
    - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
    - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
    - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee.
3. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in rural leadership North Dakota conducted through the North Dakota state university extension service. Contributions by a taxpayer may be earmarked for use by a designated recipient. The amount allowable as a credit under this subsection for any taxable year may not exceed ~~five and seven tenths~~four and six tenths

percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

**SECTION 4. AMENDMENT.** Section 57-35.3-07 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-07. Payment of tax.**

~~Two-sevenths~~Three-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 1 of section 57-35.3-05, must be paid to the commissioner on or before April fifteenth of the year in which the return is due, regardless of any extension of the time for filing the return granted under section 57-35.3-06. ~~Five-sevenths~~Ten-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 2 of section 57-35.3-05, must be paid to the commissioner on or before January fifteenth of the year after the return is due. Payment must be made by check, draft, or money order, payable to the commissioner, or as prescribed by the commissioner under subsection 15 of section 57-01-02.

**SECTION 5. AMENDMENT.** Section 57-35.3-08 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-08. Disposition of tax.**

The commissioner shall deposit the portion of the tax payable in the year the return is due in the general fund of the state treasury and shall deposit the portion of the tax payable in the year after the return is due in the financial institution tax distribution fund of the state treasury, ~~which is hereby created~~. Interest, penalty, and late tax payments attributable to each portion of the tax must be deposited in the appropriate fund.

**SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-30. Imposition and rate of tax on corporations.**

A tax is hereby imposed upon the taxable income of every domestic and foreign corporation which must be levied, collected, and paid annually as in this chapter provided:

1. a. For the first twenty-five thousand dollars of taxable income, at the rate of ~~two one and one-tenth~~sixty-eight hundredths percent.
- b. On all taxable income exceeding twenty-five thousand dollars and not exceeding fifty thousand dollars, at the rate of ~~five~~four and ~~twenty-five~~twenty-three hundredths percent.
- c. On all taxable income exceeding fifty thousand dollars, at the rate of ~~six~~five and ~~four-tenths~~fifteen hundredths percent.
2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

**SECTION 7. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

1. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. A taxpayer computing the tax under this

section is only eligible for those adjustments or credits that are specifically provided for in this section. Provided, that for purposes of this section, any person required to file a state income tax return under this chapter, but who has not computed a federal taxable income figure, shall compute a federal taxable income figure using a pro forma return in order to determine a federal taxable income figure to be used as a starting point in computing state income tax under this section. The tax for individuals is equal to North Dakota taxable income multiplied by the rates in the applicable rate schedule in subdivisions a through d corresponding to an individual's filing status used for federal income tax purposes. For an estate or trust, the schedule in subdivision e must be used for purposes of this subsection.

a. Single, other than head of household or surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over <del>\$33,950</del> <u>\$34,500</u>	<del>1.84%</del> <u>1.51%</u>
Over <del>\$33,950</del> <u>\$34,500</u> but not over <del>\$82,250</del> <u>\$83,600</u>	<del>\$624.68</del> <u>\$520.95</u> plus <del>3.44%</del> <u>2.82%</u> of amount over <del>\$33,950</del> <u>\$34,500</u>
Over <del>\$82,250</del> <u>\$83,600</u> <del>3.81%</del> <u>3.13%</u> but not over <del>\$171,550</del> <u>\$174,400</u>	<del>\$2,286.20</del> <u>\$1,950.57</u> plus of amount over <del>\$82,250</del> <u>\$83,600</u>
Over <del>\$171,550</del> <u>\$174,400</u> <del>4.42%</del> <u>3.63%</u> but not over <del>\$372,950</del> <u>\$379,150</u> <del>\$171,550</del> <u>\$174,400</u>	<del>\$5,688.53</del> <u>\$4,747.61</u> plus of amount over
Over <del>\$372,950</del> <u>\$379,150</u> <del>4.86%</del> <u>3.99%</u> <del>\$372,950</del> <u>\$379,150</u>	<del>\$14,590.41</del> <u>\$12,180.04</u> plus of amount over

b. Married filing jointly and surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over <del>\$56,750</del> <u>\$57,700</u>	<del>1.84%</del> <u>1.51%</u>
Over <del>\$56,750</del> <u>\$57,700</u> but not over <del>\$137,050</del> <u>\$139,350</u>	<del>\$1,044.20</del> <u>\$871.27</u> plus <del>3.44%</del> <u>2.82%</u> of amount over <del>\$56,750</del> <u>\$57,700</u>
Over <del>\$137,050</del> <u>\$139,350</u> <del>3.81%</del> <u>3.13%</u> but not over <del>\$208,850</del> <u>\$212,300</u> <del>\$137,050</del> <u>\$139,350</u>	<del>\$3,806.52</del> <u>\$3,173.80</u> plus of amount over
Over <del>\$208,850</del> <u>\$212,300</u> <del>4.42%</del> <u>3.63%</u> but not over <del>\$372,950</del> <u>\$379,150</u> <del>\$208,850</del> <u>\$212,300</u>	<del>\$6,542.10</del> <u>\$5,457.14</u> plus of amount over

Over ~~\$372,950~~\$379,150  
4.86%3.99%

~~\$13,796.32~~\$11,513.79 plus

of amount over

~~\$372,950~~\$379,150

c. Married filing separately.

If North Dakota taxable income is:

The tax is equal to:

Not over ~~\$28,375~~\$28,850

1.84%1.51%

Over ~~\$28,375~~\$28,850

~~\$522.10~~\$424.10 plus 3.44%2.82%

but not over ~~\$68,525~~\$69,675

of amount over ~~\$28,375~~\$28,850

Over ~~\$68,525~~\$69,675  
3.81%3.13%

~~\$1,903.26~~\$1,586.90 plus

but not over ~~\$104,425~~\$106,150

of amount over ~~\$68,525~~\$69,675

Over ~~\$104,425~~\$106,150  
4.42%3.63%

~~\$3,271.06~~\$2,728.57 plus

but not over ~~\$186,475~~\$189,575  
~~\$104,425~~\$106,150

of amount over

Over ~~\$186,475~~\$189,575  
4.86%3.99%

~~\$6,897.66~~\$5,756.90 plus

of amount over

~~\$186,475~~\$189,575

d. Head of household.

If North Dakota taxable income is:

The tax is equal to:

Not over ~~\$46,500~~\$46,250

1.84%1.51%

Over ~~\$46,500~~\$46,250

~~\$837.20~~\$698.38 plus 3.44%2.82%

but not over ~~\$117,450~~\$119,400

of amount over ~~\$46,500~~\$46,250

Over ~~\$117,450~~\$119,400  
3.81%3.13%

~~\$3,312.28~~\$2,761.21 plus

but not over ~~\$190,200~~\$193,350  
~~\$117,450~~\$119,400

of amount over

Over ~~\$190,200~~\$193,350  
4.42%3.63%

~~\$6,084.06~~\$5,075.84 plus

but not over ~~\$372,950~~\$379,150  
~~\$190,200~~\$193,350

of amount over

Over ~~\$372,950~~\$379,150  
4.86%3.99%

~~\$14,161.61~~\$11,820.38 plus

of amount over

~~\$372,950~~\$379,150

e. Estates and trusts.

If North Dakota taxable income is:	The tax is equal to:
Not over \$2,300	<del>1.84%</del> <u>1.51%</u>
Over \$2,300	<del>\$42.32</del> <u>\$34.73</u> plus <del>3.44%</del> <u>2.82%</u>
but not over <del>\$5,350</del> <u>\$5,450</u>	of amount over \$2,300
Over <del>\$5,350</del> <u>\$5,450</u>	<del>\$147.24</del> <u>\$123.56</u> plus <del>3.81%</del> <u>3.13%</u>
but not over <del>\$8,200</del> <u>\$8,300</u>	of amount over <del>\$5,350</del> <u>\$5,450</u>
Over <del>\$8,200</del> <u>\$8,300</u>	<del>\$266.83</del> <u>\$212.77</u> plus <del>4.42%</del> <u>3.63%</u>
but not over <del>\$11,150</del> <u>\$11,350</u>	of amount over <del>\$8,200</del> <u>\$8,300</u>
Over <del>\$11,150</del> <u>\$11,350</u>	<del>\$386.22</del> <u>\$323.48</u> plus <del>4.86%</del> <u>3.99%</u>
	of amount over <del>\$11,150</del> <u>\$11,350</u>

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

g. ~~For taxable years beginning after December 31, 2009, the~~ The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same as that used for adjusting the income brackets for federal income tax purposes.

h. The tax commissioner shall prescribe an optional simplified method of computing tax under this section that may be used by an individual taxpayer who is not entitled to claim an adjustment under subsection 2 or credit against income tax liability under subsection 7."

Page 7, replace lines 23 through 29 with:

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The legislative ~~council~~management shall study in each interim through 2012 the feasibility and desirability of property tax reform and providing property tax relief to taxpayers of the state, with the goal of reduction of each taxpayer's annual property tax bill to an amount that is not more than one and one-half percent of the true and full value of property, and including examination of the proper measure of education funding from local taxation and state resources and the variability of funding resources among taxing districts and examination of improved collection and reporting of property tax information to identify residency of property owners with minimized administrative difficulty. The legislative management shall consider the sustainability of state-funded property tax relief in view of the compounding effect of ongoing property taxable valuation increases. The legislative ~~council~~management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the legislative assembly subsequent to each interim.

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Page 7, line 30, replace "Section 1" with "Sections 1 through 7"

Page 7, line 30, replace "is" with "are"

Re-number accordingly

Engrossed HB 1047 was placed on the Seventh order of business on the calendar.

**2011 HOUSE APPROPRIATIONS**

**HB 1047**

# 2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Committee  
Roughrider Room, State Capitol

HB 1047  
2/18/11  
14743

Conference Committee

Committee Clerk Signature

*Meretha Tracholt*

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

A BILL for an Act relating to allocation of state funding to school districts for mill levy reduction grants and property tax levies of school districts; relating to certain excess levies of school districts; to provide an appropriation; to provide for transfers; and to provide an effective date.

## Minutes:

You may make reference to "attached testimony."

**Chairman Delzer:** Opened discussion on HB 1047. The title was read. We have to see this because there is an appropriation, I would hope we would put a Do Pass on it, approve the policy and send it to the floor. We're just here to talk about the money.

**Representative Wesley Belter, District 22:** This bill is our property tax relief bill which has an appropriation of \$341,790,000. It's just a huge amount of money.

**Chairman Delzer:** It appropriates the money, and transfers 295 from the property tax sustainability fund, and \$46,790,000 from permanent oil, and the transfer from the perm oil to the sustainability fund for next biennium. All three of those are in here. They're all done on July 1, 2011.

**Representative Belter:** Correct.

**Chairman Delzer:** Discussion? Questions?

**Representative Bellew:** Was there any discussion in your committee as to what we'll need to add to that if property values keep going up?

**Representative Belter:** We would have no way of knowing what property values are going to do. You might expect a rise.

**Vice Chairman Kempenich:** Was there any talk of capping it at a certain amount for next biennium?

**Representative Belter:** That was not discussed.

**Chairman Delzer:** Further questions or comments? Committee members, we have the bill before us, what are your wishes?

**Representative Bellew:** I move Do Pass.

**Representative Kreidt:** Second.

**Chairman Delzer:** Discussion. We'll call the roll for a Do Pass. Motion carries 17-3-1. We'll put that back to Representative Headland as the carrier.

Date: 2/18  
 Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. 1047

House Appropriations Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken:  Do Pass  Do Not Pass  Amended  Adopt Amendment  
 Rerefer to Appropriations  Reconsider

Motion Made By Rep. Bellev Seconded By Rep. Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Representative Nelson	X	
Vice Chairman Kempenich	X		Representative Wieland	X	
Representative Pollert	X				
Representative Skarphol		X			
Representative Thoreson			Representative Glassheim	X	
Representative Bellev	X		Representative Kaldor		X
Representative Brandenburg	X		Representative Kroeber	X	
Representative Dahl	X		Representative Metcalf	X	
Representative Dosch	X		Representative Williams	X	
Representative Hawken	X				
Representative Klein	X				
Representative Kreidt	X				
Representative Martinson	X				
Representative Monson		X			

Total (Yes) 17 No 3

Absent 1

Floor Assignment Rep. Headland

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

**REPORT OF STANDING COMMITTEE**

**HB 1047, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)**  
recommends **DO PASS** (17 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING).  
Engrossed HB 1047 was placed on the Eleventh order on the calendar.

2011 TESTIMONY

HB 1047

Bill 1047

1-10-11

#1

Mr. Mitch Carlson, <sup>LaMoure</sup> Superintendent

2008-2009 School Year – Funding Cap was at 185 mills.

2009-2010 & 2010-2011 – Funding Cap is varied amongst school districts

**School A**

60 Mill Reduction

110 Mill Maximum

170 Mills to Operate

**School B**

75 Mill Reduction

110 Mill Maximum

185 Mills to Operate

Points of Consideration

1. Mill Levy Cap has shrunk
2. Budgeting needs have changed from baseline of 2008 to 2013
3. Equity in Funding
4. Consolidations, Valuations, Board & Administration Change

**SAMPLE CHANGE**

**57-64-02. Mill levy reduction allocation and grant.**

Each qualifying school district in the state is entitled to a mill levy reduction allocation and grant as provided in this chapter, subject to legislative appropriation to the superintendent of public instruction.

1. The mill levy reduction allocation rate for each qualifying school district is equal to the payments to the school district based on the per student payment rate as determined for the school year under chapter 15.1-27.
2. The grant to a qualifying school district may not exceed the smallest of:
  - a. The allocation determined under subsection 1;
  - b. The taxable valuation of property in the school district in the previous taxable year times the number of mills determined by subtracting one hundred mills from the combined education mill rate of the school district for taxable year 2008. Plus the taxable valuation of property in the school district in the preceding year times the number of mills determined by subtracting one hundred mills from the combined education mill rate of the school district starting in taxable year 2010; or
  - c. The taxable valuation of property in the school district in the previous taxable year times seventy-five mills.

School District	Mill Reduction	Current Maximum Operating Mills	2009 - 2010	2009 - 2010 Valuation	Amount of Mills	Proposed Mill Reduction
Central Cass	56.33	166.33	109	\$16,026,079	9	\$ 144,234.71
Bowman County	61.21	171.21	108	\$11,491,784	8	\$ 91,934.27
Garrison	63.00	173.00	109.6	\$9,474,705	9.6	\$ 90,957.17
Velva	63.69	173.69	110	\$8,747,622	10	\$ 87,476.22
Mott-Regent	65.00	175.00	110	\$7,665,170	10	\$ 76,651.70
Kindred	66.50	176.50	105.1	\$14,758,949	5.1	\$ 75,270.64
Central Valley	57.05	167.05	110	\$7,009,910	10	\$ 70,099.10
LaMoure	58.01	168.01	109	\$7,324,037	9	\$ 65,916.33
New Salem	54.55	164.55	110	\$6,316,688	10	\$ 63,166.88
Washburn	55.92	165.92	108.7	\$7,081,816	8.7	\$ 61,611.80
New Rockford - Sheyenne	65.00	175.00	108	\$7,503,468	8	\$ 60,027.74
McKenzie Co.	56.38	166.38	105	\$11,538,680	5	\$ 57,693.40
Edmore	50.00	160.00	110	\$5,222,381	10	\$ 52,223.81
Turtle Lake-Murcer	66.35	176.35	109.99	\$5,778,487	8.65	\$ 49,983.91
Munich	61.05	171.05	110	\$4,941,932	10	\$ 49,419.32
Carrington	59.69	169.69	103.11	\$13,939,183	3.11	\$ 43,350.86
Hettinger	68.82	178.82	110	\$6,949,297	6.18	\$ 42,946.66
Center-Stanton	70.04	180.04	109.92	\$7,387,477	4.96	\$ 36,641.89
TGU	71.96	181.96	109.98	\$11,547,101	3.04	\$ 35,103.19
Fordville-Lankin	66.03	176.03	110	\$3,733,903	8.97	\$ 33,493.11
Enderlin	66.07	176.07	103.71	\$8,489,756	3.71	\$ 31,496.99
Gackle-Streeter	57.05	167.05	105.6	\$5,425,653	5.6	\$ 30,383.66
Hazleton-Moffit-Braddock	60.41	170.41	106.98	\$4,278,208	6.98	\$ 29,861.89
Strasburg	66.54	176.54	108.8	\$3,336,518	8.46	\$ 28,226.94
Bowbells	57.57	167.57	108.12	\$3,223,260	8.12	\$ 26,172.87
Barnes County North	67.93	177.93	101.2	\$16,798,905	1.2	\$ 20,158.69
Hebron	65.97	175.97	104.84	\$4,056,340	4.84	\$ 19,632.69
Wing	60.08	170.08	108	\$2,329,591	8	\$ 18,636.73
Alexander	68.89	178.89	105	\$3,190,026	5	\$ 15,950.13
Maddock	71.74	181.74	110	\$4,646,027	3.26	\$ 15,146.05
Dunseith	62.53	172.53	108.47	\$1,646,698	8.47	\$ 13,947.53
North Central	65.54	175.54	103.5	\$3,969,049	3.5	\$ 13,891.67
Westhope	65.14	175.14	103	\$4,122,517	3	\$ 12,367.55
Page	66.72	176.72	102.67	\$4,230,138	2.67	\$ 11,294.47
Adams	69.84	179.84	110	\$2,066,592	5.16	\$ 10,663.61
Linton	68.97	178.97	101.77	\$5,475,610	1.77	\$ 9,691.83

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Mitch Carlson, Superintendent

School District	Mill Reduction	Current Maximum Operating Mills	2009 - 2010 Mills	2009 - 2010 Valuation	Amount of Mills	Proposed Mill Reduction
Hope	73.17	183.17	104.98	\$5,086,458	1.83	\$ 9,308.22
Eight Mile	70.27	180.27	104.98	\$1,790,261	4.73	\$ 8,467.93
Burke Central	71.41	181.41	102.21	\$3,815,570	2.21	\$ 8,432.41
Litchville-Marion	62.68	172.68	100.87	\$7,811,460	0.87	\$ 6,795.97
Montefiore	64.76	174.76	100.92	\$4,686,990	0.92	\$ 4,312.03
Ashley	74.25	184.25	110	\$4,388,505	0.75	\$ 3,291.38
South Heart	59.40	169.40	100.36	\$4,134,921	0.36	\$ 1,488.57
Naughton	66.13	176.13	103.91	\$324,982	3.91	\$ 1,270.68
Bottineau	55.00	165.00	73.63	\$19,994,511	0	\$ -
Langdon	55.00	165.00	100	\$19,339,715	0	\$ -
Kidder County	55.00	165.00	100	\$10,472,328	0	\$ -
Tioga	53.37	163.37	94.96	\$7,982,688	0	\$ -
Fessenden-Bowdon	56.61	166.61	97.55	\$8,358,608	0	\$ -
North Star	57.66	167.66	91.55	\$8,174,723	0	\$ -
Killdeer	58.78	168.78	100	\$8,534,954	0	\$ -
Scranton	51.21	161.21	91.55	\$4,360,787	0	\$ -
Beach	55.31	165.31	100	\$4,665,507	0	\$ -
New	67.94	177.94	73.13	\$12,798,685	0	\$ -
Mohall-Lansford-Sherwood	67.02	177.02	100	\$10,736,157	0	\$ -
Wyndmere	63.27	173.27	96.57	\$7,248,532	0	\$ -
S Prairie	61.82	171.82	63.34	\$6,110,191	0	\$ -
Leeds	66.52	176.52	95.35	\$5,401,042	0	\$ -
Newburg	68.26	178.26	94.69	\$5,256,418	0	\$ -
Glen Ullin	69.06	179.06	96.52	\$4,972,988	0	\$ -
Warwick	55.66	165.66	94.71	\$1,356,579	0	\$ -
Eureka	55.14	165.14	73.84	\$1,176,748	0	\$ -
Robinson	64.57	174.57	100	\$1,414,233	0	\$ -
Drake	71.68	181.68	95.97	\$4,063,935	0	\$ -
Nesson	72.83	182.83	92.4	\$5,638,270	0	\$ -
St. John	61.47	171.47	98.38	\$874,181	0	\$ -
Halliday	70.63	180.63	100	\$2,137,588	0	\$ -
Oberon	70.24	180.24	99.92	\$1,119,118	0	\$ -
					total	\$ 1,639,093.20

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**Subject: Property Tax Reform**

**Bill: HB 1047**

**Testimony Provided By: Dustin Gawrylow**

**Lobbyist #160**

**Presented To: House Finance and Tax Committee**

**January 10<sup>th</sup>, 2011**

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Members of the House Finance and Tax Committee,

The issue of property tax reform and relief is one that will not go away.

Today, we are here to discuss House Bill 1047, which among other things extends the current state-funded property tax relief.

As we have seen over the last two years since this program was first enacted, there are many problems associated with ensuring that property tax owners see the full benefit of the states' intentions.

During the 2009 legislative session, I testified on Senate Bill 2199 to the effect that the proposed property tax relief, without considerable reforms included, would fail to address the root causes of the property tax problem.

In 2009 I said:

- SB 2199 would fail to address the real problem which is a lack of mill levy reductions to counteract property valuation increases.
- SB 2199 would fail to address the issue of spending at the local level outside of education.
- SB 2199 would fail to prevent cities, counties, and parks from filling the property tax void left by the state-funded property tax relief.
- SB 2199 would fail to limit future spending increases as a condition of receiving this new state money, allowing the status quo that created this situation to continue.

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*The North Dakota Taxpayers' Association is a membership-funded advocacy group designed to get taxpayers a voice in legislative matters. NDTA is 100% in-state funded, and counts over 500 North Dakotans as current dues paying members, with an additional 5,000 North Dakota receiving regular email updates. NDTA is the only organization with a full time lobbyist dedicated to advocating on behalf of the taxpayer.*

**North Dakota Taxpayers' Association**

**NDTaxpayers.com • 1720 Burnt Boat Drive Suite 102 • Bismarck, ND 58503 • (701) 751-2530**

Since then we have seen these predictions come true.

In the May 19<sup>th</sup>, 2010 edition of the Dickinson Press, a letter written by State Representative George Nodland said:

*Statewide, school taxes decreased 28.3 percent due to the property tax relief bill (SB2199) adopted in the 2009 legislative session.*

*City property taxes increased 4.3 percent and county property taxes increased 8 percent for an overall state property tax decrease of 12.6 percent.*

*(Note: These figures represent only the first year of the program)*

As predicted, the gap created by additional state funding for school districts was partially filled by cities, counties, and park districts – thereby diminishing the effectiveness of the state’s property tax program.

### **No More Bailouts**

The reason for this is simple: state-funded tax relief without reform is nothing more than a bailout of local government.

This legislature has two choices this year:

1. Continue to throw state tax dollars at local school districts while other local officials do nothing to curb the spending that creates high property taxes.
2. Create actual mechanisms to at least make it politically uncomfortable to allow this to keep happening.

This is the challenge the legislature now faces.

Currently, there is a group of North Dakotans unaffiliated with the Taxpayers’ Association, collecting signatures to constitutionally eliminate the property tax in North Dakota.

## True Reform Is Needed

Just this last May, Chairman Belter and I participated in a property tax discussion forum. While we both took the position that the current property tax system can and should be fixed, we also both heard the anger that is brewing out there when it comes to the property tax situation.

It's time to start looking at real reforms to the root cause of high property taxes.

The root cause of increasing property tax levels is caused by property values going up, while tax rates in the form of the mill-levy stay constant.

When property values go up, local governments can ride on Automatic Tax Increases.

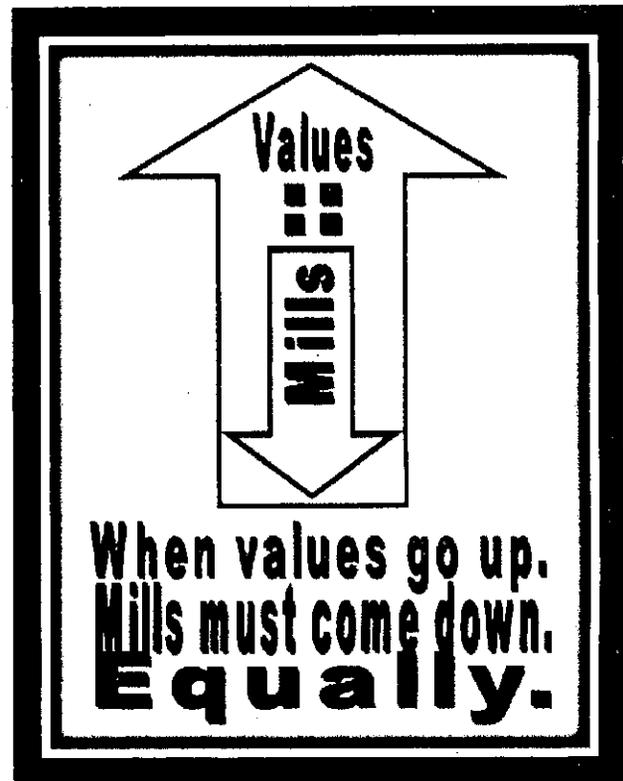
When taxes go up, elected officials should be on the record as voting for said increases.

When the legislature needs more revenue than is projected it must take a vote on both the spending and the tax increase. Local governments should be no different.

This basic reform will not limit local control in any way. It simply requires local officials to go on the record as supporting higher tax rates for property owners.

### How would such a reform work?

Each year, as part of the existing budget making process, the County Auditor would inform all tax levying entities of the mill rate they may levy without a vote to increase. This maximum rate would be determined by reducing the previous year's mill levy rate by the percentage that aggregate property values increased (including new construction).



This is just one suggested way to approach true reform. One thing is certain: the current program without real reform is not acceptable.

### **Accounting and Budget Transparency**

Another problem with this bill is the accounting of how it is being paid for.

In 2009, the legislature set aside \$600 million for the property tax stabilization fund with the purpose of covering the program for two budget cycles. The funding for this program was done thru the general fund and covered by a transfer from the Permanent Oil Trust Fund.

While this biennium's portion of the property tax program is mostly covered by what was already set aside, there is concern that by funding future budgets directly from the Permanent Oil Trust Fund, there is an attempt to hide this spending to make the overall budget look better on paper.

In the name of budget transparency, the accounting for the property tax program should be handled the same as it was last session. This will allow for a proper apples-to-apples comparison of the budgets.

### **Conclusion**

Without real reform the property tax program simply is destined to cost more and more each session. The legislature must look into ways of creating more accountability by local government that simply does not seem to appreciate what the legislature is doing for it by shifting the burden of local government onto the state's books.

Local government must make a good faith effort to reduce its own demand on property taxes as part of the state's efforts to do the same.



# North Dakota Farm Bureau

*Bringing ag home*

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## House Finance & Taxation Committee

*January 10, 2011*

### HB 1047 Testimony by North Dakota Farm Bureau

*presented by Sandy Clark, public policy director*

Good morning, Mr. Chairman and members of the committee. For the record, my name is Sandy Clark and I represent North Dakota Farm Bureau.

North Dakota Farm Bureau policy supports property tax relief and property tax reform. Therefore, we stand today in support of HB 1047 and support the property tax provisions.

In Section 4 on page 6, we support the right of voters to increase the local mill levy, but we do not have a position on the changes here regarding those school districts that previously had unlimited mill levies or the ten year limit.

This property tax relief plan, utilizing the school funding mechanism, seems to have worked well and we support its continuation at this time. However, last Session we questioned the ability to sustain these replacement dollars over time. We express those same concerns today.

This delivery method works well when the state is flush with budget surpluses, but we question what happens when the North Dakota economy declines and the oil industry takes a downturn.

We believe property tax relief through replacement dollars is not long term. What we really need is property tax reform. Property valuations are still increasing. The problem still exists. The problem is not escalating valuations. The dilemma is caused by political subdivisions not reducing mill levies at the same level in dollars as the increase in valuations. Farm Bureau encourages the Legislature to consider true property tax reform.

Farm Bureau also has concern that this property tax relief could be negated by other political subdivisions increasing mill levies or not reducing mill levies enough to compensate for the increase in valuations.

Some counties and cities have held the line with their mill levies and taxpayers appreciate

*(over)*

that. But we have also heard reports from other Farm Bureau members, who have reported that their property tax bills have actually gone up due to actions by other political subdivisions.

We all have a responsibility to resolve the property tax dilemma. Legislators have a responsibility to establish the parameters and the structure for levying and collecting property taxes. Local political subdivisions must have the discipline to exercise fiscal responsibility and conservative spending to keep property taxes in check. And finally, if taxpayers really want lower property taxes, we must be willing to accept less government services. Taxpayers must accept the responsibility to show up at local budget hearings, express our concerns, and then elect local government officials who will follow through.

Property tax relief and property tax reform must work in tandem to create a climate that will truly reduce property taxes over the long term.

Again, we support HB 1047 and we hope you will give it a "do pass" recommendation.

Thank you for your consideration. I will stand for any questions you might have.

School	Current Reduction Mills	2010 - 2011 Mills	Maximum Mills To Operate	Current Taxable Valuation	Mill Levy Reduction Amount
Central Cass	56.33	108.90	166.33	\$ 17,390,625.00	\$ 154,776.56
Bowman County	61.21	109.13	171.21	\$ 12,734,882.00	\$ 116,269.47
New Rockford - Sheyenne	65.00	110.00	175.00	\$ 8,047,689.00	\$ 80,476.89
LaMoure	58.01	109.98	168.01	\$ 7,990,045.00	\$ 79,740.65
Enderlin	66.07	109.84	176.07	\$ 8,875,149.00	\$ 79,255.08
Kindred	66.50	104.97	176.50	\$ 15,405,566.00	\$ 76,565.66
Central Valley	57.05	110.00	167.05	\$ 7,572,635.00	\$ 75,726.35
Carrington	59.69	105.00	169.69	\$ 14,757,590.00	\$ 73,787.95
New Salem	54.55	110.00	164.55	\$ 6,526,446.00	\$ 65,264.46
Mott-Regent	65.00	108.00	175.00	\$ 7,994,914.00	\$ 63,959.31
Velva	63.69	105.13	173.69	\$ 11,342,107.00	\$ 58,185.01
Edmore	50.00	110.00	160.00	\$ 5,525,628.00	\$ 55,256.28
Turtle Lake-Murcer	66.35	110.00	176.35	\$ 6,273,013.00	\$ 54,261.56
Munich	61.05	110.00	171.05	\$ 5,245,308.00	\$ 52,453.08
Garrison	63.00	104.64	173.00	\$ 10,182,581.00	\$ 47,247.18
Westhope	65.14	110.00	175.14	\$ 4,651,964.00	\$ 45,868.37
Hettinger	68.82	110.00	178.82	\$ 7,115,817.00	\$ 43,975.75
TGU	71.96	110.00	181.96	\$ 12,915,107.00	\$ 39,261.93
Fordville-Lankin	66.03	110.00	176.03	\$ 4,310,738.00	\$ 38,667.32
Hazleton-Moffit-Braddock	60.41	108.00	170.41	\$ 4,748,436.00	\$ 37,987.49
Center-Stanton	70.04	109.99	180.04	\$ 7,515,074.00	\$ 37,274.77
Hebron	65.97	110.00	175.97	\$ 4,082,864.00	\$ 36,868.26
Litchville-Marion	62.68	104.14	172.68	\$ 8,641,821.00	\$ 35,777.14
Wyndmere	63.27	103.56	173.27	\$ 7,532,019.00	\$ 26,813.99
Alexander	68.89	109.07	178.89	\$ 3,439,590.00	\$ 21,015.89
Wing	60.08	108.10	170.08	\$ 2,458,791.00	\$ 19,916.21
South Heart	59.40	103.95	169.40	\$ 4,471,352.00	\$ 17,661.84
Maddock	71.74	110.00	181.74	\$ 5,089,970.00	\$ 16,593.30
Page	66.72	103.58	176.72	\$ 4,566,896.00	\$ 16,349.49
McKenzie Co.	56.38	100.76	166.38	\$ 12,625,353.00	\$ 9,595.27
Eight Mile	70.27	107.39	180.27	\$ 1,946,135.00	\$ 9,205.22
Hope	73.17	100.88	183.17	\$ 8,128,576.00	\$ 7,153.15
Assenden-Bowdon	56.61	100.73	166.61	\$ 9,128,135.00	\$ 6,663.54
Strasburg	66.54	101.53	176.54	\$ 3,614,520.00	\$ 5,530.22
Montefiore	64.76	100.87	174.76	\$ 5,700,132.00	\$ 4,959.11
Gackle-Streeter	57.05	100.74	167.05	\$ 5,846,544.00	\$ 4,326.44
Barnes County North	67.93	100.21	177.93	\$ 17,939,529.00	\$ 3,767.30
Ashley	74.25	101.39	184.25	\$ 4,931,435.00	\$ 3,698.58
Dunseith	62.53	100.85	172.53	\$ 1,771,109.00	\$ 1,505.44
Adams	69.84	110.00	179.84	\$ 212,535.00	\$ 1,096.68
Washburn	55.92	72.56	165.92	\$ 7,441,952.00	\$ -
Warwick	55.66	84.92	165.66	\$ 1,465,993.00	\$ -
Tioga	53.37	74.19	163.37	\$ 11,442,057.00	\$ -
St. John	61.47	85.99	171.47	\$ 1,000,116.00	\$ -
Scranton	51.21	99.95	161.21	\$ 4,472,447.00	\$ -
S Prairie	61.82	40.00	171.82	\$ 7,705,808.00	\$ -
Robinson	64.57	95.00	174.57	\$ 1,448,469.00	\$ -
Oberon	70.24	90.03	180.24	\$ 1,243,049.00	\$ -
North Star	57.66	83.63	167.66	\$ 8,948,785.00	\$ -
North Central	65.54	94.38	175.54	\$ 4,450,099.00	\$ -
Newburg	68.26	89.90	178.26	\$ 5,814,890.00	\$ -
New	67.94	74.54	177.94	\$ 14,570,368.00	\$ -
Nesson	72.83	93.55	182.83	\$ 6,257,813.00	\$ -
Naughton	66.13	74.77	176.13	\$ 344,346.00	\$ -
Mohall-Lansford-Sherwood	67.02	97.61	177.02	\$ 12,318,896.00	\$ -
Linton	68.97	97.82	178.97	\$ 5,727,483.00	\$ -
Leeds	66.52	85.94	176.52	\$ 5,992,226.00	\$ -
Langdon	55.00	60.00	165.00	\$ 20,970,619.00	\$ -
Killdeer	58.78	100.00	168.78	\$ 9,334,585.00	\$ -
Kidder County	55.00	100.00	165.00	\$ 11,197,571.00	\$ -
Halliday	70.63	100.00	180.63	\$ 2,262,824.00	\$ -
Glen Ullin	69.06	100.00	179.06	\$ 5,356,463.00	\$ -
Drake	71.68	97.24	181.68	\$ 4,411,823.00	\$ -
Burke Central	71.41	93.66	181.41	\$ 4,324,199.00	\$ -
Howbells	57.57	95.98	167.57	\$ 3,692,821.00	\$ -
Attineau	55.00	72.25	165.00	\$ 20,946,814.00	\$ -
Beach	55.31	100.00	165.31	\$ 4,972,312.00	\$ -

Total \$ 1,624,758.18

Levy Reduction Grant Projections

2008 General Fund, Tuition and Transportation Levies.  
 Allocation = district wsu \* \$3,879.  
 Minimum Levy of 100 mills to qualify for any reduction.  
 mill rate of 15 mills.

Minimum GF Levy3 Requirement 100  
 Maximum GF Levy3 Reduction 75  
 Per wsu rate 3.879

2011-2012 MLRG Calculation								2011-12 MLRG if reset to current levies								
Agency Name	Total Weighted Student Units (2011 Q2 wsu)	Taxable Valuation	GFLevy3 in 2008	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)				GFLevy3 in 2010	GFLevy3 Buydown in 2008	Total Effective Mills	Adjusted Buydown Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Mill Levy Reduction Grant	Difference
				Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Mill Levy Reduction Grant									
Adrian Area 23	433.51	20,970,819	155.00	55.00	1,153,384	1,681,585	1,153,384.05	60.00	55.00	115.00	15.00	314,559	1,681,585	314,559	(838,825)	
Alcona 1	678.75	20,946,814	155.00	55.00	1,152,075	2,625,113	1,152,074.77	72.25	55.00	127.25	27.25	570,801	2,625,113	570,801	(581,274)	
Alcona 15	341.96	11,442,057	153.37	53.37	610,663	1,326,463	610,662.58	74.19	53.37	127.56	27.56	315,343	1,326,463	315,343	(295,319)	
Alcona 4	348.60	7,441,952	155.92	55.92	416,154	1,352,219	416,153.96	72.56	55.92	128.48	28.48	211,947	1,352,219	211,947	(204,207)	
Alcona County 1	314.95	9,848,030	122.95	22.95	226,012	1,221,691	226,012.29	84.09	22.95	107.04	7.04	69,330	1,221,691	69,330	(156,682)	
Alcona Star 10	337.72	8,948,785	157.66	57.66	515,987	1,310,016	515,988.94	86.24	57.66	143.90	43.90	392,852	1,310,016	392,852	(123,135)	
Alcona and Clark 161	424.26	13,260,041	178.74	75.00	994,503	1,645,705	994,503.08	92.71	75.00	167.71	67.71	897,837	1,645,705	897,837	(96,666)	
Alcona 50	217.68	5,081,171	178.48	75.00	381,088	844,381	381,087.83	81.80	75.00	156.80	56.80	288,611	844,381	288,611	(92,477)	
Alcona 6	206.21	5,992,226	166.52	66.52	398,603	799,889	398,602.67	85.94	66.52	152.46	52.46	314,352	799,889	314,352	(84,251)	
Alcona 70	168.55	7,705,808	161.82	61.82	476,373	653,805	476,373.05	91.91	61.82	153.73	53.73	414,033	653,805	414,033	(62,340)	
Alcona-United 54	106.80	5,814,890	168.26	68.26	396,924	414,277	396,924.39	90.78	68.26	159.04	59.04	343,311	414,277	343,311	(53,613)	
Alcona 4	223.89	9,728,064	191.97	75.00	729,905	867,694	729,904.80	95.29	75.00	170.29	70.29	683,786	867,694	683,786	(45,819)	
Alcona 2	257.93	6,257,813	172.83	72.83	455,757	1,000,510	455,756.52	93.55	72.83	166.38	66.38	415,394	1,000,510	415,394	(40,363)	
Alcona Prairie 1	353.98	14,579,220	185.00	75.00	1,093,442	1,373,088	1,093,441.50	97.47	75.00	172.47	72.47	1,056,556	1,373,088	1,056,556	(36,885)	
Alcona 26	321.24	5,791,140	184.51	75.00	434,336	1,246,090	434,335.50	94.85	75.00	169.85	69.85	404,511	1,246,090	404,511	(29,824)	
Alcona-Lansford-Sherwood	409.67	12,318,896	187.02	67.02	825,612	1,589,110	825,612.41	97.61	67.02	164.63	64.63	796,170	1,589,110	796,170	(29,442)	
Alcona Central 36	125.14	4,324,199	171.41	71.41	308,791	485,418	308,791.05	93.66	71.41	165.07	65.07	281,376	485,418	281,376	(27,415)	
Alcona 29	289.13	1,465,993	155.68	55.68	81,597	1,121,535	81,597.17	84.92	55.68	140.58	40.58	59,490	1,121,535	59,490	(22,107)	
Alcona 28	359.68	9,219,287	181.47	75.00	891,447	1,395,199	891,446.53	97.62	75.00	172.62	72.62	689,505	1,395,199	689,505	(21,942)	
Alcona 14	89.19	3,692,821	157.57	57.57	212,596	345,968	212,595.70	95.98	57.57	153.55	53.55	197,751	345,968	197,751	(14,845)	
Alcona 3	408.53	1,000,116	181.47	61.47	61,477	1,584,688	61,477.13	85.99	61.47	147.46	47.46	47,466	1,584,688	47,466	(14,012)	
Alcona Lake 27	125.71	2,527,205	185.00	75.00	189,540	487,629	189,540.38	94.97	75.00	169.97	69.97	176,829	487,629	176,829	(12,712)	
Alcona 36	387.85	5,727,483	168.87	68.87	395,025	1,426,890	395,024.50	97.82	68.87	168.79	68.79	382,539	1,426,890	382,539	(12,486)	
Alcona 30	194.90	127,250	328.05	75.00	9,544	756,017	9,543.75	-	75.00	75.00	-	756,017	-	756,017	(9,544)	
Alcona 5	617.58	14,407,406	185.00	75.00	1,080,555	2,395,593	1,080,555.45	99.36	75.00	174.36	74.36	1,071,335	2,395,593	1,071,335	(8,221)	
Alcona 25	6.53	344,346	166.13	66.13	22,772	25,330	22,771.60	74.77	66.13	140.90	40.90	14,084	25,330	14,084	(8,688)	
Alcona 14	24.00	1,448,469	184.57	64.57	93,528	93,096	93,096.00	95.00	64.57	159.57	59.57	86,285	93,096	86,285	(6,811)	
Alcona Tree 6	40.03	1,871,611	232.18	75.00	140,371	155,276	140,370.83	98.04	75.00	173.04	73.04	136,702	155,276	136,702	(3,668)	
Alcona 33	180.46	4,472,447	151.21	51.21	229,034	700,004	229,034.01	99.95	51.21	151.16	51.16	228,810	700,004	228,810	(224)	

I Levy Reduction Grant Projections

2011-2012 MLRG Calculation								2011-12 MLRG if reset to current levies							
ity Name	Total Weighted Student Units (2011 02 wsu)	Taxable Valuation	GFLevy3 in 2008	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)				GFLevy3 in 2010	GFLevy3 Buydown in 2008	Total Effective Mills	Adjusted Buydown Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Difference
				Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Mill Levy Reduction Grant								
in Bultes 37	58.71	109,965	-	-	-	227,736	-	-	-	-	-	-	227,736	-	
court 7	1,719.50	471,793	-	-	-	6,669,941	-	-	-	-	-	6,669,941	-	-	
ndaree 36	243.04	452,012	78.19	-	-	942,752	-	15.49	15.49	-	-	-	942,752	-	
1 18	7.95	608,169	19.48	-	-	30,838	-	16.94	16.94	-	-	-	30,838	-	
ntral Elementary 32	5.36	1,544,929	27.88	-	-	20,791	-	25.89	25.89	-	-	-	20,791	-	
ings Co 1	56.66	6,783,589	34.10	-	-	219,784	-	29.57	29.57	-	-	-	219,784	-	
rse Creek 32	4.70	2,207,032	58.16	-	-	18,231	-	40.78	40.78	-	-	-	18,231	-	
rmarsh 12	25.65	2,294,707	49.04	-	-	99,496	-	43.93	43.93	-	-	-	99,496	-	
nning 45	8.06	323,390	274.97	75.00	24,254	31,265	24,254.25	228.83	75.00	303.83	75.00	24,254	31,265	24,254	
le Heart 4	7.38	1,365,330	126.46	26.46	36,127	28,627	28,627.02	135.25	26.46	161.71	61.71	84,255	28,627	28,627	
ite Shield 85	171.23	403,758	185.00	75.00	30,282	664,201	30,281.65	110.00	75.00	185.00	75.00	30,282	664,201	30,282	
ates 4	284.69	577,863	185.00	75.00	43,340	1,104,313	43,339.73	109.69	75.00	184.69	75.00	43,340	1,104,313	43,340	
le Heart 4	12.56	858,327	195.70	75.00	64,375	48,720	48,720.24	171.75	75.00	246.75	75.00	64,375	48,720	48,720	
hwin 29	16.14	1,057,584	218.23	75.00	79,319	62,607	62,607.06	165.47	75.00	240.47	75.00	79,319	62,607	62,607	
asant Valley 3	16.59	1,329,860	186.66	75.00	99,740	64,353	64,352.81	117.06	75.00	192.06	75.00	99,740	64,353	64,353	
ring 35	29.23	2,604,337	244.15	75.00	195,325	113,383	113,383.17	142.51	75.00	217.51	75.00	195,325	113,383	113,383	
en 3	233.13	1,512,689	185.00	75.00	113,452	904,311	113,451.66	110.00	75.00	185.00	75.00	113,452	904,311	113,452	
noken 33	31.26	1,600,633	200.21	75.00	120,047	121,258	120,047.48	138.54	75.00	213.54	75.00	120,047	121,258	120,047	
lfridge 8	107.09	1,631,893	184.27	75.00	122,392	415,402	122,391.98	109.08	75.00	184.08	75.00	122,392	415,402	122,392	
ilday 19	34.16	2,262,824	170.63	70.63	159,823	132,507	132,506.64	100.00	70.63	170.63	70.63	159,823	132,507	132,507	
ransom 6	34.91	2,781,908	238.16	75.00	207,143	135,416	135,415.89	89.99	75.00	164.99	64.99	179,496	135,416	135,416	
odrich 16	39.78	1,897,510	189.26	75.00	142,313	154,307	142,313.25	112.64	75.00	187.64	75.00	142,313	154,307	142,313	
newaukan 5	288.74	1,907,504	180.17	75.00	143,063	1,120,022	143,062.80	100.47	75.00	175.47	75.00	143,063	1,120,022	143,063	
lford 1	76.71	1,939,370	210.00	75.00	145,453	297,558	145,452.75	135.00	75.00	210.00	75.00	145,453	297,558	145,453	
llowstone 14	110.59	2,057,119	181.79	75.00	154,284	428,979	154,283.93	126.72	75.00	201.72	75.00	154,284	428,979	154,284	
lmoose 14	108.13	2,344,117	201.51	75.00	175,809	419,436	175,808.78	115.61	75.00	190.61	75.00	175,809	419,436	175,809	
lfield 13	277.82	2,486,347	185.00	75.00	186,476	1,077,664	186,476.03	110.00	75.00	185.00	75.00	186,476	1,077,664	186,476	
erado 127	110.95	2,518,386	275.13	75.00	188,879	430,375	188,878.95	212.24	75.00	287.24	75.00	188,879	430,375	188,879	
osavelt 18	143.99	2,723,346	177.82	75.00	204,251	558,537	204,250.95	106.94	75.00	181.94	75.00	204,251	558,537	204,251	
land 4	75.51	2,782,515	178.98	75.00	207,189	292,903	207,188.63	110.00	75.00	185.00	75.00	207,189	292,903	207,189	
nsal 19	75.18	2,974,749	185.00	75.00	223,106	291,823	223,106.18	110.00	75.00	185.00	75.00	223,106	291,823	223,106	
ntpellier 14	131.56	3,138,710	185.00	75.00	235,403	510,321	235,403.25	110.00	75.00	185.00	75.00	235,403	510,321	235,403	
Clusky 19	131.28	3,197,372	186.11	75.00	239,803	509,235	239,802.90	109.46	75.00	184.46	75.00	239,803	509,235	239,803	
rkweather 44	122.59	3,284,513	175.43	75.00	246,338	475,527	246,338.48	100.00	75.00	175.00	75.00	246,338	475,527	246,338	
rth Central 28	65.80	4,450,099	165.54	65.54	291,659	255,238	255,238.20	94.38	65.54	159.92	59.92	266,650	255,238	255,238	

I Levy Reduction Grant Projections

2011-2012 MLRG Calculation				2011-12 MLRG if reset to current levies											
City Name	Total Weighted Student Units (2011 02 wsu)	Taxable Valuation	GFLevy3 in 2008	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)			Mill Levy Reduction Grant	GFLevy3 in 2010	GFLevy3 Buydown in 2008	Total Effective Mills	Adjusted Buydown Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Difference
				Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant									
Jargent 3	307.88	3,335,987	177.82	75.00	250,199	1,194,267	250,199.03	106.04	75.00	181.04	75.00	250,199	1,194,267	250,199	-
lette 29	179.29	3,366,769	192.43	75.00	252,508	695,466	252,507.68	116.00	75.00	191.00	75.00	252,508	695,466	252,508	-
ble Creek 39	74.43	3,486,623	214.99	75.00	262,247	288,714	262,246.73	213.60	75.00	288.60	75.00	262,247	288,714	262,247	-
Thomas 43	106.01	3,561,653	209.34	75.00	267,124	411,213	267,123.98	131.05	75.00	206.05	75.00	267,124	411,213	267,124	-
shier 39	270.32	3,637,234	185.19	75.00	272,793	1,048,571	272,792.55	110.00	75.00	185.00	75.00	272,793	1,048,571	272,793	-
ach 3	385.07	4,972,312	155.31	55.31	275,019	1,416,107	275,018.58	100.00	55.31	155.31	55.31	275,019	1,416,107	275,019	-
wyer 16	178.95	3,831,888	185.00	75.00	287,392	694,147	287,391.60	103.23	75.00	178.23	75.00	287,392	694,147	287,392	-
gree-Buchanan	179.51	4,049,257	177.00	75.00	303,694	696,319	303,694.28	102.00	75.00	177.00	75.00	303,694	696,319	303,694	-
nor 2	309.65	4,058,743	188.22	75.00	304,406	1,201,132	304,405.73	113.12	75.00	188.12	75.00	304,406	1,201,132	304,406	-
dina 3	208.74	4,308,394	185.00	75.00	323,130	809,702	323,129.55	110.00	75.00	185.00	75.00	323,130	809,702	323,130	-
rmount 18	181.70	4,367,703	188.06	75.00	329,078	627,234	329,077.73	110.00	75.00	185.00	75.00	329,078	627,234	329,078	-
genwood 28	235.88	4,388,439	190.61	75.00	329,133	914,979	329,132.83	116.38	75.00	191.38	75.00	329,133	914,979	329,133	-
ito 20	270.80	4,473,715	189.01	75.00	335,529	1,050,433	335,528.63	115.36	75.00	190.36	75.00	335,529	1,050,433	335,529	-
pleton 7	107.91	4,481,994	227.48	75.00	336,150	418,583	336,149.55	148.71	75.00	223.71	75.00	336,150	418,583	336,150	-
nvel 125	201.91	4,672,353	190.42	75.00	350,426	783,209	350,426.48	120.10	75.00	195.10	75.00	350,426	783,209	350,426	-
Pleasant 4	303.43	4,758,658	180.03	75.00	356,899	1,177,005	356,899.35	109.27	75.00	184.27	75.00	356,899	1,177,005	356,899	-
in-New Leipzig 49	192.18	4,859,092	206.50	75.00	364,432	745,466	364,431.80	130.00	75.00	205.00	75.00	364,432	745,466	364,432	-
in Ullin 48	203.75	5,366,463	169.06	69.06	369,917	790,346	369,917.33	100.00	69.06	169.06	69.06	369,917	790,346	369,917	-
snora 99	127.21	5,031,435	185.00	75.00	377,358	493,448	377,357.63	109.31	75.00	184.31	75.00	377,358	493,448	377,358	-
shek 19	268.49	5,118,741	176.02	75.00	383,906	1,041,473	383,905.58	106.86	75.00	181.86	75.00	383,906	1,041,473	383,906	-
poleon 2	323.39	5,162,173	176.84	75.00	387,163	1,254,430	387,162.98	100.88	75.00	175.88	75.00	387,163	1,254,430	387,163	-
ttion 7	257.96	5,195,066	203.50	75.00	389,630	1,000,627	389,629.95	110.00	75.00	185.00	75.00	389,630	1,000,627	389,630	-
rrey 41	405.50	5,317,652	197.71	75.00	398,824	1,572,935	398,823.90	102.07	75.00	177.07	75.00	398,824	1,572,935	398,824	-
w England 9	195.48	5,604,167	185.00	75.00	420,313	758,267	420,312.53	110.00	75.00	185.00	75.00	420,313	758,267	420,313	-
ota 66	264.65	6,049,987	185.00	75.00	453,749	1,026,577	453,749.03	105.95	75.00	160.95	75.00	453,749	1,026,577	453,749	-
hardton-Taylor 34	315.94	6,283,698	185.00	75.00	471,269	1,225,531	471,268.95	110.00	75.00	185.00	75.00	471,269	1,225,531	471,269	-
rthwood 129	308.14	6,696,197	184.06	75.00	502,215	1,195,275	502,214.78	110.00	75.00	185.00	75.00	502,215	1,195,275	502,215	-
im 7	138.64	6,719,479	178.77	75.00	503,961	537,785	503,960.93	100.02	75.00	175.02	75.00	503,961	537,785	503,961	-
ylton 19	175.48	6,766,531	208.44	75.00	507,490	680,687	507,489.83	138.08	75.00	213.08	75.00	507,490	680,687	507,490	-
hland 44	362.88	6,918,979	185.00	75.00	518,923	1,407,612	518,923.43	109.94	75.00	184.94	75.00	518,923	1,407,612	518,923	-
zen 3	648.31	6,971,051	185.00	75.00	522,829	2,514,794	522,828.83	110.00	75.00	185.00	75.00	522,829	2,514,794	522,829	-
erwood 8	240.26	7,186,273	176.01	75.00	538,970	931,969	538,970.48	109.23	75.00	184.23	75.00	538,970	931,969	538,970	-
geley 3	288.59	7,242,783	180.71	75.00	543,209	1,119,441	543,208.73	107.56	75.00	182.56	75.00	543,209	1,119,441	543,209	-
Ikota 7	146.54	7,243,567	185.00	75.00	543,268	568,429	543,267.53	118.29	75.00	193.29	75.00	543,268	568,429	543,268	-
hway 128	270.30	7,250,493	191.36	75.00	543,787	1,048,494	543,786.88	119.83	75.00	194.83	75.00	543,787	1,048,494	543,787	-

Levy Reduction Grant Projections

2011-2012 MLRG Calculation				2011-12 MLRG if reset to current levies											
City Name	Total Weighted Student Units (2011 02 wsu)	Taxable Valuation	GFLevy3 in 2008	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)			Mill Levy Reduction Grant	GFLevy3 in 2010	GFLevy3 Buydown in 2008	Total Effective Mills	Adjusted Buydown Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Difference
				Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant									
nkinson 8	357.05	7,260,965	180.87	75.00	544,572	1,384,997	544,572.38	110.00	75.00	185.00	75.00	544,572	1,384,997	544,572	-
ley-Sharon 19	211.28	7,298,203	185.00	75.00	547,365	819,555	547,365.23	103.13	75.00	178.13	75.00	547,365	819,555	547,365	-
rk River 76	448.33	7,302,453	188.08	75.00	547,884	1,739,072	547,883.98	112.82	75.00	187.92	75.00	547,884	1,739,072	547,884	-
deer 16	422.48	9,334,585	158.78	58.78	548,687	1,638,800	548,686.91	100.00	58.78	158.78	58.78	548,687	1,638,800	548,687	-
pa 10	145.56	8,128,576	173.17	73.17	594,789	564,827	584,827.24	100.88	73.17	174.05	74.05	601,921	564,827	564,827	-
rshall 3	349.78	7,974,612	179.70	75.00	598,096	1,356,797	598,095.90	100.00	75.00	175.00	75.00	598,096	1,356,797	598,096	-
w Town 1	807.87	8,016,433	180.97	75.00	601,232	3,133,728	601,232.48	106.57	75.00	181.57	75.00	601,232	3,133,728	601,232	-
mpson 61	451.83	8,071,338	184.81	75.00	605,350	1,752,849	605,350.35	109.70	75.00	184.70	75.00	605,350	1,752,849	605,350	-
lder County 10	484.90	11,197,571	155.00	55.00	615,866	1,880,927	615,866.41	100.00	55.00	155.00	55.00	615,866	1,880,927	615,866	-
ggs County Central 18	347.01	8,796,890	190.00	75.00	659,767	1,346,052	659,766.75	130.95	75.00	205.95	75.00	659,767	1,346,052	659,767	-
imore 44	500.72	9,067,257	185.00	75.00	680,044	1,942,293	680,044.28	110.00	75.00	185.00	75.00	680,044	1,942,293	680,044	-
iley-Edinburg 118	323.65	9,206,001	194.61	75.00	690,450	1,255,438	690,450.08	122.00	75.00	197.00	75.00	690,450	1,255,438	690,450	-
valler 6	435.12	9,789,355	185.98	75.00	734,202	1,687,830	734,201.63	110.00	75.00	185.00	75.00	734,202	1,687,830	734,202	-
rvey 38	448.69	10,115,533	182.17	75.00	758,665	1,740,469	758,664.98	104.45	75.00	179.45	75.00	758,665	1,740,469	758,665	-
rgent Central 6	303.17	10,201,767	189.01	75.00	785,133	1,175,996	785,132.53	106.78	75.00	181.78	75.00	785,133	1,175,996	785,133	-
ndale 40	380.15	10,872,687	179.45	75.00	815,452	1,474,602	815,451.53	104.22	75.00	179.22	75.00	815,452	1,474,602	815,452	-
bon 19	890.82	10,961,807	185.00	75.00	822,136	2,679,691	822,135.53	108.98	75.00	183.98	75.00	822,136	2,679,691	822,136	-
ited 7	604.84	10,980,766	178.63	75.00	823,557	2,346,174	823,557.45	103.81	75.00	178.61	75.00	823,557	2,346,174	823,557	-
w 8	227.33	14,570,368	167.94	67.94	989,911	881,813	881,813.07	113.88	67.94	181.82	75.00	1,092,778	881,813	881,813	-
ifton 3	955.86	11,474,301	185.92	75.00	860,573	3,707,005	860,572.58	110.00	75.00	185.00	75.00	860,573	3,707,005	860,573	-
sboro 9	445.17	12,068,486	185.00	75.00	905,211	1,726,814	905,211.45	110.00	75.00	185.00	75.00	905,211	1,726,814	905,211	-
kes 41	525.12	12,303,564	185.00	75.00	922,767	2,036,940	922,767.30	110.00	75.00	185.00	75.00	922,767	2,036,940	922,767	-
ulah 27	741.94	12,477,564	185.00	75.00	935,817	2,877,985	935,817.30	109.96	75.00	184.96	75.00	935,817	2,877,985	935,817	-
y-Port CG 14	578.57	12,961,076	185.00	75.00	972,081	2,244,273	972,080.70	110.00	75.00	185.00	75.00	972,081	2,244,273	972,081	-
rthern Cass	598.82	13,450,418	183.85	75.00	1,008,781	2,315,065	1,008,781.35	106.80	75.00	181.80	75.00	1,008,781	2,315,065	1,008,781	-
ple Valley 4	323.64	13,542,181	177.54	75.00	1,015,664	1,255,400	1,015,663.58	100.00	75.00	175.00	75.00	1,015,664	1,255,400	1,015,664	-
riley 2	451.80	15,977,648	185.00	75.00	1,198,324	1,752,532	1,198,323.60	110.00	75.00	185.00	75.00	1,198,324	1,752,532	1,198,324	-
rth Border 100	545.56	17,615,985	185.00	75.00	1,321,199	2,116,227	1,321,198.88	110.00	75.00	185.00	75.00	1,321,199	2,116,227	1,321,199	-
vils Lake 1	1,819.04	23,273,574	188.00	75.00	1,745,518	7,056,056	1,745,518.05	110.00	75.00	185.00	75.00	1,745,518	7,056,056	1,745,518	-
hpeton 37	1,331.25	23,699,437	188.65	75.00	1,777,458	5,163,919	1,777,457.78	111.65	75.00	188.65	75.00	1,777,458	5,163,919	1,777,458	-
lley City 2	1,193.48	25,116,099	186.32	75.00	1,883,707	4,629,509	1,883,707.43	111.91	75.00	188.91	75.00	1,883,707	4,629,509	1,883,707	-
liston 1	2,483.33	34,070,448	188.33	75.00	2,555,284	9,632,837	2,555,283.60	110.00	75.00	185.00	75.00	2,555,284	9,632,837	2,555,284	-
nestown 1	2,377.77	39,621,322	192.03	75.00	2,971,599	9,223,370	2,971,599.15	117.02	75.00	192.02	75.00	2,971,599	9,223,370	2,971,599	-
nkinson 1	2,885.83	54,133,507	185.00	75.00	4,060,013	11,194,135	4,060,013.03	109.99	75.00	184.99	75.00	4,060,013	11,194,135	4,060,013	-
ndan 1	3,536.48	62,283,248	185.00	75.00	4,671,244	13,718,008	4,671,243.60	109.18	75.00	184.18	75.00	4,671,244	13,718,008	4,671,244	-

Levy Reduction Grant Projections

2011-2012 MLRG Calculation				2011-12 MLRG if reset to current levies											
City Name	Total Weighted Student Units (2011 02 wsu)	Taxable Valuation	GFLevy3 in 2008	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)				2011-12 MLRG if reset to current levies			Adjusted Buydown Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Difference
				Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	GFLevy3 in 2010	GFLevy3 Buydown in 2008	Total Effective Mills						
iot 1	7,388.50	127,362,513	191.89	75.00	9,552,188	28,659,992	9,552,188.48	116.03	75.00	191.03	75.00	9,552,188	28,659,992	9,552,188	-
ind Forks 1	7,895.20	153,540,567	198.96	75.00	11,515,543	29,849,681	11,515,542.53	123.96	75.00	198.96	75.00	11,515,543	29,849,681	11,515,543	-
st Fargo 6	7,649.21	169,182,271	188.26	75.00	12,688,670	29,671,286	12,688,670.33	114.28	75.00	189.28	75.00	12,688,670	29,671,286	12,688,670	-
marck 1	11,883.54	250,882,766	205.71	75.00	18,816,207	46,096,252	18,816,207.45	124.86	75.00	199.86	75.00	18,816,207	46,096,252	18,816,207	-
go 1	11,430.56	255,562,235	266.31	75.00	19,187,168	44,339,142	19,187,167.63	191.18	75.00	266.18	75.00	19,167,168	44,339,142	19,167,188	-
ley 9	178.68	4,931,435	174.25	74.25	366,159	893,100	366,159.05	106.67	74.25	180.92	75.00	369,858	693,100	369,858	3,699
mes County North 7	402.54	17,939,529	167.93	67.93	1,218,632	1,561,453	1,218,632.20	100.21	67.93	168.14	68.14	1,222,400	1,561,453	1,222,400	3,767
kle-Streeter 56	127.39	5,846,544	157.05	57.05	333,545	494,146	333,545.34	100.74	57.05	157.79	57.79	337,872	494,146	337,872	4,326
est Bnwr 17	12.81	577,352	136.20	36.20	20,900	49,690	20,900.14	107.98	36.20	144.18	44.18	25,507	49,690	25,507	4,607
ike 57	104.60	4,411,823	171.88	71.68	316,239	405,743	316,239.47	101.09	71.68	172.77	72.77	321,048	405,743	321,048	4,809
ntefiore 1	281.77	5,700,132	164.76	64.76	369,141	1,092,986	369,140.55	100.87	64.76	165.63	65.63	374,100	1,092,986	374,100	4,959
sburg 15	189.46	3,614,520	168.54	66.54	240,510	734,915	240,510.16	101.53	66.54	168.07	68.07	246,040	734,915	246,040	5,530
eron 18	63.53	1,243,049	170.24	70.24	87,312	246,433	87,311.76	137.33	70.24	207.57	75.00	93,229	246,433	93,229	5,917
enden-Bowdon 25	177.41	9,128,135	156.61	56.61	516,744	688,173	516,743.72	100.73	56.61	157.34	57.34	523,407	688,173	523,407	6,664
ht Mile 6	247.88	1,946,135	170.27	70.27	136,755	961,527	136,754.91	107.39	70.27	177.66	75.00	145,960	961,527	145,960	9,205
Kenzie Co 1	599.33	12,625,353	156.38	56.38	711,817	2,324,801	711,817.40	100.76	56.38	157.14	57.14	721,413	2,324,801	721,413	11,417
ams 128	64.61	2,212,535	169.84	69.84	154,523	250,622	154,523.44	110.00	69.84	179.84	75.00	165,940	250,622	165,940	11,417
nsouth 1	642.10	1,771,109	162.53	62.53	110,747	2,490,706	110,747.45	107.76	62.53	170.29	70.29	124,491	2,490,706	124,491	13,744
ge 80	99.50	4,566,896	166.72	66.72	304,703	385,981	304,703.30	103.58	66.72	170.30	70.30	321,053	385,981	321,053	16,349
ddock 9	231.16	5,089,970	171.74	71.74	365,154	896,670	365,154.45	110.00	71.74	181.74	75.00	381,748	896,670	381,748	16,593
th Heart 9	268.42	4,471,362	159.40	59.40	265,598	1,041,201	265,598.31	103.95	59.40	163.35	63.35	283,260	1,041,201	283,260	17,662
g 28	136.04	2,458,791	160.08	60.08	147,724	527,699	147,724.16	108.10	60.08	168.18	68.18	167,640	527,699	167,640	19,916
xander 2	115.74	3,439,590	188.89	68.89	236,953	448,955	236,953.96	109.07	68.89	177.96	75.00	257,969	448,955	257,969	21,016
ndmere 42	278.89	7,532,019	183.27	83.27	476,551	1,081,814	476,550.84	103.56	83.27	166.83	66.83	503,365	1,081,814	503,365	26,814
hville-Marion 46	180.19	8,641,821	162.88	62.88	541,669	898,957	541,669.34	104.14	62.88	166.82	66.82	577,446	898,957	577,446	35,777
bron 13	227.38	4,082,884	165.97	65.97	269,347	882,007	269,346.54	110.00	65.97	175.97	75.00	306,215	882,007	306,215	36,668
nter-Stanton 1	260.33	7,515,074	170.04	70.04	526,356	1,009,820	526,355.78	109.99	70.04	180.03	75.00	583,631	1,009,820	583,631	37,275
zilton-Moffit-Braddock 6	176.01	4,748,438	160.41	60.41	286,853	682,743	286,853.02	108.00	60.41	168.41	68.41	324,841	682,743	324,841	37,987
hville-Lankin 5	88.89	4,310,738	186.03	66.03	284,636	344,804	284,636.03	110.00	66.03	176.03	75.00	323,305	344,804	323,305	38,667
U 60	393.69	12,915,107	171.96	71.96	929,371	1,527,124	929,371.10	110.00	71.96	181.96	75.00	968,633	1,527,124	968,633	39,262
tinger 13	349.69	7,115,817	168.82	68.82	489,711	1,356,448	489,710.53	110.00	68.82	178.82	75.00	533,686	1,356,448	533,686	43,976
sthope 17	153.21	4,651,964	165.14	65.14	303,029	594,302	303,028.93	110.00	65.14	175.14	75.00	348,897	594,302	348,897	45,868
rtison 51	381.62	10,182,581	163.00	63.00	641,503	1,480,304	641,502.60	104.64	63.00	167.64	67.64	688,750	1,480,304	688,750	47,247
nich 19	136.63	5,245,308	161.05	61.05	320,226	529,988	320,226.05	110.00	61.05	171.05	71.05	372,879	529,988	372,879	52,453
tie Lake-Mercer 72	216.45	6,273,013	166.35	66.35	416,214	839,610	416,214.41	110.00	66.35	176.35	75.00	470,476	839,610	470,476	54,262

ii Levy Reduction Grant Projections

2011-2012 MLRG Calculation								2011-12 MLRG if reset to current levies							
City Name	Total Weighted Student Units (2011 Q2 wsu)	Taxable Valuation	GFLevy3 in 2008	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	GFLevy3 in 2010	GFLevy3 Buydown in 2008	Total Effective Mills	Adjusted Buydown Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	Difference
more 2	93.55	5,525,828	150.00	50.00	276,281	362,880	276,281.40	110.00	50.00	160.00	60.00	331,538	362,880	331,538	55,256
iva 1	431.88	11,342,107	163.69	63.69	722,379	1,675,263	722,378.79	105.13	63.69	168.82	68.82	780,564	1,675,263	780,564	58,185
st-Regent 1	299.61	7,994,914	165.00	65.00	519,669	1,162,167	519,669.41	108.00	65.00	173.00	73.00	583,629	1,162,167	583,629	63,959
w Salem - Almont 49	371.76	6,526,446	154.55	54.55	356,018	1,442,057	356,017.63	110.00	54.55	164.55	64.55	421,282	1,442,057	421,282	65,264
ington 49	592.95	14,757,590	159.69	59.69	880,881	2,300,053	880,880.55	105.00	59.69	164.69	64.69	954,669	2,300,053	954,669	73,788
ntrol Valley 3	283.79	7,572,635	157.05	57.05	432,019	1,100,821	432,018.83	110.00	57.05	167.05	67.05	507,745	1,100,821	507,745	75,726
rdred 2	733.28	15,405,566	166.50	66.50	1,024,470	2,844,393	1,024,470.14	104.97	66.50	171.47	71.47	1,101,036	2,844,393	1,101,036	76,566
erlin Area 24	377.81	8,875,149	166.07	66.07	586,381	1,465,525	586,381.09	109.84	66.07	175.91	75.00	665,636	1,465,525	665,636	79,255
Moure 8	373.47	7,990,045	158.01	58.01	463,503	1,448,690	463,502.51	109.98	58.01	167.99	67.99	543,243	1,448,690	543,243	79,741
w Rockford-Sheyenne 2	386.05	8,047,689	165.00	65.00	523,100	1,497,488	523,099.79	110.00	65.00	175.00	75.00	603,577	1,497,488	603,577	80,477
wman County 1	468.28	12,734,882	161.21	61.21	779,502	1,816,458	779,502.13	109.13	61.21	170.34	70.34	895,772	1,816,458	895,772	116,269
ntrol Cass 17	881.05	17,390,625	156.33	56.33	979,614	3,417,593	979,613.91	108.90	56.33	165.23	65.23	1,134,390	3,417,593	1,134,390	154,777
<b>stewide Total</b>	<b>108,292.51</b>	<b>2,289,035,490</b>	<b>192.58</b>	<b>71.58</b>	<b>163,853,768</b>	<b>420,066,646</b>	<b>163,422,438.03</b>				<b>71.07</b>	<b>162,679,526</b>	<b>420,066,646</b>	<b>162,143,137</b>	<b>(1,279,301)</b>

#1 amendment

11.0273.04001  
Title.

Prepared by the Legislative Council staff for  
Representative J. Kelsh  
January 24, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

Page 4, line 27, after "for" insert "the previous"

Page 4, line 27, overstrike "2008" and insert immediately thereafter "and adding fifty percent of the increased number of mills levied for the general fund by the school district for the budget year"

Renumber accordingly

# 2 amendment

11.0273.04002

Title.

Prepared by the Legislative Council staff for  
Representative Headland

January 11, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

Page 4, line 27, overstrike "for taxable year 2008"

Page 5, line 16, remove "4." and overstrike "The grant to a qualifying school district may not be less than the grant to that school"

Page 5, overstrike line 17

Page 5, line 18, remove the overstrike over "4." and remove "5."

Page 5, line 21, remove the overstrike over "6." and remove "6."

Page 5, line 25, remove the overstrike over "6." and remove "7."

Page 5, line 27, remove the overstrike over "7." and remove "8."

Renumber accordingly

11.0273.04005  
Title.

Prepared by the Legislative Council staff for  
House Finance and Taxation  
February 11, 2011

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

Page 4, line 27, after the first "the" insert "previous year"

Page 4, line 27, overstrike "for taxable year 2008" and insert immediately thereafter "plus the  
previous year number of mills of property tax relief under this chapter"

Renumber accordingly

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1047

Page 4, line 27, after the first "the" insert "previous year"

Page 4, line 27, overstrike "for taxable year 2008" and insert immediately thereafter "plus the previous year number of mills of property tax relief under this chapter"

Page 5, line 16, remove "4."

Page 5, line 16, overstrike "The grant to a qualifying school district may not be less than the grant to that school"

Page 5, overstrike line 17

Page 5, line 18, remove the overstrike over "4."

Page 5, line 18, remove "5."

Page 5, line 21, remove the overstrike over "5."

Page 5, line 21, remove "6."

Page 5, line 25, remove the overstrike over "6."

Page 5, line 25, remove "7."

Page 5, line 27, remove the overstrike over "7."

Page 5, line 27, remove "8."

Re-number accordingly

# TAX RELIEF IN SUPPORT OF HB1047

By Pat Feist, Enderlin Area School

**Tax Relief** – Before the North Dakota Legislature convened, I, representing the Enderlin Area School, brought a concern relating to the current tax relief bill to the attention of legislators in Districts 20, 22, 24, and 26.

Through the reorganization process between Sheldon School District No. 2 and Enderlin Schools District No. 22 which went into effect July 1, 2007, the current Enderlin Area School District decided that the new district would only need to levy 205 mills instead of the 255 mills which was levied in the Sheldon School District No. 2 and the 233 mills levied at the Enderlin School District No. 22. The Enderlin Area School board decided to levy 166.07 mills for the general fund, 10 mills for the building fund, and the remaining mills for the sinking and interest fund in 2008. With this information at hand, the school board felt the mill levy was adequate to provide an excellent education for our students. The 166.07 general fund mills were levied to take care of the general operations of the school including instruction, administration, operation and maintenance, transportations, co-curricular activities, etc. The building fund of 10 mills was established by the patrons of the new school district to maintain the school complex. During the 2009 legislative session, the North Dakota legislators decided to provide real-estate tax relief to North Dakota real-estate owners by providing up to 75 mills of tax relief for the school districts who levied at least 175 general fund mills. Legislators chose not to include the building fund levy in the 175 minimum mill levy total even though the dollars in the building fund may only be used to maintain the school complexes and schools which do not have a building fund use general fund levied dollars to maintain their school district buildings.

How does this affect our school district? The patrons of Enderlin Area School did not receive approximately 9 mills in tax relief because of the definition of "local effort". As mentioned above, in my opinion the definition of local effort should have included the Building Fund Tax Levy as well as the Technology levy even though the Enderlin Area does not have a Technology levy. School Districts which do not have Building Fund levies or Technology levies use General Funds to pay for technology and building maintenance and remodeling.

How much does this affect our School District? With the current formula, the Enderlin Area School District patrons loose \$75,814 per year in state tax relief dollars because the building fund levy was not included in the formula. The Enderlin Area School District has had to increase the current General fund mill levy to 109.89 mills.

With this information at hand, I ask you as legislators to support HB1047 since the bill provide 75 mills of tax relief for schools who levy at least 100 General Fund mills.

Thank you for your work as North Dakota Legislators and caring about our students.

## Areas Impacted by Growth and Change in Evaluation

Thank you for your time.

Added bus routes, the problem of hiring drivers in competition with the oil industry, and the condition of roads have a negative impact on a school's budget. Ray added one route for a large bus and one route for a suburban. The district will receive no compensation for these added expenses until next year.

Cost of housing and maintenance is determined by the oil industry. Teachers can find no affordable housing; therefore districts are forced to purchase mobile homes or build to provide the needed staff. One example of inflated cost is the price of an oil change going from \$177 to \$377. Increasing numbers of students also have the district scrambling for space. Some districts are considering capital projects in the near future.

The increase of student population produces an increase in "new" money from the State. The new money is good! However, 70% of new money must be used on teacher salaries leaving 30% of the funds to cover all the other costs of providing for the new students. For example, 30 new students in a small school would bring in approximately \$120,000. Seventy percent would need to go to teacher salaries. The Ray district would need expend \$84,000 for 18 teachers' salary during the biennium. This assumes no new teachers were needed with the student increase. \$45,000 would then be left for all other expenses: superintendent, principals, counselors, books, desks.... The above amount would add \$1555 to the base salary. However, what if the school gains another 30 students in the second year. You would now have the \$1555 plus the 70% of this new money. The district would reach an point at which the salaries could not be sustained.

Schools are required to submit a preliminary budget by August 15 and the final budget by October. The district does not know the districts taxable value until in December. During the transition to the mil levy reduction, schools were to levy no more than 110 mils. In our case, Ray, the budget was set at a dollar amount that would be approximately 110 mils. However, the evaluation increased by 17%. The result was the mils coming in at 92.4. I had asked the county auditory several times what the evaluation might be, but got the response, "I don't know, but it will increase." Budgeting needed to be done with too many unknowns..number of new students, evaluation increase, and cost of increased busing. As are result, the district did not receive the \$100,000 that would be needed. The following year, 2010, I increased the budget by the limit allowed, 1.12~~0~~ times the previous year. Again the evaluation increased by 11% and the mil levy went up to 93.5 mils. Over the two years, the district did not realize \$200,000 of needed money and made very little progress in reaching the targeted 110 mils.

102 mils



# North Dakota Farm Bureau

*Bringing ag home*

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## Senate Finance & Taxation Committee

*March 16, 2011*

### HB 1047 Testimony by North Dakota Farm Bureau

*presented by Sandy Clark, public policy director*

Good morning, Mr. Chairman and members of the committee. For the record, my name is Sandy Clark and I represent North Dakota Farm Bureau.

North Dakota Farm Bureau policy supports property tax relief and property tax reform. Therefore, we stand today in support of HB 1047 and support the property tax provisions.

This property tax relief plan, utilizing the school funding mechanism, seems to have worked well and we support its continuation at this time. However, last Session we questioned the ability to sustain these replacement dollars over time. We express those same concerns today.

This delivery method works well when the state is flush with budget surpluses, but we question what happens when the North Dakota economy declines and the oil industry takes a downturn.

We believe property tax relief through replacement dollars is not long term. What we really need is property tax reform. Property valuations are still increasing. The problem still exists. The problem is not escalating valuations. The dilemma is caused by political subdivisions not reducing mill levies at the same level in dollars as the increase in valuations. Farm Bureau encourages the Legislature to consider true property tax reform.

We support a property tax reform bill that you will be hearing in your committee at a later date.

Farm Bureau also has concern that this property tax relief in HB 1047 could be negated by other political subdivisions increasing mill levies or not reducing mill levies enough to compensate for the increase in valuations.

Some counties and cities have held the line with their mill levies and taxpayers and Farm Bureau members appreciate that. But we have also heard reports from other Farm Bureau members, who have reported that their property tax bills have actually gone up due to actions by other political subdivisions.

*(over)*

We all have a responsibility to resolve the property tax dilemma. Legislators have a responsibility to establish the parameters and the structure for levying and collecting property taxes. Local political subdivisions must have the discipline to exercise fiscal responsibility and conservative spending to keep property taxes in check. And finally, if taxpayers really want lower property taxes, we must be willing to accept less government services. Taxpayers must accept the responsibility to show up at local budget hearings, express our concerns, and then elect local government officials who will follow through.

Property tax relief and property tax reform must work in tandem to create a climate that will truly reduce property taxes over the long term.

Again, we support HB 1047 and we hope you will give it a "do pass" recommendation.

Thank you for your consideration. I will stand for any questions you might have.

March 9, 2011

Senator Cook and Members of the Senate Finance and Tax Committee:

My name is Jason Kersten and I am the Superintendent of the Bottineau Public and Newburg United Public Schools. I am writing this requesting your assistance and support in making changes to HB 1047.

The way this bill is currently written, the two districts I represent would be penalized severely monetarily in the upcoming biennium. The Bottineau District would lose \$581,274 and Newburg United would lose \$53,613 in Mill Levy Reduction money. This is a substantial amount of money in both budgets. These are dollars my districts will not be able to get back next year or years to come.

In Bottineau, our current Taxable Valuation (2010) is \$20,946,814. This means one mill will generate \$20,946. If our valuation remains the same next year, the district would have to increase our mills to 27.75 mills to generate the \$581,274 lost in Mill Levy Reduction. Under the current system, school districts are only able to levy 12% more than what was levied the previous year without going to the vote of the people. A 12% increase would generate \$181,602. This is an 8.67 increase in our mills if the Taxable Valuation stays the same. This would mean our district would still see a decrease of \$399,672 from the previous year. At this type of rate, it would be just a matter of time before our interim fund would be depleted.

I have visited with both Representative Bob Hunsakor and Representative Glen Forseth from my district regarding HB 1047. I have also e-mailed Senator David O'Connell. All three individuals represent District 6. I believe Representative Hunsakor may have spoken to some of you regarding the impact of my two districts.

I would like to thank each of you for your time and consideration regarding HB 1047. I realize each of you represent your districts and this bill affects everyone differently. I ask for consideration in changing language in this bill so it doesn't have such a severe impact to the districts of Bottineau and Newburg as well as some of the other schools adversely affected.

I would be happy to discuss HB 1047 with you and the committee. I can be reached at (701)228-2266. Again, thank you for your time and consideration regarding my request.

Senator Cook and Members of the Senate Finance and Tax Committee. For the record, my name is Jason Kersten and I am the Superintendent of the Bottineau Public and Newburg United Public Schools. I am here today to testify against a HB 1047. I am not against the whole bill. I am just concerned with some wording struck from the original bill and some wording added. I would like everyone to please turn to Page 4 of this bill and look at lines 27-30. As you can see, the words previous year was added in line 27, **for taxable year 2008** was struck from lines 27-28 and plus the previous year number of mills of property tax relief under this chapter was added to 28-29. On page 5 lines 1-2, **The grant to qualifying school district may not be less than the grant to the school district in the preceding school year** was struck and lines 2-20 were added. This doesn't seem like much of a change. But, this change will cost the Bottineau School District \$581,274 and the Newburg United School District \$53,613. This is a substantial amount in our budgets.

As mentioned in an e-mail I sent on March 9, I will not be able to levy enough dollars at the 12% cap to replace the \$581,274 lost with how this bill currently reads. The Bottineau District can generate \$181,602 in tax dollars with the 12% increase allowed by school districts without going to the vote of the people. This would mean our district would still see a decrease of \$399,672 from the previous year. Yes, our interim fund would be able to handle this for next year. But, it would be just a matter of time before the interim fund would be depleted.

The Bottineau Taxable Valuation has increased from \$8,066,484 in 2002 to \$20,946,814 in 2010. This is an increase of 38.5% over this time. The reason for this increase has come predominately from reassessment at Lake Metigoshe. This

type of increase was not expected and caused local taxes to go up.

I think we need to take a step back and look at what this bill was originally supposed to do. In my opinion, this bill was to provide property tax relief to the people of North Dakota. Did this bill accomplish that over the past few years? The answer would be YES. Did everyone receive the same amount of relief? The answer would be NO. In 2008, a majority of the school districts received a 55 to 75 mill levy reduction. If my calculations are correct, I believe there were 7 schools receiving less than 55 mills. If this wording remains, 15 schools will be receiving less than 55 mills. The Bottineau District would go from getting 55 mills of relief to 27.25. In my opinion, there becomes an equity issue across the state. I believe this bill originated to give the people of North Dakota property tax relief and not as a source for school funding or income. With the current changes, is HB 1047 accomplishing what it set out to do in 2008? In my opinion, NO. This is no longer giving the patrons of North Dakota the property tax relief promised in 2008. Under its current wording, this bill does become a source of school funding. The reason being there are schools who gain and lose funding under this bill. The Bottineau School District will decrease by \$399,672 in Mill Levy Reduction dollars. The lost dollars can only be generated by going to the vote of the people.

In closing, I would like to thank you Senator Cook and the Members of the Committee for your time and consideration in making changes to HB 1047 that will decrease the penalty my school districts will receive if this bill is passed as written. I would answer any questions you may have at this time.

March 16, 2011

Senator Cook and Members of the Senate Tax and Finance Committee

My name is Rich Rogers and I am the superintendent of the Langdon Area School District. I am here to express my district's concerns with House Bill 1047.

As currently written this bill will have a very severe and negative effect on the finances of our school district along with other schools like us that have a local mill levy below 100 mills.

According to information provided by the Department of Public Instruction, the bill reduces the amount of property tax relief to our district by a whopping 838,000 dollars. That amount is approximately 19% of our school's total revenue in this year's budget. I doubt there has ever been a bill passed with that kind of negative effect on a ND school.

Without approval by a vote of our local taxpayers we will only be able to increase our local levy by 12% for the next school year. That would generate about 144,000 dollars leaving us with a net loss of 694,000 dollars. Those are dollars that will be very difficult to replace, if we can at all.

Our district has a tax base that has more than doubled in the past ten years. Its value has gone from 9 million dollars to now almost 21 million dollars. That is a result of reorganization with other districts, increased land values and the recent construction of the Langdon Wind Farm. Last year our district's taxable valuation saw an increase of 7%. With that type of increase in our valuation it makes it impossible for us to increase our local mills without going to a vote of the people. Without being able to increase our mills we will be faced with this large decrease in state revenue each year. Even with no increase in valuation a 12% increase in our local levy would only mean 6 additional mills. That places us in a very difficult financial situation and in just a few years our once healthy interim fund will be at zero.

Over the past two years Langdon has received local tax relief paid by the state at 55 mills. That compares to 100 mills for many other districts. Because of our large tax base and declining enrollment our taxable value per student is very high. This means we have a large amount of high value offset in the states funding formula which results in Langdon receiving the minimum number of dollars offered by the state in foundation aid. Even with our low mill levy this year we still collected 32% of our total revenue locally and 61% from the state which is well below the 70% goal. The remaining 7% of our revenue came from Federal dollars.

Because of our ability to raise revenue locally we have been able to keep our mills low, receive the minimum in state aid and still have the funds available to pay our staff well, upgrade our facilities and purchase the supplies and equipment we need to provide our students with the best education we can. The wording in this bill will change that and greatly damage our school's ability to provide the opportunities our students need. I am here this morning to request your support and assistance in making the necessary changes to this bill that will result in a significant decrease in the penalty our school district receives in property tax relief.

I understand a hold harmless clause and using a five year average for local mills have been discussed as possible solutions to our problem. I would respectfully ask that you explore these options and any other changes that would eliminate such a severe penalty.

I would like to thank the committee for the opportunity to speak today and for the time and effort you put into considering changes in HB 1047. I would be happy to try and answer any questions.

**To: Senate Finance & Taxation Committee  
Senator Dwight Cook, Chairman**

**Re: HB 1047 Hearing  
March 16, 2011 – 9:00 AM**

**From: Brad Rinas  
Superintendent of Schools  
Washburn Public School District**

**Position – In opposition to HB 1047**

- This bill unfairly penalizes school districts which have lowered their mill levy as a result of one or more of the following:
  - increasing taxable valuation
  - local economic development
  - conservative spending
  - the impact of the energy industry
  - the availability of federal stimulus dollars for facility improvement
  
- The mill levy reduction law passed in 2009 was intended to lower property taxes for property owners. It was not intended to be an education funding bill. From a school district perspective, it is easy to cry foul when districts receive different levels of relief, but equity is not the issue. The simple truth is that the 2009 law accomplished the purpose of lowering property taxes.
  
- HB 1047 as presented will reduce state revenues for many districts so significantly that school boards will have no other choice but to immediately begin raising property taxes. Washburn’s current level of relief would be cut by 49%, or \$204,000.00. Washburn has demonstrated responsibility to local property owners by reducing the general fund mill levy. As a result of our planning process, and assuming the 2009 law remains unchanged, we are positioned to negotiate a fair increase in teacher compensation, to address facility improvement concerns, to address the rising cost of operations, and to meet students’ academic needs without increasing our local mill levy. However, HB 1047 would require us to immediately begin raising local property taxes at the maximum rate in order to recapture lost revenue.
  
- Legislators have assured school boards and administrators that the level of property tax relief created by the the 2009 mill levy reduction law would be in place through the 2011-13 biennium. School districts have built their current budgets, carried out improvements, and hired staff with that in mind. This bill would pull the rug out from under us with respect to our patrons’ property tax burden.
  
- It is reasonable to expect that at some point in the foreseeable future the 2009 mill levy reduction law will be subject to changes. However, any changes that would occur this year must include language guaranteeing that school districts will receive no less in property tax relief than they received the previous year, and that it remain through the 2011-13 biennium.



**MAXIMUM LEVY WORKSHEET - For Tax Years Beginning With 2009**  
**SCHOOL DISTRICT GENERAL FUND**  
**OFFICE OF STATE TAX COMMISSIONER**  
 SFN 24754 (7-09)

School District	Tax Year
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**Calculation 1 (North Dakota Century Code § 57-15-14)**

1. Taxes levied last year	2. Current year taxable value	3. Levy at 185 mills (No. 2 times 0.185)
4. 12 percent increase (No. 1 times 0.12)	5. Intentionally left blank	6. Levy with 12% increase (No. 1 + No. 4)
7. Levy with 12% increase, maximum 185 mills (No. 3 or No. 6, whichever is less)		
8. Specified mill rate approved by voters	9. Levy at specified mills (No. 2 times No. 8)	

**Calculation 2 (N.D.C.C. § 57-15-01.1)**

10. Taxes levied last year (Same as No. 1)	11. Taxes levied two years ago	12. Taxes levied three years ago
13. Base year (Largest of 10, 11 or 12)	14. Expired temporary levies (See instr.)	15. Base year taxes (No. 13 minus No. 14)
16. Base year taxable value of taxable and exempt property.		
17. Calculated mill rate for taxes levied in the base year (No. 15 ÷ No. 16)	18. Taxable value of taxable and exempt property removed since the base year	19. Adjustment for property no longer in the taxing district (No. 17 times No. 18)
	20. Taxable value of taxable and exempt property added since the base year	21. Adjustment for property added to the taxing district. (No. 17 times No. 20)
22. New or increased mills authorized by legislature or electors		23. New mills increase (No. 2 times No. 22)
24. Amount by which the budget year mill levy reduction grant under § 57-64-02 exceeds the amount of the base year mill levy reduction grant		
25. Adjusted base year taxes (No. 15 minus No. 19 + No. 21 + No. 23 minus No. 24)		

**Maximum Levy Calculation (N.D.C.C. § 57-15-01.1)**

26. Max levy (Greatest of No. 7, 9, 25)	27. School district certified general fund levy	28. Final levy (Lesser of No. 26 or No. 27)
		29. General fund mill rate (No. 28 ÷ No. 2)

**ATTENTION COUNTY AUDITOR:** In accordance with N.D.C.C. § 57-64-03, if the general fund rate shown in No. 29 is greater than 110 mills, the School District should authorize the County Auditor to perform one of the following actions:

- 1. Approve the school district certified general fund levy shown in No. 27, which does not exceed the maximum levy approved by voters.
- 2. Reduce the final levy shown in No. 28 to a dollar amount that represents 110.00 mills;
- 3. If No. 9 is less than No. 27, set the final levy at no more than the dollar amount shown in No. 9, which has been approved by the voters;
- 4. Set the final levy at the dollar amount shown in No. 27, because the higher levy is the result of a school reorganization in compliance with ch. 15.1-12;
- Approve the final levy calculated in No. 28 because the higher levy does not produce an amount in dollars exceeding the amount allowed under § 57-15-01.1 for taxable year 2008 \_\_\_\_\_ reduced by the amount of the school district's mill levy reduction grant under § 57-64-02 for the budget year \_\_\_\_\_

*Instructions For Maximum Levy Worksheet  
For Tax Years Beginning With 2009*

**School District General Fund**

This worksheet can be used to calculate the maximum dollars that may be levied for the general fund in a given school district. One worksheet should be completed for the general fund of each school district.

Following are instructions for specific line numbers:

- 1, 11& 12: Enter the dollar amount of taxes actually levied for the general fund as shown as the Final Levy on the Maximum Levy Worksheet for each of the years shown.
- 13: The "base year" is the tax year with the highest amount levied in dollars in property taxes, of the three tax years immediately preceding.
14. Enter the dollar amount of any temporary increased or excess levy that was in effect for the base year but is not in effect for the current year. Start with the dollar amount of the increased or excess levy as approved by the voters and apply any percentage increases that were added as authorized by the legislature.
17. The calculated mill rate for the base year is the dollars of taxes levied divided by the sum of the taxable value of the property subject to tax plus the taxable value of exempt\* property.
18. Enter the taxable value of taxable and exempt\* property that was existing in the based year but is no longer existing in the taxing district in the current year. Examples of reasons why the property no longer exists in the taxing district include the following: destruction of property, demolition, removal of structures or improvements, loss by annexation to another district. Do not include any change in value caused by reassessment, change in classification, change in value made by any board of equalization, or loss in value caused by taxable property becoming exempt\*.
20. Enter the taxable value of taxable and exempt\* property that has been added to the taxing district since the base year. Examples of property added include: new construction and property added by annexation. Do not include any changes in value caused by reassessment, change in classification, change in value made by any board of equalization, or increase in value caused by exempt\* property becoming taxable.
22. Enter any increased, additional, or excess mill levy authorized by the legislature or the voters that was not in effect in the base year.
24. Enter the amount by which the Mill Levy Reduction Grant for the budget year exceeds the amount of the base year Mill Levy Reduction Grant. For 2009, this is the total amount of the 2009 Mill Levy Reduction Grant. The base year Mill Levy Reduction Grant cannot exceed the budget year Mill Levy Reduction Grant.
27. The Mill Levy Reduction Grant received for the budget year must be deducted from the general fund property tax levy before the Certified General Fund Levy is entered.

Exempt\* property means property exempted from taxation as new or expanding businesses under North Dakota Century Code ch. 40-57.1; improvements to property under N.D.C.C. ch. 57-02.2; or buildings belonging to institutions of public charity (subsection 8), new single-family residential or townhouse or condominium property (subsection 35), property used for early childhood services (subsection 36), or pollution abatement improvements (subsection 37) under N.D.C.C. § 57-02-08.

## School District General Fund Maximum Levy

School districts are permitted the following alternatives to calculate the maximum levy for the general fund:

1. The amount levied in dollars for the last school year plus 12 percent but not to exceed 185 mills. See North Dakota Century Code § 57-15-14. *No. 7 on the worksheet.*
2. The amount raised by voter-approved unlimited levy (through taxable year 2015) or specified number of mills applied to the current year taxable value. See N.D.C.C. §§ 57-15-14(1) and 57-15-14(2). *No. 9 on the worksheet.*
3. The number of dollars levied in the base year (adjusted for expired temporary levies and property added to or removed from the assessment rolls), plus any new mill levies authorized by the legislature or the electors that were not in effect in the base year, and reduced by the amount by which the Mill Levy Reduction Grant for the budget year exceeds the amount of the Mill Levy Reduction Grant for the base year.
4. To be eligible to receive a Mill Levy Reduction Grant under ch. 57-64, a qualifying school district must establish a spending level that does not result in a general fund mill rate exceeding 110 mills. Exceptions:
  - a. The district has approval of a majority of the electors of the school district for a higher levy;
  - b. The higher levy is the result of a school district reorganization in compliance with ch. 15.1-12; or
  - c. The higher levy does not produce an amount in dollars exceeding the amount allowed under § 57-15-01.1 for taxable year 2008 reduced by the amount of the school district's mill levy reduction grant under § 57-64-02 for the budget year.
5. If the Mill Levy Reduction Grant for the budget year reduces the school district general fund levy to zero, the excess Mill Levy Reduction Grant must be applied first to reduce the high school tuition levy and then to reduce the high school transportation levy. See the special Maximum Levy Worksheet and instructions for those two funds.

## HB 1047

## Senate Finance and Taxation

## Impact of dropping below 100 mills

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
State Prior	65	65	55	45	35	25	15	5	0	0
<b>Local</b>	<b>100</b>	<b>90</b>								
Total for Reset	165	155	145	135	125	115	105	95	90	90
	100	100	100	100	100	100	100	100	100	100
<b>State Reset</b>	<b>65</b>	<b>55</b>	<b>45</b>	<b>35</b>	<b>25</b>	<b>15</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Mills	165	145	135	125	115	105	95	90	90	90

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
State Prior	65	65	67	68	69	70	71	72	73	74
<b>Local</b>	<b>100</b>	<b>102</b>	<b>101</b>							
Total for Reset	165	167	168	169	170	171	172	173	174	175
	100	100	100	100	100	100	100	100	100	100
<b>State Reset</b>	<b>65</b>	<b>67</b>	<b>68</b>	<b>69</b>	<b>70</b>	<b>71</b>	<b>72</b>	<b>73</b>	<b>74</b>	<b>75</b>
Total Mills	165	169	169	170	171	172	173	174	175	176

## Impact of staying above 100

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
State Prior	65	66	67	68	69	70	71	72	73	74
<b>Local</b>	<b>101</b>									
Total for Reset	166	167	168	169	170	171	172	173	174	175
	100	100	100	100	100	100	100	100	100	100
<b>State Reset</b>	<b>66</b>	<b>67</b>	<b>68</b>	<b>69</b>	<b>70</b>	<b>71</b>	<b>72</b>	<b>73</b>	<b>74</b>	<b>75</b>
Total Mills	167	168	169	170	171	172	173	174	175	176

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Statelssu edID	EntityName	2009 GFLevy3	2010 GFLevy3	2011 GFLevy3	2009Taxvalue	2010Taxvalue	2011Taxvalue	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr %
31-001	New Town 1	180.97	98.96	106.57	3,792,083	4,492,754	8,016,433	75.00	302,213		-100%
34-012	Valley 12	197.49	120.89		3,870,331	4,122,837		-	308,824	-	-100%
50-106	Edinburg 106	189.78	110.00		2,039,272	2,536,643			157,339		-100%
51-019	Eureka 19	155.14	235.30		1,126,593	1,176,748		-	36,298	-	-100%
15-010	Bakker 10	126.46	136.00	135.25	1,170,215	1,210,343	1,365,330	26.46	30,988	286	-99%
08-029	Baldwin 29	218.23	139.33	165.47	985,180	1,023,452	1,057,584	75.00	76,350	63,620	-17%
53-006	Eight Mile 6	170.27	104.98	107.39	1,879,326	1,790,261	1,946,135	70.27	135,662	129,647	-4%
15-036	Linton 36	168.97	101.77	97.82	5,572,866	5,475,610	5,727,483	68.97	390,423	384,124	-2%
17-006	Lone Tree 6	232.18	132.31	98.04	1,492,382	1,474,703	1,871,611	75.00	112,883	111,621	-1%
42-016	Goodrich 16	189.26	113.00	112.64	1,781,126	1,761,753	1,897,510	75.00	138,340	137,209	-1%
50-128	Adams 128	169.84	110.00	110.00	2,066,679	2,066,592	2,212,535	69.84	147,467	147,672	0%
26-004	Zeeland 4	176.98	110.00	110.00	2,776,375	2,794,493	2,762,515	75.00	209,351	210,786	1%
43-003	Solen 3	185.00	109.34	110.00	1,601,125	1,610,754	1,512,689	75.00	122,223	123,089	1%
50-003	Grafton 3	185.00	110.00	110.00	10,264,692	11,032,032	11,474,301	75.00	835,632	841,979	1%
39-008	Hankinson 8	180.87	110.00	110.00	7,024,709	7,079,403	7,260,965	75.00	532,487	536,969	1%
19-049	Elgin-New Leipzig 49	206.50	130.00	130.00	4,466,676	4,497,726	4,859,092	75.00	345,526	348,565	1%
15-015	Strasburg 15	166.54	108.80	101.53	3,309,726	3,336,518	3,614,520	66.54	223,253	225,240	1%
01-013	Hettinger 13	168.82	110.00	110.00	6,892,484	6,949,297	7,115,817	68.82	488,689	493,567	1%
50-020	Minto 20	189.01	115.99	115.36	4,152,116	4,193,411	4,473,715	75.00	317,526	321,036	1%
41-003	North Sargent 3	177.82	108.32	106.04	3,207,659	3,237,606	3,335,987	75.00	248,227	250,990	1%
39-018	Fairmount 18	188.06	110.00	110.00	4,290,198	4,339,392	4,387,703	75.00	324,595	328,475	1%
40-029	Rolette 29	192.43	116.18	116.00	3,051,452	3,085,169	3,366,769	75.00	233,026	235,836	1%
41-002	Milnor 2	188.22	115.09	113.12	3,886,995	3,929,837	4,058,743	75.00	298,142	301,801	1%
40-003	St John 3	161.47	98.38	85.99	867,035	874,181	1,000,116	61.47	58,880	59,696	1%
34-043	St Thomas 43	209.34	132.68	131.05	3,262,509	3,307,362	3,561,653	75.00	247,562	251,120	1%
27-002	Alexander 2	168.89	105.00	109.07	3,149,208	3,190,026	3,439,590	68.89	231,030	234,792	2%
40-001	Dunseith 1	162.53	115.90	107.76	1,623,789	1,646,698	1,771,109	62.53	106,007	107,741	2%
30-013	Hebron 13	165.97	104.84	110.00	3,988,094	4,056,340	4,082,864	65.97	271,233	276,284	2%
25-060	TGU 60	171.96	109.98	110.00	11,339,961	11,547,101	12,915,107	71.96	838,438	854,857	2%
47-019	Kensal 19	185.00	110.00	110.00	2,745,788	2,800,486	2,974,749	75.00	207,356	211,554	2%
21-001	Mott-Regent 1	165.00	110.00	108.00	7,509,528	7,665,170	7,994,914	65.00	501,196	512,196	2%
18-128	Midway 128	191.36	120.00	119.83	6,647,882	6,788,977	7,250,493	75.00	506,471	507,592	2%

State/County	Entity Name	2009 GFLevy3	2010 GFLevy3	2011 GFLevy3	2009 Tax value	2010 Tax value	2011 Tax value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr. %
39-028	Lidgerwood 28	190.61	115.96	116.38	4,102,014	4,192,501	4,388,439	75.00	311,343	318,379	2%
35-001	Wolford 1	210.00	135.00	135.00	1,726,343	1,766,143	1,939,370	75.00	130,741	133,811	2%
15-006	Hazelton-Moffit-Braddock 6	160.41	106.98	108.00	4,176,781	4,278,208	4,748,436	60.41	258,118	264,637	3%
52-025	Fessenden-Bowdon 25	156.61	97.55	100.73	8,153,792	8,358,608	9,128,135	56.61	467,432	479,421	3%
09-002	Kindred 2	166.50	105.01	104.97	14,375,882	14,758,949	15,405,566	66.50	973,371	1,000,018	3%
39-042	Wyndmere 42	163.27	96.57	103.56	7,043,705	7,248,532	7,532,019	63.27	449,871	463,115	3%
39-037	Wahpeton 37	186.65	111.65	111.65	22,803,037	23,472,371	23,699,437	75.00	1,750,843	1,803,785	3%
49-014	May-Port CG 14	185.00	110.00	110.00	11,755,737	12,106,889	12,961,076	75.00	890,503	917,435	3%
08-035	Sterling 35	244.15	177.84	142.51	2,248,672	2,396,133	2,604,337	75.00	128,092	132,009	3%
34-006	Cavalier 6	185.96	110.00	110.00	8,935,791	9,205,019	9,789,355	75.00	682,492	703,515	3%
09-001	Fargo 1	266.31	191.31	191.18	241,961,324	249,466,881	255,562,235	75.00	18,239,963	18,809,149	3%
18-125	Manvel 125	190.42	120.13	120.10	4,338,706	4,481,364	4,672,353	75.00	333,911	345,184	3%
08-028	Wing 28	160.08	108.00	108.10	2,256,431	2,329,591	2,458,791	60.08	142,664	147,539	3%
53-099	Grenora 99	185.00	110.00	109.31	4,165,165	4,303,982	5,031,435	75.00	320,329	331,277	3%
17-003	Beach 3	155.31	100.00	100.00	4,513,532	4,665,507	4,972,312	55.31	254,384	263,111	3%
18-001	Grand Forks 1	198.96	123.96	123.96	144,094,077	149,239,508	153,540,567	75.00	10,883,801	11,274,888	4%
29-003	Hazen 3	185.00	109.99	110.00	6,426,102	6,655,915	6,971,051	75.00	493,575	511,595	4%
30-049	New Salem-Almont 49		110.00	110.00		6,316,688	6,526,446	54.55	336,964	349,714	4%
26-019	Wishek 19	176.02	105.84	106.86	4,491,552	4,663,081	5,118,741	75.00	342,365	355,601	4%
19-018	Roosevelt 18	177.62	98.86	106.94	2,448,244	2,541,550	2,723,346	75.00	187,380	194,632	4%
18-044	Larimore 44	185.00	110.00	110.00	8,024,193	8,334,989	9,067,257	75.00	614,621	638,796	4%
21-009	New England 9	185.00	109.00	110.00	5,285,474	5,488,630	5,604,167	75.00	410,760	426,965	4%
52-038	Harvey 38	182.17	109.46	104.45	9,246,383	9,605,210	10,115,533	75.00	722,844	751,738	4%
26-009	Ashley 9	174.25	115.70	106.67	4,218,219	4,388,505	4,931,435	74.25	319,141	332,185	4%
14-002	New Rockford-Sheyenne 2	165.00	108.00	110.00	7,204,749	7,503,468	8,047,689	65.00	475,959	495,892	4%
34-019	Drayton 19	208.44	137.00	138.08	5,642,471	5,879,190	6,766,531	75.00	428,249	446,345	4%
35-005	Rugby 5	185.00	110.00	99.36	11,143,781	11,618,978	14,407,406	75.00	848,904	885,429	4%
49-003	Central Valley 3	157.05	110.00	110.00	6,717,488	7,009,910	7,572,635	57.05	387,948	404,948	4%
09-017	Central Cass 17	156.33	109.00	108.90	15,352,871	16,026,079	17,390,625	56.33	877,559	916,341	4%
25-014	Anamoose 14	201.51	112.74	115.61	2,058,677	2,146,274	2,344,117	75.00	166,178	173,543	4%
30-039	Flasher 39	185.19	110.00	110.00	3,319,195	3,466,332	3,637,234	75.00	249,186	260,237	4%
36-002	Edmore 2	150.00	110.00	110.00	4,950,000	5,222,381	5,525,628	50.00	253,738	264,124	4%

State/County ID	Entity Name	2009 GF Levy %	2010 GF Levy %	2011 GF Levy %	2009 Tax Value	2010 Tax Value	2011 Tax Value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr. %
25-057	Drake 57	171.68	95.97	101.09	3,891,002	4,063,935	4,411,823	71.68	288,116	301,133	5%
12-001	Divide County 1	122.95	95.74	84.09	8,281,915	8,649,999	9,848,030	22.95	196,490	205,370	5%
02-007	Barnes County North 7	167.93	101.20	100.21	16,078,048	16,798,905	17,939,529	67.93	1,109,946	1,160,112	5%
05-054	Newburg-United 54	168.26	95.66	90.78	5,028,475	5,256,418	5,814,890	68.26	348,845	364,782	5%
39-044	Richland 44	185.00	109.65	109.94	6,345,864	6,635,992	6,918,979	75.00	485,636	508,050	5%
42-019	McClusky 19	186.11	109.41	109.46	2,848,157	2,979,604	3,197,372	75.00	221,605	232,002	5%
24-056	Gackle-Streeter 56	157.05	105.06	100.74	5,183,046	5,425,653	5,846,544	57.05	301,373	315,596	5%
09-006	West Fargo 6	188.26	113.26	114.28	154,815,661	162,305,976	169,182,271	75.00	11,746,546	12,317,457	5%
36-044	Starkweather 44	175.43	102.00	100.00	2,939,109	3,082,993	3,284,513	75.00	222,673	233,616	5%
18-127	Emerado 127	275.13	223.08	212.24	2,295,855	2,407,346	2,518,386	75.00	178,561	187,353	5%
09-097	Northern Cass 97	183.85	107.91	106.80	12,001,095	12,587,681	13,450,418	75.00	919,859	965,188	5%
16-049	Carrington 49	159.69	103.11	105.00	13,272,805	13,939,183	14,757,590	59.69	802,089	842,529	5%
36-001	Devils Lake 1	188.00	110.00	110.00	21,383,826	22,457,948	23,273,574	75.00	1,629,425	1,711,715	5%
32-066	Lakota 66	185.00	110.00	105.95	4,943,046	5,202,675	6,049,987	75.00	378,813	398,831	5%
40-004	Mt. Pleasant 4	180.03	109.75	109.27	4,193,814	4,419,128	4,758,658	75.00	317,945	335,074	5%
38-001	Mohall-Lansford-Sherwood 1	167.02	100.00	97.61	10,178,719	10,736,157	12,318,896	67.02	692,822	730,900	5%
07-036	Burke Central 36	171.41	102.21	93.66	3,616,969	3,815,570	4,324,199	71.41	262,234	276,682	6%
18-129	Northwood 129	184.06	110.00	110.00	5,867,561	6,191,529	6,696,197	75.00	445,662	470,337	6%
47-014	Montpelier 14	185.00	110.00	110.00	2,726,909	2,878,095	3,138,710	75.00	207,533	219,075	6%
18-061	Thompson 61	184.81	109.40	109.70	7,299,030	7,704,277	8,071,338	75.00	552,136	582,848	6%
49-007	Hatton 7	203.50	128.19	110.00	4,617,774	4,875,793	5,195,066	75.00	350,445	370,074	6%
03-029	Warwick 29	155.66	94.71	84.92	1,284,880	1,356,579	1,465,993	55.66	76,321	80,636	6%
37-024	Enderlin Area 24	166.07	103.71	109.84	8,034,946	8,489,756	8,875,149	66.07	550,939	582,343	6%
07-014	Bowbells 14	157.57	108.12	95.98	3,046,340	3,223,260	3,692,821	57.57	177,915	188,272	6%
13-016	Killdeer 16	158.78	100.00	100.00	8,067,281	8,534,954	9,334,585	58.78	498,745	527,892	6%
08-025	Naughton 25	166.13	103.91	74.77	306,997	324,982	344,346	66.13	21,644	22,924	6%
48-010	North Star 10	157.66	94.41	86.24	7,717,636	8,174,723	8,948,785	57.66	449,925	476,613	6%
24-002	Napoleon 2	176.84	109.98	100.86	4,467,212	4,733,386	5,162,173	75.00	339,577	359,846	6%
03-009	Maddock 9	171.74	110.00	110.00	4,384,537	4,646,027	5,089,970	71.74	319,664	338,769	6%
20-007	Midkota 7	185.00	114.22	118.29	6,079,789	6,442,721	7,243,567	75.00	466,887	494,843	6%
07-027	Powers Lake 27	185.00	109.76	94.97	2,062,671	2,186,601	2,527,205	75.00	159,185	168,782	6%
30-001	Mandan 1	185.00	109.98	109.18	55,463,383	58,806,685	62,283,248	75.00	4,232,324	4,400,692	6%

State Aid

90-150% of statewide impacted revenue  
valuation per pupil.

StateID	EntityName	2009 GLEvy3	2010 GLEvy3	2011 GLEvy3	2009Taxvalue	2010Taxvalue	2011Taxvalue	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr %
25-001	Velva 1	163.69	110.00	105.13	8,247,340	8,747,622	11,342,107	63.69	536,911	569,559	6%
29-027	Beulah 27	185.00	110.00	109.96	11,262,227	11,947,833	12,477,564	75.00	875,574	929,080	6%
08-001	Bismarck 1	205.71	124.60	124.86	229,643,662	243,653,423	250,882,766	75.00	17,505,961	18,575,774	6%
43-004	Ft Yates 4	185.00	109.65	109.69	511,545	542,643	577,863	75.00	41,240	43,766	6%
27-001	McKenzie Co 1	156.38	105.00	100.76	10,874,714	11,538,680	12,625,353	56.38	663,017	703,820	6%
47-001	Jamestown 1	192.03	117.00	117.02	36,217,958	38,452,496	39,621,322	75.00	2,754,899	2,925,092	6%
23-007	Kulm 7	178.77	101.68	100.02	5,901,489	6,220,123	6,719,479	75.00	445,696	473,580	6%
27-014	Yellowstone 14	181.79	132.15	126.72	1,795,798	1,911,759	2,057,119	75.00	139,736	148,774	6%
47-010	Pingree-Buchanan 10	177.00	101.79	102.00	3,492,566	3,718,763	4,049,257	75.00	265,069	282,246	6%
48-028	North Central 28	165.54	103.05	94.38	3,727,308	3,969,049	4,450,099	65.54	247,589	263,655	6%
49-009	Hillsboro 9	185.00	110.00	110.00	10,417,739	11,095,647	12,069,486	75.00	790,363	841,816	7%
23-003	Edgeley 3	180.71	109.50	107.56	6,242,210	6,649,546	7,242,783	75.00	474,019	504,964	7%
37-019	Lisbon 19	185.00	109.86	108.98	9,846,535	10,494,825	10,961,807	75.00	757,807	807,733	7%
23-008	LaMoure 8	158.01	109.00	109.98	6,866,714	7,324,037	7,990,045	58.01	410,030	437,349	7%
51-161	Lewis and Clark 161	178.74	119.54	92.71	10,168,412	10,850,048	13,260,041	75.00	785,631	838,306	7%
51-016	Sawyer 16	185.00	110.00	103.23	3,007,666	3,210,768	3,831,888	75.00	234,227	250,044	7%
	Totten 30	328.05	102.98		115,549	123,424	127,250	75.00	9,326	9,962	7%
	Page 80	166.72	102.67	103.58	3,958,798	4,230,138	4,566,896	66.72	273,928	292,694	7%
	Selfridge 8	184.27	109.72	109.08	1,415,902	1,512,947	1,631,893	75.00	108,402	115,829	7%
	South Heart 9	159.40	100.36	103.95	3,866,433	4,134,921	4,471,352	59.40	236,525	252,936	7%
	Oberon 16	170.24	107.25	137.33	1,043,938	1,119,118	1,243,049	70.24	75,944	81,401	7%
	Kenmare 28	181.47	99.30	97.62	7,549,644	8,094,634	9,219,287	75.00	579,899	621,696	7%
	Max 50	178.46	106.70	81.80	3,241,502	3,478,064	5,081,171	75.00	248,485	266,590	7%
	Park River 78	188.00	112.90	112.92	6,221,449	6,728,670	7,302,453	75.00	477,414	512,576	7%
	South Prairie 70	161.82	120.62	91.91	5,677,741	6,110,191	7,705,808	61.82	485,652	521,475	7%
	Medina 3	185.00	110.00	110.00	3,731,709	4,007,616	4,308,394	75.00	284,447	305,449	7%
10-023	Langdon Area 23	155.00	100.00	60.00	17,999,232	19,339,715	20,970,619	55.00	1,001,245	1,075,733	7%
20-018	Griggs County Central 18	190.00	120.57	130.95	6,411,861	6,926,621	8,796,890	75.00	490,231	529,468	8%
38-026	Glenburn 26	185.00	110.00	94.85	4,194,620	4,458,536	5,791,140	75.00	325,410	351,749	8%
03-005	Minnewaukan 5	180.17	101.66	100.47	1,634,934	1,769,616	1,907,504	75.00	125,305	135,588	8%
45-013	Belfield 13	185.00	110.00	110.00	2,085,528	2,263,314	2,486,347	75.00	161,734	175,427	8%
22-001	County 1	155.00	100.00	100.00	9,600,000	10,472,328	11,197,571	55.00	541,332	617,000	9%

State/County ID	Entity Name	2009 GF Levy %	2010 GF Levy %	2011 GF Levy %	2009 Tax Value	2010 Tax Value	2011 Tax Value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr. %
28-001	Wilton 1	164.76	100.92	100.87	4,303,270	4,686,990	5,700,132	64.76	287,972	313,448	9%
09-007	Mapleton 7	227.48	156.57	148.71	3,821,770	4,162,056	4,481,994	75.00	288,482	314,128	9%
22-014	Robinson 14	164.57	100.00	95.00	1,297,774	1,414,233	1,448,469	64.57	86,330	94,021	9%
45-001	Dickinson 1	185.00	110.00	109.99	46,334,099	50,487,354	54,133,507	75.00	3,528,621	3,843,731	9%
52-035	Pleasant Valley 35	186.66	120.11	117.06	1,141,084	1,197,066	1,329,860	75.00	57,304	62,441	9%
10-019	Munich 19	161.05	110.00	110.00	4,533,167	4,941,932	5,245,308	61.05	278,969	304,074	9%
45-034	Richardton-Taylor 34	185.00	110.00	110.00	5,474,759	5,995,859	6,283,586	75.00	419,610	459,300	9%
06-001	Bowman Co 1	161.21	108.00	109.13	10,486,620	11,491,784	12,734,882	61.21	670,459	733,914	9%
41-006	Sargent Central 6	189.01	113.31	106.78	7,982,999	8,755,884	10,201,767	75.00	606,778	665,288	10%
13-019	Halliday 19	170.63	100.00	100.00	1,995,491	2,137,588	2,262,824	70.63	150,635	165,268	10%
28-072	Turtle Lake-Mercer 72	166.35	109.99	110.00	5,260,069	5,778,487	6,273,013	66.35	359,197	394,282	10%
08-039	Apple Creek 39	214.99	178.80	213.60	3,018,037	3,317,268	3,496,623	75.00	230,033	252,724	10%
02-046	Litchville-Marion 46	162.68	100.87	104.14	7,103,467	7,811,460	8,641,821	62.68	458,223	503,476	10%
05-017	Westhope 17	165.14	103.00	110.00	3,748,449	4,122,517	4,651,964	65.14	249,916	274,670	10%
28-085	White Shield 85	185.00	110.00	110.00	333,746	368,714	403,758	75.00	28,205	31,042	10%
51-001	Minot 1	191.99	118.86	116.03	103,001,261	113,430,597	127,362,513	75.00	7,846,730	8,707,997	11%
06-033	Scranton 33	151.21	91.55	99.95	3,920,379	4,360,787	4,472,447	51.21	208,066	231,112	11%
51-007	United 7	179.08	109.65	103.61	8,493,014	9,264,257	10,980,766	75.00	654,474	727,278	11%
30-017	Sweet Briar 17	136.20	106.71	107.98	475,341	537,476	577,352	36.20	22,451	25,054	12%
03-006	Leeds 6	166.52	95.35	85.94	4,834,312	5,401,042	5,992,226	66.52	326,937	364,998	12%
30-048	Glen Ullin 48	169.06	96.52	100.00	4,436,229	4,972,988	5,356,463	69.06	312,663	350,157	12%
28-051	Garrison 51	163.00	109.60	104.64	8,435,732	9,474,705	10,182,581	63.00	544,240	610,559	12%
28-008	Underwood 8	176.01	113.02	109.23	5,866,586	6,615,742	7,186,273	75.00	454,414	511,574	13%
34-100	North Border 100	185.00	110.00	110.00	12,910,468	14,548,522	17,615,985	75.00	983,721	1,107,617	13%
28-004	Washburn 4	155.92	108.70	72.56	6,232,630	7,081,816	7,441,952	55.92	353,241	401,046	14%
51-004	Nedrose 4	191.97	114.46	95.29	7,043,056	8,099,190	9,728,064	75.00	540,196	620,214	15%
53-015	Tioga 15	153.37	94.94	74.19	6,890,074	7,982,688	11,442,057	53.37	388,687	448,415	15%
08-033	Menoken 33	200.21	141.93	138.54	1,395,381	1,490,128	1,600,633	75.00	88,005	101,682	16%
11-041	Oakes 41	185.00	111.00	110.00	10,153,983	11,785,346	12,303,564	75.00	771,313	894,324	16%
51-041	Surrey 41	197.71	108.54	102.07	3,842,024	4,464,858	5,317,652	75.00	293,788	340,881	16%
53-002	Nesson 2	172.83	92.40	93.55	4,824,620	5,638,270	6,257,813	72.83	360,421	420,290	17%
08-045	Manning 45	274.97	258.06	228.83	240,000	296,418	323,390	75.00	21,842	26,678	18%

State/Issue ID	Entity Name	2009 GF Levy %	2010 GF Levy %	2011 GF Levy %	2009 Tax Value	2010 Tax Value	2011 Tax Value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr %
31-003	Parshall 3	179.70	104.70	100.00	3,787,565	4,506,833	7,974,612	75.00	294,463	349,110	19%
53-001	Williston 1	188.33	109.08	110.00	26,520,142	31,558,091	34,070,448	75.00	2,039,939	2,421,223	19%
32-001	Dakota Prairie 1	185.00	110.00	97.47	9,865,083	11,780,191	14,579,220	75.00	757,682	902,517	19%
09-004	Maple Valley 4	177.54	100.00	100.00	9,763,214	11,950,345	13,542,181	75.00	754,275	919,797	22%
50-005	Fordville-Lankin 5	166.03	110.00	110.00	3,054,044	3,733,903	4,310,738	66.03	205,157	250,284	22%
11-040	Ellendale 40	179.45	104.95	104.22	8,358,767	10,224,408	10,872,687	75.00	634,390	774,818	22%
31-002	Stanley 2	185.00	110.00	110.00	6,876,284	8,542,304	15,977,648	75.00	529,226	655,089	24%
02-002	Valley City 2	186.32	111.49	111.91	18,926,056	23,514,378	25,116,099	75.00	1,447,122	1,793,114	24%
53-008	New 8	167.94	119.93	113.88	9,997,395	12,798,685	14,570,368	67.94	701,768	881,711	26%
05-001	Bottineau 1	155.00	73.63	72.25	15,522,763	19,994,511	20,946,814	55.00	868,137	1,115,054	28%
46-010	Hope 10	173.17	104.98	100.88	3,926,803	5,086,458	8,128,576	73.17	293,553	378,825	29%
46-019	Finley-Sharon 19	185.00	110.00	103.13	4,696,042	6,108,611	7,298,203	75.00	357,760	464,078	30%
33-001	Center-Stanton 1	170.04	109.92	109.99	5,622,443	7,387,477	7,515,074	70.04	406,113	530,568	31%
37-006	Ft. Ransom 6	238.16	155.67	89.99	1,065,539	1,602,385	2,761,908	75.00	82,544	122,986	49%
30-004	Little Heart 4	195.70	171.36	171.75	873,770	863,274	858,327	75.00	39,450	62,114	57%
04-001	Billings Co 1	34.10	32.75	29.57	5,865,200	6,107,775	6,763,589				0%
13-037	Twin Buttes 37				100,961	101,547	109,965				0%
18-140	Grand Forks AFB 140				21,160	20,743	21,438				0%
27-018	Earl 18	19.48	19.17	16.94	528,503	537,195	608,169				0%
27-032	Horse Creek 32	58.16	39.45	40.78	1,719,231	2,408,432	2,207,032				0%
27-036	Mandaree 36	76.19	71.21	15.49	91,876	98,297	452,012				0%
30-007	New Salem 7	161.19			4,541,332						0%
30-008	Sims 8	135.05			1,547,586						0%
34-118	Valley-Edinburg 118			122.00			9,206,001	75.00		508,509	0%
40-007	Belcourt 7				428,221	436,210	471,793				0%
44-012	Marmarth 12	49.04	43.93	43.93	2,055,512	2,294,640	2,294,707				0%
44-032	Central Elem 32	27.98	25.94	25.89	1,429,548	1,541,729	1,544,929				0%
50-051	Nash 51	199.47			932,971						0%
51-160	Minot AFB 160										0%

Note: The Mill Levy Reduction grants are subject to the excess fund balance offset provision.

Jerry Coleman  
 HB 1047  
 3-31-11

3/30/11  
 MD

MLRG Estimate 2 updated 2011-2013.xls

Excludes PILOTs, Forestry Tax, and Electric Generation, Transmission, and Distribution Taxes.  
 They will be handled by the special distribution required in section 57-64-02(7).

Anticipated Appropriation needed for 2011-2013 Biennium equals: **\$349,000,000**

Additional amounts required to make up the MLRG shortfall for the 2009-2011 biennium are not included here.

	<u>2009 Txbl. Value</u>	<u>% of total</u>	<u>% Increase</u> <u>2009-2010</u>	<u>(used for 2012 pmt.)</u> <u>2010 Txbl Value</u>	<u>Estimated</u> <u>2011</u> <u>Increase</u>	<u>(used for 2013 pmt.)</u> <u>2011 Txbl Value</u>
Agland	586,158,479	27.22%	8.81%	637,789,085	5.68%	674,030,095
Residential	915,973,110	42.54%	6.03%	971,218,103	6.50%	1,034,347,280
Commercial	491,415,201	22.82%	8.73%	534,302,298	11.00%	593,075,551
Centrally Assd.	131,756,496	6.12%	30.49%	171,930,467	7.65%	185,075,938
Homestead Credit (1)	7,730,479	0.36%	20.00%	9,276,575	20.00%	11,131,890
Veterans Credit (1)	4,682,592	0.22%	20.00%	5,619,110	20.00%	6,742,932
Mobile Homes (1)	9,533,447	0.44%	10.00%	10,486,792	14.00%	11,954,943
In-lieu Property (2)	4,573,751	0.21%	8.81%	4,976,621	5.68%	5,259,293
CO2 Pipeline (3)	<u>1,615,500</u>	<u>0.08%</u>	<u>34.05%</u>	<u>2,165,600</u>	<u>10.00%</u>	<u>2,382,160</u>
	<b>2,153,439,055</b>	<b>99.92%</b>	<b>9.02%</b>	<b>2,347,764,651</b>	<b>7.41%</b>	<b>2,521,617,921</b>

(1) Estimate increases including number of applicants and property values..

(2) 2009 Calculation  
 TV of In-lieu, HC, Vets 26,520,269  
 Minus HC, Vets, MH 4,573,751  
 Same % increases as ag land

(3) Taxable year 2010 is the last year this property qualifies for in-lieu payments. It will be assessed for 2011.

Used for MLRG payment in 2012  
 2010 Estimated Txbl. Value 2,347,764,651  
 Avg. MLRG mill rate 0.07163  
 Estimated 2012 payment \$168,170,381.93

Used for MLRG payment in 2013  
 2011 Estimated Txbl. Value 2,521,617,921  
 Avg. MLRG mill rate 0.07163  
 Estimated 2013 payment \$180,623,491.69

**2011-2013 Appropriation Needed \$348,793,873.62**  
**Say \$349,000,000**  
**Plus 2009-2011 Shortfall: 200,000**  
**Total Appropriation Needed \$349,200,000**

# 1  
HB 1047

EXPENDITURE CALCULATION OF AVERAGE COST PER PUPIL FOR 2009-2010

The cost of education (instruction) is calculated by adding the general and special fund expenditures for regular instructional programs for pre-kindergarten through grade 12, special education programs, vocational programs, federal programs, administration, and plant operation and maintenance. The total expenditures including cooperative special education and vocational education expenditures for the above functions are then divided by the average daily membership to determine the average cost per pupil.

The average cost for 2009-2010 was as follows: Kindergarten, \$7,517.48; Elementary 1-6, \$10,005.09; Elementary 7-8, \$9,637.27; Elementary 1-8, \$9,910.19; Elementary K-8, \$9,629.92; Secondary 9-12, \$10,113.27; and all pupils \$9,812.28. The rank order of school districts by average cost per pupil is presented in the following tables.

RANK ORDER OF HIGH SCHOOL DISTRICTS  
BY 2009-2010 AVERAGE COST PER PUPIL

RANK	COUNTY NUMBER	DISTRICT NUMBER	DISTRICT NAME	AVERAGE DAILY MEMBERSHIP	AVERAGE COST
1	13	019	Halliday 19	25	28,504
2	27	036	Mandaree 36	181	27,223
3	48	028	North Central 28	34	25,577
4	03	030	Ft Totten 30	129	22,957
5	42	016	Goodrich 16	28	21,125
6	03	029	Warwick 29	219	19,433
7	43	003	Solen 3	170	18,638
8	43	008	Selfridge 8	67	18,628
9	05	054	Newburg-United 54	66	16,701
10	35	001	Wolford 1	44	16,049
11	07	036	Burke Central 36	77	15,556
12	26	004	Zeeland 4	49	15,542
13	34	043	St Thomas 43	81	15,057
14	23	007	Kulm 7	92	14,959
15	36	002	Edmore 2	70	14,834
16	25	057	Drake 57	80	14,742
17	52	025	Fessenden-Bowdon 25	133	14,548
18	24	056	Gackle-Streeter 56	87	14,532
19	40	001	Dunseith 1	421	14,410
20	07	014	Bowbells 14	66	14,284
21	47	019	Kensal 19	46	14,187
22	27	002	Alexander 2	63	14,132
23	03	005	Minnewaukan 5	220	14,094
24	20	007	Midkota 7	108	14,006
25	33	001	Center-Stanton 1	195	13,765
26	10	019	Munich 19	84	13,675
27	53	015	Tioga 15	284	13,507
28	02	007	Barnes County North 7	299	13,388
29	12	001	Divide County 1	239	13,074
30	21	009	New England 9	140	13,020
31	53	099	Grenora 99	87	12,844
32	50	005	Fordville-Lankin 5	65	12,802
33	02	046	Litchville-Marion 46	134	12,592
34	13	016	Killdeer 16	371	12,286
	05	017	Westhope 17	121	12,233

RANK ORDER OF HIGH SCHOOL DISTRICTS  
BY 2009-2010 AVERAGE COST PER PUPIL

RANK	COUNTY NUMBER	DISTRICT NUMBER	DISTRICT NAME	AVERAGE DAILY MEMBERSHIP	AVERAGE COST
36	19	049	Elgin-New Leipzig 49	142	12,225
37	07	027	Powers Lake 27	93	12,185
38	34	019	Drayton 19	132	12,176
39	40	007	Belcourt 7	1,589	12,058
40	08	028	Wing 28	95	11,795
41	18	128	Midway 128	201	11,789
42	36	044	Starkweather 44	81	11,703
43	28	072	Turtle Lake-Mercer 72	162	11,617
44	28	008	Underwood 8	180	11,411
45	42	019	McClusky 19	98	11,315
46	25	060	TGU 60	333	11,212
47	53	006	Eight Mile 6	186	11,104
48	38	001	Mohall-Lansford-Sherwood 1	341	11,050
49	30	048	Glen Ullin 48	151	11,033
50	06	033	Scranton 33	152	10,960
51	09	004	Maple Valley 4	243	10,906
52	51	016	Sawyer 16	133	10,852
53	40	029	Rolette 29	134	10,840
54	28	085	White Shield 85	125	10,762
55	15	006	Hazleton-Moffit-Braddock 6	132	10,716
56	50	106	Edinburg 106	98	10,687
57	30	013	Hebron 13	167	10,649
58	03	006	Leeds 6	152	10,619
59	03	009	Maddock 9	173	10,606
60	46	019	Finley-Sharon 19	156	10,595
61	17	003	Beach 3	295	10,582
62	32	001	Dakota Prairie 1	282	10,555
63	39	018	Fairmount 18	121	10,532
64	18	129	Northwood 129	235	10,425
65	31	001	New Town 1	754	10,381
66	45	009	South Heart 9	203	10,275
67	40	003	St John 3	353	10,218
68	38	026	Glenburn 26	253	10,213
69	46	010	Hope 10	107	10,197
70	47	010	Pingree-Buchanan 10	135	

RANK ORDER OF HIGH SCHOOL DISTRICTS  
BY 2009-2010 AVERAGE COST PER PUPIL

RANK	COUNTY NUMBER	DISTRICT NUMBER	DISTRICT NAME	AVERAGE DAILY MEMBERSHIP	AVERAGE COST
71	09	001	Fargo 1	10,468	10,149
72	26	009	Ashley 9	134	10,146
73	34	012	Valley 12	141	10,139
74	48	010	North Star 10	252	10,115
75	47	003	Medina 3	156	10,073
76	22	001	Kidder County 1	375	10,028
77	45	034	Richardton-Taylor 34	244	10,006
78	34	100	North Border 100	459	9,969
79	51	028	Kenmare 28	293	9,939
80	47	014	Montpelier 14	96	9,939
81	41	006	Sargent Central 6	233	9,848
82	45	013	Belfield 13	209	9,797
83	28	050	Max 50	162	9,785
84	41	002	Milnor 2	235	9,765
85	15	015	Strasburg 15	141	9,758
86	50	003	Grafton 3	865	9,709
87	39	042	Wyndmere 42	211	9,704
88	49	007	Hatton 7	195	9,689
89	10	023	Langdon Area 23	388	9,656
90	06	001	Bowman Co 1	402	9,625
91	39	028	Lidgerwood 28	176	9,518
92	40	004	Mt Pleasant 4	232	9,492
93	36	001	Devils Lake 1	1,682	9,454
94	20	018	Griggs County Central 18	271	9,403
95	01	013	Hettinger 13	284	9,377
96	05	001	Bottineau 1	640	9,363
97	49	003	Central Valley 3	213	9,339
98	50	020	Minto 20	198	9,333
99	53	002	Nesson 2	193	9,305
100	51	161	Lewis and Clark 161	374	9,222
101	31	003	Parshall 3	277	9,178
102	34	006	Cavalier 6	380	9,174
103	28	001	Wilton 1	216	9,068
104	53	001	Williston 1	2,275	8,973
105	26	019	Wishek 19	201	8,957
106	28	051	Garrison 51	323	8,953
107	18	001	Grand Forks 1	7,330	8,863
108	47	001	Jamestown 1	2,238	8,835
109	37	024	Enderlin Area 24	310	8,832
110	49	009	Hillsboro 9	404	8,772
111	31	002	Stanley 2	410	8,771
112	27	001	McKenzie Co 1	543	8,764
113	32	066	Lakota 66	200	8,759

RANK ORDER OF HIGH SCHOOL DISTRICTS  
BY 2009-2010 AVERAGE COST PER PUPIL

RANK	COUNTY NUMBER	DISTRICT NUMBER	DISTRICT NAME	AVERAGE DAILY MEMBERSHIP	AVERAGE COST
114	25	001	Velva 1	376	8,681
115	23	003	Edgeley 3	242	8,655
116	50	078	Park River 78	400	8,640
117	51	001	Minot 1	6,863	8,614
118	11	040	Ellendale 40	318	8,556
119	29	027	Beulah 27	667	8,539
120	16	049	Carrington 49	529	8,538
121	30	039	Flasher 39	202	8,524
122	51	007	United 7	546	8,457
123	30	049	New Salem-Almont 49	310	8,450
124	02	002	Valley City 2	1,104	8,446
125	39	008	Hankinson 8	277	8,404
126	21	001	Mott-Regent 1	228	8,350
127	08	001	Bismarck 1	11,347	8,348
128	15	036	Linton 36	310	8,331
129	41	003	North Sargent 3	231	8,328
130	29	003	Hazen 3	587	8,297
131	35	005	Rugby 5	561	8,272
132	39	037	Wahpeton 37	1,259	8,270
133	14	002	New Rockford-Sheyenne 2	323	8,260
134	24	002	Napoleon 2	252	8,172
135	51	041	Surrey 41	349	8,149
136	09	006	West Fargo 6	7,099	8,141
137	30	001	Mandan 1	3,343	8,097
138	52	038	Harvey 38	410	8,094
139	49	014	May-Port CG 14	529	7,781
140	45	001	Dickinson 1	2,654	7,778
141	28	004	Washburn 4	275	7,654
142	18	044	Larimore 44	451	7,589
143	23	008	LaMoure 8	313	7,586
144	39	044	Richland 44	298	7,515
145	09	097	Northern Cass 97	542	7,496
146	18	061	Thompson 61	406	7,284
147	37	019	Lisbon 19	620	6,863
148	09	017	Central Cass 17	804	6,620
149	09	002	Kindred 2	667	6,560
150	11	041	Oakes 41	492	6,198
151	43	004	Ft Yates 4	0	0

RANK ORDER OF GRADED ELEMENTARY DISTRICTS  
BY 2009-2010 AVERAGE COST PER PUPIL

RANK	COUNTY NUMBER	DISTRICT NUMBER	DISTRICT NAME	AVERAGE DAILY MEMBERSHIP	AVERAGE COST
1	04	001	Billings Co 1	41	37,627
2	22	014	Robinson 14	6	36,224
3	44	032	Central Elem 32	4	36,005
4	51	019	Eureka 19	5	21,105
5	30	004	Little Heart 4	9	19,091
6	52	035	Pleasant Valley 35	12	18,668
7	15	010	Bakker 10	6	17,240
8	08	035	Sterling 35	22	16,923
9	50	128	Adams 128	48	15,301
10	17	006	Lone Tree 6	30	14,266
11	53	008	New 8	176	14,052
12	09	080	Page 80	74	14,032
13	08	029	Baldwin 29	12	13,862
14	44	012	Marmarth 12	16	13,622
15	27	014	Yellowstone 14	45	13,288
16	25	014	Anamoose 14	80	12,519
17	03	016	Oberon 16	47	12,287
18	09	007	Mapleton 7	80	11,808
19	18	127	Emerado 127	80	11,637
20	19	018	Roosevelt 18	107	11,432
21	37	006	Ft Ransom 6	26	10,257
22	08	033	Menoken 33	23	10,056
23	51	070	South Prairie 70	133	9,924
24	08	039	Apple Creek 39	58	8,397
25	51	004	Nedrose 4	205	7,856
26	18	125	Manvel 125	162	7,112
27	13	037	Twin Buttes 37	0	0

RANK ORDER OF RURAL DISTRICTS  
BY 2009-2010 AVERAGE COST PER PUPIL

RANK	COUNTY NUMBER	DISTRICT NUMBER	DISTRICT NAME	AVERAGE DAILY MEMBERSHIP	AVERAGE COST
1	08	025	Naughton 25	5	26,566
2	27	032	Horse Creek 32	4	18,256
3	08	045	Manning 45	6	12,257
4	30	017	Sweet Briar 17	10	9,241
5	27	018	Earl 18	0	0

#2  
HB1047

Mill Levy Reduction Grant Projections

GF Levy3 = 2008 General Fund, Tuition and Transportation Levies.  
 Tax Relief wsu allocation = district wsu \* \$3,879.  
 Limits: Minimum levy effort of 100 mills to qualify for any reduction.  
 Max mill reduction of 75 mills.

Minimum GF Levy3 Requirement 100  
 Maximum GF Levy3 Reduction 75  
 Per wsu rate 3,879  
 Inflation 1.09

2011-2012 MLRG Projection															7.77%		
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced MRL Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
01-013	Hettinger 13	349.69	7,115,817	168.82	110.00	68.82	0.41	4.10	72.92	518,885	1,356,448	518,885	9,761	528,646	-	-	528,646
02-002	Valley City 2	1,193.48	25,116,099	186.32	111.91	75.00	0.40	4.76	75.00	1,883,707	4,629,509	1,883,707	30,249	1,913,956	-	-	1,913,956
02-007	Barnes County North 7	402.54	17,939,529	167.93	100.21	67.93	0.40	0.08	68.01	1,220,139	1,561,453	1,220,139	13,599	1,233,738	-	-	1,233,738
02-046	Litchville-Marion 46	179.53	8,641,821	162.68	104.14	62.68	0.39	1.61	64.29	555,622	696,397	555,622	7,900	563,522	-	(21,934)	541,588
03-005	Minnewaukan 5	288.74	1,907,504	180.17	100.47	75.00	0.42	0.20	75.00	143,063	1,120,022	143,063	4,620	147,683	-	-	147,683
03-006	Leeds 6	206.21	5,992,226	166.52	85.94	66.52	0.40	(14.06)	52.46	314,352	799,889	314,352	3,938	318,290	1,053	-	319,343
03-009	Maddock 9	231.16	5,089,970	171.74	110.00	71.74	0.42	4.20	75.00	381,748	896,670	381,748	6,516	388,264	-	(18,444)	369,820
03-016	Oberon 16	63.53	1,243,049	170.24	137.33	70.24	0.41	15.31	75.00	93,229	246,433	93,229	2,272	95,501	-	(7,548)	87,953
03-029	Warwick 29	289.13	1,465,993	155.66	84.92	55.66	0.36	(15.08)	40.58	59,490	1,121,535	59,490	3,910	63,400	6,203	-	69,603
03-030	Ft Totten 30	194.90	127,250	328.05	-	75.00	0.23	(75.00)	-	-	756,017	-	-	-	8,207	-	8,207
04-001	Billings Co 1	56.66	6,763,589	34.10	29.57	-	-	-	-	-	219,784	-	-	-	-	-	-
05-001	Bottineau 1	668.87	20,946,814	155.00	72.25	55.00	0.35	(27.75)	27.25	570,801	2,594,547	570,801	15,730	586,531	393,903	-	980,434
05-017	Westhope 17	153.21	4,651,964	165.14	110.00	65.14	0.39	3.90	69.04	321,172	594,302	321,172	2,336	323,508	-	(28,463)	295,045
05-054	Newburg-United 54	106.80	5,814,890	168.26	90.78	68.26	0.41	(9.22)	59.04	343,311	414,277	343,311	5,310	348,621	-	-	348,621
06-001	Bowman County 1	468.28	12,734,882	161.21	109.13	61.21	0.38	3.47	64.68	823,685	1,816,458	823,685	30,209	853,894	-	(56,966)	796,929
06-033	Scranton 33	180.46	4,472,447	151.21	99.95	51.21	0.34	(0.05)	51.16	228,810	700,004	228,810	4,164	232,974	-	-	232,974
07-014	Bowbells 14	88.60	3,692,821	157.57	95.98	57.57	0.37	(4.02)	53.55	197,751	343,679	197,751	1,866	199,617	-	-	199,617
07-027	Powers Lake 27	125.25	2,527,205	185.00	94.97	75.00	0.41	(5.03)	69.97	176,829	485,845	176,829	3,700	180,529	-	-	180,529
07-036	Burke Central 36	125.14	4,324,199	171.41	93.66	71.41	0.42	(6.34)	65.07	281,376	485,418	281,376	3,095	284,471	-	-	284,471
08-001	Bismarck 1	11,883.54	250,882,766	205.71	124.86	75.00	0.36	8.95	75.00	18,816,207	46,096,252	18,816,207	384,675	19,200,882	-	-	19,200,882
08-025	Naughton 25	6.53	344,346	166.13	74.77	66.13	0.40	(25.23)	40.90	14,084	25,330	14,084	939	15,023	4,199	-	19,222
08-028	Wing 28	136.04	2,458,791	160.08	108.10	60.08	0.38	3.08	63.16	155,292	527,699	155,292	6,967	162,259	-	(2,734)	159,526
08-029	Baldwin 29	16.14	1,057,584	218.23	165.47	75.00	0.34	22.26	75.00	79,319	62,607	62,607	3,128	65,735	10,615	-	76,350
08-033	Menoken 33	31.26	1,600,633	200.21	138.54	75.00	0.37	14.26	75.00	120,047	121,258	120,047	2,460	122,507	-	(16,110)	106,397
08-035	Sterling 35	29.23	2,604,337	244.15	142.51	75.00	0.31	13.18	75.00	195,325	113,383	113,383	4,959	118,342	8,103	-	126,445
08-039	Apple Creek 39	74.43	3,496,623	214.99	213.60	75.00	0.35	39.76	75.00	262,247	288,714	262,247	3,062	265,309	-	-	265,309
08-045	Manning 45	8.06	323,390	274.97	228.83	75.00	0.27	34.78	75.00	24,254	31,265	24,254	3,433	27,687	-	(22)	27,665
09-001	Fargo 1	11,330.68	255,562,235	266.31	191.18	75.00	0.28	25.53	75.00	19,167,168	43,951,708	19,167,168	194,017	19,361,185	-	-	19,361,185
09-002	Kindred 2	733.28	15,405,566	166.50	104.97	66.50	0.40	1.99	68.49	1,055,096	2,844,393	1,055,096	14,274	1,069,370	-	-	1,069,370

Mill Levy Reduction Grant Projections

2011-2012 MLRG Projection															7.77%			
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)	
09-004	Maple Valley 4	323.64	13,542,181	177.54	100.00	75.00	0.42	-	75.00	1,015,664	1,255,400	1,015,664	14,582	1,030,246	-	(38,723)	991,523	
09-006	West Fargo 6	7,649.21	169,182,271	188.26	114.28	75.00	0.40	5.71	75.00	12,688,670	29,671,286	12,688,670	194,361	12,883,031	-	-	12,883,031	
09-007	Mapleton 7	107.91	4,481,994	227.48	148.71	75.00	0.33	16.07	75.00	336,150	418,583	336,150	2,747	338,897	-	-	338,897	
09-017	Central Cass 17	881.05	17,390,625	156.33	108.90	56.33	0.36	3.20	59.53	1,035,333	3,417,593	1,035,333	11,333	1,046,666	-	(51,337)	995,330	
09-080	Page 80	99.50	4,566,896	166.72	103.58	66.72	0.40	1.43	68.15	311,243	385,961	311,243	5,853	317,096	-	(3,607)	313,489	
09-097	Northern Cass	596.82	13,450,418	183.85	106.80	75.00	0.41	2.79	75.00	1,008,781	2,315,065	1,008,781	13,465	1,022,246	-	-	1,022,246	
10-019	Munich 19	136.63	5,245,308	161.05	110.00	61.05	0.38	3.80	64.85	340,158	529,988	340,158	2,393	342,551	-	(11,300)	331,252	
10-023	Langdon Area 23	433.51	20,970,619	155.00	60.00	55.00	0.35	(40.00)	15.00	314,559	1,681,585	314,559	6,296	320,855	620,270	-	941,125	
11-040	Ellendale 40	380.15	10,872,687	179.45	104.22	75.00	0.42	1.77	75.00	815,452	1,474,602	815,452	10,443	825,895	-	-	825,895	
11-041	Oakes 41	517.65	12,303,564	185.00	110.00	75.00	0.41	4.10	75.00	922,767	2,007,964	922,767	16,609	939,376	-	-	939,376	
12-001	Divide County 1	314.95	9,848,030	122.95	84.09	22.95	0.19	(15.91)	7.04	69,330	1,221,691	69,330	5,896	75,226	104,229	-	179,456	
13-016	Killdeer 16	422.48	9,334,585	158.78	100.00	58.78	0.37	-	58.78	548,687	1,638,800	548,687	25,343	574,030	-	(1,851)	572,179	
13-019	Halliday 19	34.16	2,262,824	170.63	100.00	70.63	0.41	-	70.63	159,823	132,507	159,823	11,947	144,454	16,645	-	161,099	
13-037	Twin Buttes 37	58.71	109,965	-	-	-	-	-	-	-	227,736	-	-	-	-	-	-	
14-002	New Rockford-Sheyenne	386.05	8,047,689	165.00	110.00	65.00	0.39	3.90	68.90	554,486	1,497,488	554,486	7,584	562,070	-	(22,865)	539,204	
15-006	Hazellton-Moffit-Braddock	176.01	4,748,436	160.41	108.00	60.41	0.38	3.04	63.45	301,288	682,743	301,288	4,838	306,126	-	(19,581)	286,544	
15-010	Bakker 10	7.38	1,365,330	126.46	135.25	26.46	0.21	7.40	33.86	46,233	28,627	28,627	780	29,407	-	(2,262)	27,145	
15-015	Strasburg 15	189.46	3,614,520	166.54	101.53	66.54	0.40	0.61	67.15	242,722	734,915	242,722	4,198	246,920	-	(729)	246,191	
15-036	Linton 36	367.85	5,727,483	168.97	97.82	68.97	0.41	(2.18)	66.79	382,539	1,426,890	382,539	10,061	392,600	-	-	392,600	
16-049	Carrington 49	592.95	14,757,590	159.69	105.00	59.69	0.37	1.85	61.54	908,182	2,300,053	908,182	12,629	920,811	-	(1,269)	919,542	
17-003	Beach 3	365.07	4,972,312	155.31	100.00	55.31	0.36	-	55.31	275,019	1,416,107	275,019	5,053	280,072	-	-	280,072	
17-006	Lone Tree 6	40.03	1,871,611	232.18	98.04	75.00	0.32	(1.96)	73.04	136,702	155,276	136,702	687	137,389	-	(14,346)	123,042	
18-001	Grand Forks 1	7,695.20	153,540,567	198.96	123.96	75.00	0.38	9.10	75.00	11,515,543	29,849,681	11,515,543	148,793	11,664,336	-	-	11,664,336	
18-044	Larimore 44	500.72	9,067,257	185.00	110.00	75.00	0.41	4.10	75.00	680,044	1,942,293	680,044	17,950	697,994	-	-	697,994	
18-061	Thompson 61	451.83	8,071,338	184.81	109.70	75.00	0.41	3.98	75.00	605,350	1,752,649	605,350	6,405	611,755	-	-	611,755	
18-125	Manvel 125	201.91	4,672,353	190.42	120.10	75.00	0.39	7.84	75.00	350,426	783,209	350,426	8,124	358,550	-	-	358,550	
18-127	Emerado 127	110.95	2,518,386	275.13	212.24	75.00	0.27	30.30	75.00	188,879	430,375	188,879	8,447	197,326	-	-	197,326	
18-128	Midway 128	270.30	7,250,493	191.36	119.83	75.00	0.39	7.73	75.00	543,787	1,048,494	543,787	12,040	555,827	-	-	555,827	
18-129	Northwood 129	308.14	6,696,197	184.06	110.00	75.00	0.41	4.10	75.00	502,215	1,195,275	502,215	6,718	508,933	-	-	508,933	
19-018	Roosevelt 18	143.99	2,723,346	177.62	106.94	75.00	0.42	2.91	75.00	204,251	558,537	204,251	2,823	207,074	-	-	207,074	
19-049	Elgin-New Leipzig 49	192.18	4,859,092	206.50	130.00	75.00	0.36	10.80	75.00	364,432	745,466	364,432	8,900	373,332	-	-	373,332	
20-007	Midkota 7	146.54	7,243,567	185.00	118.29	75.00	0.41	7.50	75.00	543,268	568,429	543,268	10,374	553,642	-	(16,576)	537,066	
20-018	Griggs County Central 18	347.01	8,796,890	190.00	130.95	75.00	0.39	12.07	75.00	659,767	1,346,052	659,767	7,731	667,498	-	(93,516)	573,982	
21-001	Mott-Regent 1	298.39	7,994,914	165.00	108.00	65.00	0.39	3.12	68.12	544,614	1,157,455	544,614	8,005	552,619	-	(1,537)	551,082	
21-009	New England 9	195.48	5,604,167	185.00	110.00	75.00	0.41	4.10	75.00	420,313	758,267	420,313	8,471	428,784	-	-	428,784	

Mill Levy Reduction Grant Projections

2011-2012 MLRG Projection															7.77%		
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
22-001	Kidder County 10	484.90	11,197,571	155.00	100.00	55.00	0.35	-	55.00	615,866	1,880,927	615,866	17,142	633,008	-	-	633,008
22-014	Robinson 14	24.00	1,448,469	164.57	95.00	64.57	0.39	(5.00)	59.57	86,285	93,096	86,285	3,576	89,861	-	-	89,861
23-003	Edgeley 3	288.59	7,242,783	180.71	107.56	75.00	0.42	3.18	75.00	543,209	1,119,441	543,209	5,915	549,124	-	-	549,124
23-007	Kulm 7	138.64	6,719,479	178.77	100.02	75.00	0.42	0.01	75.00	503,961	537,785	503,961	5,720	509,681	-	-	509,681
23-008	LaMoure 8	373.47	7,990,045	158.01	109.98	58.01	0.37	3.69	61.70	493,007	1,448,650	493,007	12,997	506,004	-	(29,902)	476,103
24-002	Napoleon 2	323.39	5,162,173	176.84	100.86	75.00	0.42	0.36	75.00	387,163	1,254,430	387,163	6,472	393,635	-	(209)	393,426
24-056	Gackle-Streeter 56	127.39	5,846,544	157.05	100.74	57.05	0.36	0.27	57.32	335,103	494,146	335,103	5,337	340,440	-	-	340,440
25-001	Velva 1	431.88	11,342,107	163.69	105.13	63.69	0.39	2.00	65.69	745,071	1,675,263	745,071	13,366	758,437	-	(137,793)	620,644
25-014	Anamoose 14	108.13	2,344,117	201.51	115.61	75.00	0.37	5.78	75.00	175,809	419,436	175,809	11,946	187,755	-	(351)	187,403
25-057	Drake 57	103.88	4,411,823	171.68	101.09	71.68	0.42	0.46	72.14	318,259	402,951	318,259	6,493	324,752	-	(739)	324,013
25-060	TGU 60	393.69	12,915,107	171.96	110.00	71.96	0.42	4.20	75.00	968,633	1,527,124	968,633	20,447	989,080	-	(62,920)	926,160
26-004	Zeeland 4	75.51	2,762,515	176.98	110.00	75.00	0.42	4.20	75.00	207,189	292,903	207,189	909	208,098	2,323	-	210,421
26-009	Ashley 9	178.68	4,931,435	174.25	106.67	74.25	0.43	2.87	75.00	369,858	693,100	369,858	7,671	377,529	-	(14,685)	362,844
26-019	Wishek 19	268.49	5,118,741	176.02	106.86	75.00	0.43	2.95	75.00	383,906	1,041,473	383,906	6,534	390,440	-	(2,699)	387,740
27-001	McKenzie Co 1	599.33	12,625,353	156.38	100.76	56.38	0.36	0.27	56.65	715,272	2,324,801	715,272	38,832	754,104	-	(6,172)	747,932
27-002	Alexander 2	115.74	3,439,590	168.89	109.07	68.89	0.41	3.72	72.61	249,744	448,955	249,744	13,518	263,262	-	(10,205)	253,057
27-014	Yellowstone 14	110.59	2,057,119	181.79	126.72	75.00	0.41	10.96	75.00	154,284	428,979	154,284	3,999	158,283	-	-	158,283
27-018	Earl 18	7.95	608,169	19.48	16.94	-	-	-	-	-	30,838	-	-	-	-	-	-
27-032	Horse Creek 32	4.70	2,207,032	58.16	40.78	-	-	-	-	-	18,231	-	-	-	-	-	-
27-036	Mandaree 36	243.04	452,012	76.19	15.49	-	-	-	-	-	942,752	-	-	-	-	-	-
28-001	Montefiore 1	281.77	5,700,132	164.76	100.87	64.76	0.39	0.34	65.10	371,075	1,092,986	371,075	9,049	380,124	-	(40,228)	339,896
28-004	Washburn 4	348.60	7,441,952	155.92	72.56	55.92	0.36	(27.44)	28.48	211,947	1,352,219	211,947	11,078	223,025	134,412	-	357,437
28-008	Underwood 8	240.26	7,186,273	176.01	109.23	75.00	0.43	3.97	75.00	538,970	931,969	538,970	19,684	558,654	-	-	558,654
28-050	Max 50	217.68	5,081,171	178.46	81.80	75.00	0.42	(18.20)	56.80	288,611	844,381	288,611	6,074	294,685	-	(4,279)	290,406
28-051	Garrison 51	381.62	10,182,581	163.00	104.64	63.00	0.39	1.81	64.81	659,929	1,480,304	659,929	14,966	674,895	-	(9,301)	665,594
28-072	Turtle Lake-Mercer 72	216.45	6,273,013	166.35	110.00	66.35	0.40	4.00	70.35	441,306	839,610	441,306	10,096	451,402	-	(23,397)	428,005
28-085	White Shield 85	171.23	403,758	185.00	110.00	75.00	0.41	4.10	75.00	30,282	664,201	30,282	3,206	33,488	-	(140)	33,348
29-003	Hazen 3	648.31	6,971,051	185.00	110.00	75.00	0.41	4.10	75.00	522,829	2,514,794	522,829	13,565	536,394	-	-	536,394
29-027	Beulah 27	737.95	12,477,564	185.00	109.96	75.00	0.41	4.08	75.00	935,817	2,862,508	935,817	98,894	1,034,711	-	-	1,034,711
30-001	Mandan 1	3,536.48	62,283,248	185.00	109.18	75.00	0.41	3.76	75.00	4,671,244	13,718,006	4,671,244	117,176	4,788,420	-	-	4,788,420
30-004	Little Heart 4	12.56	858,327	195.70	171.75	75.00	0.38	27.27	75.00	64,375	48,720	48,720	1,555	50,275	10,718	-	60,993
30-013	Hebron 13	227.38	4,082,864	165.97	110.00	65.97	0.40	4.00	69.97	285,678	882,007	285,678	2,467	288,145	-	-	288,145
30-017	Sweet Briar 17	12.81	577,352	136.20	107.98	36.20	0.27	2.15	38.35	22,144	49,690	22,144	403	22,547	-	-	22,547
30-039	Flasher 39	270.32	3,637,234	185.19	110.00	75.00	0.40	4.00	75.00	272,793	1,048,571	272,793	5,498	278,291	-	-	278,291
30-048	Glen Ullin 48	203.75	5,356,463	169.06	100.00	69.06	0.41	-	69.06	369,917	790,346	369,917	3,434	373,351	-	-	373,351

Mill Levy Reduction Grant Projections

2011-2012 MLRG Projection															7.77%		
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief allocation wsu	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
30-049	New Salem - Almont 45	371.76	6,526,446	154.55	110.00	54.55	0.35	3.50	58.05	378,860	1,442,057	378,860	5,977	384,837	-	(3,273)	381,565
31-001	New Town 1	807.87	8,016,433	180.97	106.57	75.00	0.41	2.69	75.00	601,232	3,133,728	601,232	24,276	625,508	-	(233,949)	391,559
31-002	Stanley 2	451.80	15,977,648	185.00	110.00	75.00	0.41	4.10	75.00	1,198,324	1,752,532	1,198,324	16,946	1,215,270	-	(499,991)	715,279
31-003	Parshall 3	349.78	7,974,612	179.70	100.00	75.00	0.42	-	75.00	598,096	1,356,797	598,096	13,000	611,096	-	(229,662)	381,434
32-001	Dakota Prairie 1	353.98	14,579,220	185.00	97.47	75.00	0.41	(2.53)	72.47	1,056,556	1,373,088	1,056,556	14,621	1,071,177	-	(93,525)	977,652
32-066	Lakota 66	264.65	6,049,987	185.00	105.95	75.00	0.41	2.44	75.00	453,749	1,026,577	453,749	6,376	460,125	-	(28,430)	431,694
33-001	Center-Stanton 1	260.33	7,515,074	170.04	109.99	70.04	0.41	4.10	74.14	557,137	1,009,820	557,137	11,321	568,458	-	-	568,458
34-006	Cavalier 6	435.12	9,789,355	185.96	110.00	75.00	0.40	4.00	75.00	734,202	1,687,830	734,202	11,904	746,106	-	-	746,106
34-012	Valley 12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34-019	Drayton 19	175.48	6,766,531	208.44	138.08	75.00	0.36	13.71	75.00	507,490	680,687	507,490	4,719	512,209	-	(26,866)	485,342
34-043	St Thomas 43	105.71	3,561,653	209.34	131.05	75.00	0.36	11.18	75.00	267,124	410,049	267,124	2,534	269,658	-	-	269,658
34-100	North Border 100	545.56	17,615,985	185.00	110.00	75.00	0.41	4.10	75.00	1,321,199	2,116,227	1,321,199	27,780	1,348,979	-	(131,857)	1,217,122
34-118	Valley-Edinburg 118	323.65	9,206,001	194.61	122.00	75.00	0.39	8.58	75.00	690,450	1,255,438	690,450	7,173	697,623	-	(146,038)	551,586
35-001	Wolford 1	76.71	1,939,370	210.00	135.00	75.00	0.36	12.60	75.00	145,453	297,558	145,453	883	146,336	-	(1,071)	145,266
35-005	Rugby 5	617.58	14,407,406	185.00	99.36	75.00	0.41	(0.64)	74.36	1,071,335	2,395,593	1,071,335	15,764	1,087,099	-	(121,484)	965,615
36-001	Devils Lake 1	1,819.04	23,273,574	188.00	110.00	75.00	0.40	4.00	75.00	1,745,518	7,056,056	1,745,518	36,711	1,782,229	-	-	1,782,229
36-002	Edmore 2	93.55	5,525,628	150.00	110.00	50.00	0.33	3.30	53.30	294,516	362,880	294,516	2,361	296,877	-	(9,896)	286,980
36-044	Starkweather 44	122.59	3,284,513	175.43	100.00	75.00	0.43	-	75.00	246,338	475,527	246,338	1,382	247,720	-	-	247,720
37-006	Ft Ransom 6	34.91	2,761,908	238.16	89.99	75.00	0.31	(10.01)	64.99	179,496	135,416	135,416	2,494	137,910	-	(4,421)	133,489
37-019	Lisbon 19	690.82	10,961,807	185.00	108.98	75.00	0.41	3.68	75.00	822,136	2,679,691	822,136	15,278	837,414	-	-	837,414
37-024	Enderlin Area 24	377.81	8,875,149	166.07	109.84	66.07	0.40	3.94	70.01	621,314	1,465,525	621,314	12,846	634,160	-	(9,913)	624,246
38-001	Mohall-Lansford-Sherwood	409.67	12,318,896	167.02	97.61	67.02	0.40	(2.39)	64.63	796,170	1,589,110	796,170	8,885	805,055	-	(11,874)	793,181
38-026	Glenburn 26	320.48	5,791,140	184.51	94.85	75.00	0.41	(5.15)	69.85	404,511	1,243,142	404,511	10,733	415,244	-	(33,854)	381,389
39-008	Hankinson 8	357.05	7,260,965	180.87	110.00	75.00	0.41	4.10	75.00	544,572	1,384,997	544,572	8,701	553,273	-	-	553,273
39-018	Fairmount 18	161.70	4,387,703	188.06	110.00	75.00	0.40	4.00	75.00	329,078	627,234	329,078	3,523	332,601	-	-	332,601
39-028	Lidgerwood 28	235.88	4,388,439	190.61	116.38	75.00	0.39	6.39	75.00	329,133	914,979	329,133	6,889	336,022	-	-	336,022
39-037	Wahpeton 37	1,331.25	23,699,437	186.65	111.65	75.00	0.40	4.66	75.00	1,777,458	5,163,919	1,777,458	63,292	1,840,750	-	-	1,840,750
39-042	Wyndmere 42	278.89	7,532,019	163.27	103.56	63.27	0.39	1.39	64.66	487,008	1,081,814	487,008	3,092	490,100	-	-	490,100
39-044	Richland 44	362.88	6,918,979	185.00	109.94	75.00	0.41	4.08	75.00	518,923	1,407,612	518,923	8,243	527,166	-	-	527,166
40-001	Dunseith 1	642.10	1,771,109	162.53	107.76	62.53	0.38	2.95	65.48	115,970	2,490,706	115,970	4,854	120,824	-	(3,735)	117,089
40-003	St John 3	408.53	1,000,116	161.47	85.99	61.47	0.38	(14.01)	47.46	47,466	1,584,688	47,466	6,561	54,027	-	-	54,027
40-004	Mt Pleasant 4	303.43	4,758,658	180.03	109.27	75.00	0.42	3.89	75.00	356,899	1,177,005	356,899	4,641	361,540	-	-	361,540
40-007	Belcourt 7	1,699.26	471,793	-	-	-	-	-	-	-	6,591,430	-	-	-	-	-	-
40-029	Rolette 29	179.29	3,366,769	192.43	116.00	75.00	0.39	6.24	75.00	252,508	695,466	252,508	4,900	257,408	-	(295)	257,113
41-002	Milnor 2	309.65	4,058,743	188.22	113.12	75.00	0.40	5.25	75.00	304,406	1,201,132	304,406	7,417	311,823	-	-	311,823

Mill Levy Reduction Grant Projections

2011-2012 MLRG Projection															7.77%		
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41-003	N Sargent 3	307.88	3,335,987	177.82	106.04	75.00	0.42	2.54	75.00	250,199	1,194,267	250,199	4,840	255,039	-	-	255,039
41-006	Sargent Central 6	303.17	10,201,767	189.01	106.78	75.00	0.40	2.71	75.00	765,133	1,175,996	765,133	9,905	775,038	-	(49,339)	725,699
42-016	Goodrich 16	39.78	1,897,510	189.26	112.64	75.00	0.40	5.06	75.00	142,313	154,307	142,313	7,674	149,987	-	-	149,987
42-019	McClusky 19	131.28	3,197,372	186.11	109.46	75.00	0.40	3.78	75.00	239,803	509,235	239,803	7,418	247,221	-	-	247,221
43-003	Solen 3	233.13	1,512,689	185.00	110.00	75.00	0.41	4.10	75.00	113,452	904,311	113,452	3,854	117,306	7,036	-	124,343
43-004	Fi Yates 4	291.83	577,863	185.00	109.69	75.00	0.41	3.97	75.00	43,340	1,132,009	43,340	3,404	46,744	-	-	46,744
43-008	Selfridge 8	107.09	1,631,893	184.27	109.08	75.00	0.41	3.72	75.00	122,392	415,402	122,392	1,027	123,419	-	-	123,419
44-012	Marmarth 12	25.65	2,294,707	49.04	43.93	-	-	-	-	-	99,496	-	-	-	-	-	-
44-032	Central Elementary 32	5.36	1,544,929	27.98	25.89	-	-	-	-	-	20,791	-	-	-	-	-	-
45-001	Dickinson 1	2,885.83	54,133,507	185.00	109.99	75.00	0.41	4.10	75.00	4,060,013	11,194,135	4,060,013	97,884	4,157,897	-	-	4,157,897
45-009	South Heart 9	268.42	4,471,352	159.40	103.95	59.40	0.37	1.46	60.86	272,133	1,041,201	272,133	5,977	278,110	-	(4,413)	273,696
45-013	Belfield 13	277.82	2,486,347	185.00	110.00	75.00	0.41	4.10	75.00	186,476	1,077,664	186,476	7,028	193,504	-	(1,450)	192,054
45-034	Richardton-Taylor 34	315.94	6,283,586	185.00	110.00	75.00	0.41	4.10	75.00	471,269	1,225,531	471,269	13,823	485,092	-	-	485,092
46-010	Hope 10	145.56	8,128,576	173.17	100.88	73.17	0.42	0.37	73.54	597,772	564,627	564,627	5,612	570,239	-	(158,955)	411,284
46-019	Finley-Sharon 19	211.28	7,298,203	185.00	103.13	75.00	0.41	1.28	75.00	547,365	819,555	547,365	4,877	552,242	-	(47,986)	504,256
47-001	Jamestown 1	2,377.77	39,621,322	192.03	117.02	75.00	0.39	6.64	75.00	2,971,599	9,223,370	2,971,599	64,652	3,036,251	-	-	3,036,251
47-003	Medina 3	208.15	4,308,394	185.00	110.00	75.00	0.41	4.10	75.00	323,130	807,414	323,130	6,315	329,445	-	-	329,445
47-010	Pingree-Buchanan	178.59	4,049,257	177.00	102.00	75.00	0.42	0.84	75.00	303,694	692,751	303,694	3,627	307,321	-	-	307,321
47-014	Montpelier 14	131.56	3,138,710	185.00	110.00	75.00	0.41	4.10	75.00	235,403	510,321	235,403	2,983	238,386	-	(119)	238,267
47-019	Kensal 19	75.18	2,974,749	185.00	110.00	75.00	0.41	4.10	75.00	223,106	291,623	223,106	1,149	224,255	-	-	224,255
48-010	North Star 10	337.72	8,948,785	157.66	86.24	57.66	0.37	(13.76)	43.90	392,852	1,310,016	392,852	5,369	398,221	20,906	-	419,127
48-028	North Central 28	65.80	4,450,099	165.54	94.38	65.54	0.40	(5.62)	59.92	266,650	255,238	255,238	2,568	257,806	-	-	257,806
49-003	Central Valley 3	283.79	7,572,635	157.05	110.00	57.05	0.36	3.60	60.65	459,280	1,100,821	459,280	5,584	464,864	-	(23,372)	441,492
49-007	Hatton 7	257.96	5,195,066	203.50	110.00	75.00	0.37	3.70	75.00	389,630	1,000,627	389,630	6,211	395,841	-	-	395,841
49-009	Hillsboro 9	445.17	12,069,486	185.00	110.00	75.00	0.41	4.10	75.00	905,211	1,726,814	905,211	13,094	918,305	-	-	918,305
49-014	May-Port CG 14	578.57	12,961,076	185.00	110.00	75.00	0.41	4.10	75.00	972,081	2,244,273	972,081	9,280	981,341	-	-	981,341
50-003	Grafton 3	955.66	11,474,301	185.92	110.00	75.00	0.40	4.00	75.00	860,573	3,707,005	860,573	15,866	876,439	-	-	876,439
50-005	Fordville-Lankin 5	88.63	4,310,738	166.03	110.00	66.03	0.40	4.00	70.03	301,881	343,796	301,881	2,981	304,862	-	(33,142)	271,720
50-020	Minto 20	270.80	4,473,715	189.01	115.36	75.00	0.40	6.14	75.00	335,529	1,050,433	335,529	5,484	341,013	-	-	341,013
50-078	Park River 78	448.33	7,302,453	188.08	112.92	75.00	0.40	5.17	75.00	547,684	1,739,072	547,684	7,546	555,230	-	-	555,230
50-106	Edinburg 106	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50-128	Adams 128	64.61	2,212,535	169.84	110.00	69.84	0.41	4.10	73.94	163,595	250,622	163,595	2,096	165,691	-	(4,952)	160,739
51-001	Minot 1	7,388.50	127,362,513	191.69	116.03	75.00	0.39	6.25	75.00	9,552,188	28,659,992	9,552,188	212,975	9,765,163	-	(203,870)	9,561,293
51-004	Nedrose 4	223.69	9,728,064	191.97	95.29	75.00	0.39	(4.71)	70.29	683,786	867,694	683,786	16,646	700,432	-	(21,677)	678,754
51-007	United 7	604.84	10,980,766	178.63	103.61	75.00	0.42	1.52	75.00	823,557	2,346,174	823,557	17,436	840,993	-	(51,543)	789,450

Mill Levy Reduction Grant Projections

2011-2012 MLRG Projection																	7.77%
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Hamless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
51-016	Sawyer 16	178.95	3,831,888	185.00	103.23	75.00	0.41	1.32	75.00	287,392	694,147	287,392	8,466	295,858	-	(24,912)	270,946
51-019	Eureka 19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51-028	Kenmare 28	358.83	9,219,287	181.47	97.62	75.00	0.41	(2.38)	72.62	669,505	1,391,902	669,505	8,397	677,902	-	(7,769)	670,133
51-041	Surrey 41	405.50	5,317,652	197.71	102.07	75.00	0.38	0.79	75.00	398,824	1,572,935	398,824	7,804	406,628	-	(33,822)	372,806
51-070	S Prairie 70	168.55	7,705,808	161.82	91.91	61.82	0.38	(8.09)	53.73	414,033	653,805	414,033	20,891	434,924	-	-	434,924
51-161	Lewis and Clark 161	424.26	13,260,041	178.74	92.71	75.00	0.42	(7.29)	67.71	897,837	1,645,705	897,837	19,959	917,796	-	(10,846)	906,951
52-025	Fessenden-Bowdon 25	177.41	9,128,135	156.61	100.73	56.61	0.36	0.26	56.87	519,143	688,173	519,143	4,906	524,049	-	(3,376)	520,673
52-035	Pleasant Valley 3	16.59	1,329,860	186.66	117.06	75.00	0.40	6.82	75.00	99,740	64,353	64,353	1,599	65,952	-	(5)	65,947
52-038	Harvey 38	448.69	10,115,533	182.17	104.45	75.00	0.41	1.82	75.00	758,665	1,740,469	758,665	29,224	787,889	-	-	787,889
53-001	Williston 1	2,483.33	34,070,448	188.33	110.00	75.00	0.40	4.00	75.00	2,555,284	9,632,837	2,555,284	75,839	2,631,123	-	-	2,631,123
53-002	Nesson 2	257.93	6,257,813	172.83	93.55	72.83	0.42	(6.45)	66.38	415,394	1,000,510	415,394	7,721	423,115	-	-	423,115
53-006	Eight Mile 6	247.88	1,946,135	170.27	107.39	70.27	0.41	3.03	73.30	142,652	961,527	142,652	4,039	146,691	-	-	146,691
53-008	New 8	227.33	14,570,368	167.94	113.88	67.94	0.40	5.55	73.49	1,070,805	881,813	881,813	22,536	904,349	-	-	904,349
53-015	Tioga 15	341.96	11,442,057	153.37	74.19	53.37	0.35	(25.81)	27.56	315,343	1,326,463	315,343	31,799	347,142	53,442	-	400,585
53-099	Grenora 99	127.21	5,031,435	185.00	109.31	75.00	0.41	3.82	75.00	377,358	493,448	377,358	4,774	382,132	-	(25,507)	356,624
Statewide Total		108,152.86	2,289,035,490	192.58		71.58	0.37		70.63	161,678,913	419,524,951	161,206,666	3,086,175	164,292,841	1,402,265	(3,071,928)	162,623,177
Taxable Valuation 2010-2011			2,123,954,388														
Increase in Taxable Valuation			165,081,102														
Percentage change			7.77%														

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Mill Levy Reduction Grant Projections

GF Levy3 = 2008 General Fund, Tuition and Transportation Levies.

Tax Relief wsu allocation = district wsu \* \$3,879.

Limits: Minimum levy effort of 100 mills to qualify for any reduction.

Max mill reduction of 75 mills.

		2009-11 MRLG grants		2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
01-013	Hettinger 13	488,689	488,689	528,646	576,224	499,472	544,424	60,974
02-002	Valley City 2	1,447,122	1,791,329	1,913,956	2,086,212	1,913,956	2,086,212	0
02-007	Barnes County North 7	1,109,946	1,153,625	1,233,738	1,344,774	1,232,231	1,343,131	3,150
02-046	Litchville-Marion 46	458,223	496,870	541,588	590,331	541,588	590,331	0
03-005	Minnewaukan 5	125,305	136,960	147,683	160,974	147,683	160,974	(0)
03-006	Leeds 6	326,937	362,890	319,343	348,084	395,550	431,150	(159,273)
03-009	Maddock 9	319,664	339,284	369,820	403,104	369,820	403,104	0
03-016	Oberon 16	75,944	80,691	87,953	95,869	87,953	95,869	(0)
03-029	Warwick 29	76,321	79,094	69,603	75,867	85,507	93,202	(33,239)
03-030	Ft Totten 30	9,326	9,326	8,207	8,946	9,544	10,403	(2,794)
04-001	Billings Co 1	-	-	-	-	-	-	-
05-001	Bottineau 1	868,137	1,114,129	980,434	1,068,673	1,167,805	1,272,907	(391,606)
05-017	Westhope 17	249,916	270,684	295,045	321,599	295,045	321,599	(0)
05-054	Newburg-United 54	348,845	363,675	348,621	379,997	396,405	432,082	(99,869)
06-001	Bowman County 1	670,459	731,127	796,929	868,652	796,929	868,652	(0)
06-033	Scranton 33	208,066	227,136	232,974	253,942	233,198	254,186	(468)
07-014	Bowbells 14	177,915	187,275	199,617	217,582	204,130	222,501	(9,432)
07-027	Powers Lake 27	159,185	167,389	180,529	196,776	182,454	198,875	(4,025)
07-036	Burke Central 36	262,234	275,310	284,471	310,074	300,087	327,095	(32,638)
08-001	Bismarck 1	17,505,961	18,626,920	19,200,882	20,928,961	19,200,882	20,928,961	(0)
08-025	Naughton 25	21,644	21,843	19,222	20,951	23,711	25,845	(9,383)
08-028	Wing 28	142,664	146,354	159,526	173,883	154,691	168,614	10,104
08-029	Baldwin 29	76,350	76,350	76,350	83,221	76,350	83,221	(0)
08-033	Menoken 33	88,005	97,612	106,397	115,972	106,397	115,972	0
08-035	Sterling 35	128,092	126,445	126,445	137,825	126,445	137,825	0
08-039	Apple Creek 39	230,033	251,605	265,309	289,187	265,309	289,187	0
08-045	Manning 45	21,842	25,380	27,665	30,155	27,665	30,155	0
09-001	Fargo 1	18,239,963	18,888,013	19,361,185	21,103,691	19,361,185	21,103,691	0
09-002	Kindred 2	973,371	994,566	1,069,370	1,165,613	1,038,744	1,132,231	64,008

Mill Levy Reduction Grant Projections

		2009-11 MRLG grants		2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
09-004	Maple Valley 4	754,275	909,654	991,523	1,080,760	991,523	1,080,760	(0)
09-006	West Fargo 6	11,746,546	12,351,261	12,883,031	14,042,503	12,883,031	14,042,503	(0)
09-007	Mapleton 7	288,482	314,674	338,897	369,398	338,897	369,398	(0)
09-017	Central Cass 17	877,559	913,147	995,330	1,084,909	990,947	1,080,133	9,159
09-080	Page 80	273,928	287,605	313,489	341,703	310,556	338,506	6,130
09-097	Northern Cass	919,859	956,430	1,022,246	1,114,249	1,022,246	1,114,249	(0)
10-019	Munich 19	278,969	303,901	331,252	361,064	322,619	351,655	18,042
10-023	Langdon Area 23	1,001,245	1,069,460	941,125	1,025,826	1,159,680	1,264,051	(456,779)
11-040	Ellendale 40	634,390	776,411	825,895	900,225	825,895	900,225	(0)
11-041	Oakes 41	771,313	899,139	939,376	1,023,920	939,376	1,023,920	0
12-001	Divide County 1	196,490	203,927	179,456	195,607	222,280	242,286	(89,504)
13-016	Killdeer 16	498,745	524,935	572,179	623,675	572,179	623,675	(0)
13-019	Halliday 19	150,635	161,099	161,099	175,598	161,099	175,598	(0)
13-037	Twin Buttes 37	-	-	-	-	-	-	-
14-002	New Rockford-Sheyenne 2	475,959	494,683	539,204	587,733	530,684	578,445	17,808
15-006	Hazleton-Moffit-Braddock	258,118	262,885	286,544	312,333	286,544	312,333	0
15-010	Bakker 10	19,189	24,904	27,145	29,588	27,145	29,588	0
15-015	Strasburg 15	223,253	225,863	246,191	268,348	244,708	266,732	3,099
15-036	Linton 36	390,423	390,423	392,600	427,934	405,086	441,544	(26,096)
16-049	Carrington 49	802,089	843,616	919,542	1,002,300	893,510	973,926	54,406
17-003	Beach 3	254,384	262,685	280,072	305,278	280,072	305,278	(0)
17-006	Lone Tree 6	112,883	112,883	123,042	134,116	123,042	134,116	(0)
18-001	Grand Forks 1	10,883,801	11,329,471	11,664,336	12,714,127	11,664,336	12,714,127	0
18-044	Larimore 44	614,621	641,592	697,994	760,813	697,994	760,813	0
18-061	Thompson 61	552,136	583,697	611,755	666,813	611,755	666,813	(0)
18-125	Manvel 125	333,911	343,556	358,550	390,820	358,550	390,820	(0)
18-127	Emerado 127	178,561	188,300	197,326	215,085	197,326	215,085	(0)
18-128	Midway 128	506,471	520,219	555,827	605,851	555,827	605,851	0
18-129	Northwood 129	445,662	470,528	508,933	554,737	508,933	554,737	0
19-018	Roosevelt 18	187,380	193,206	207,074	225,711	207,074	225,711	0
19-049	Elgin-New Leipzig 49	345,526	345,526	373,332	406,932	373,332	406,932	(0)
20-007	Midkota 7	466,887	492,721	537,066	585,402	537,066	585,402	0
20-018	Griggs County Central 18	490,231	526,589	573,982	625,640	573,982	625,640	(0)
21-001	Mott-Regent 1	501,196	505,580	551,082	600,680	527,674	575,165	48,923
21-009	New England 9	410,760	419,419	428,784	467,374	428,784	467,374	(0)

Mill Levy Reduction Grant Projections

2009-11 MRLG grants			2011-13 MRLG projection					
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
22-001	Kidder County 10	541,332	591,705	633,008	689,979	633,008	689,979	0
22-014	Robinson 14	86,330	94,598	89,861	97,949	97,104	105,844	(15,138)
23-003	Edgeley 3	474,019	504,143	549,124	598,546	549,124	598,546	(0)
23-007	Kulm 7	445,696	471,757	509,681	555,553	509,681	555,553	(0)
23-008	LaMoure 8	410,030	436,791	476,103	518,952	476,103	518,952	0
24-002	Napoleon 2	339,577	360,941	393,426	428,834	393,426	428,834	0
24-056	Gackle-Streeter 56	301,373	314,430	340,440	371,079	338,882	369,381	3,256
25-001	Velva 1	536,911	569,398	620,644	676,502	620,644	676,502	(0)
25-014	Anamoose 14	166,178	171,930	187,403	204,270	187,403	204,270	(0)
25-057	Drake 57	288,116	297,260	324,013	353,174	322,732	351,778	2,678
25-060	TGU 60	838,438	849,688	926,160	1,009,515	926,160	1,009,515	0
26-004	Zeeland 4	209,351	210,421	210,421	229,359	210,421	229,359	0
26-009	Ashley 9	319,141	332,884	362,844	395,500	362,844	395,500	0
26-019	Wishek 19	342,365	355,725	387,740	422,637	387,740	422,637	(0)
27-001	McKenzie Co 1	663,017	686,177	747,932	815,246	747,932	815,246	0
27-002	Alexander 2	231,030	232,162	253,057	275,832	250,471	273,013	5,406
27-014	Yellowstone 14	139,736	147,051	158,283	172,529	158,283	172,529	(0)
27-018	Earl 18	-	-	-	-	-	-	-
27-032	Horse Creek 32	-	-	-	-	-	-	-
27-036	Mandaree 36	-	-	-	-	-	-	-
28-001	Montefiore 1	287,972	311,831	339,896	370,486	339,896	370,486	(0)
28-004	Washburn 4	353,241	406,178	357,437	389,606	427,232	465,683	(145,871)
28-008	Underwood 8	454,414	514,239	558,654	608,933	558,654	608,933	(0)
28-050	Max 50	248,485	266,427	290,406	316,542	290,406	316,542	(0)
28-051	Garrison 51	544,240	610,637	665,594	725,498	658,469	715,551	19,071
28-072	Turtle Lake-Mercer 72	359,197	392,665	428,005	466,525	426,310	464,678	3,542
28-085	White Shield 85	28,205	30,595	33,348	36,350	33,348	36,350	(0)
29-003	Hazen 3	493,575	511,639	536,394	584,670	536,394	584,670	0
29-027	Beulah 27	875,574	986,816	1,034,711	1,127,835	1,034,711	1,127,835	(0)
30-001	Mandan 1	4,232,324	4,518,002	4,788,420	5,219,378	4,788,420	5,219,378	(0)
30-004	Little Heart 4	36,821	60,993	60,993	66,482	60,993	66,482	(0)
30-013	Hebron 13	271,233	271,233	288,145	314,078	271,814	296,277	34,132
30-017	Sweet Briar 17	22,451	22,451	22,547	24,576	22,451	24,471	201
30-039	Flasher 39	249,186	265,019	278,291	303,338	278,291	303,338	(0)
30-048	Glen Ullin 48	312,663	346,585	373,351	406,953	373,351	406,953	(0)

Mill Levy Reduction Grant Projections

2009-11 MRLG grants			2011-13 MRLG projection					
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011- 12	Senate 2012- 13	Difference
30-049	New Salem - Almont 49	336,964	350,059	381,565	415,905	361,995	394,575	40,899
31-001	New Town 1	302,213	359,228	391,559	426,799	391,559	426,799	0
31-002	Stanley 2	529,226	656,220	715,279	779,654	715,279	779,654	0
31-003	Parshall 3	294,463	349,939	381,434	415,763	381,434	415,763	(0)
32-001	Dakota Prairie 1	757,682	896,928	977,652	1,065,640	977,652	1,065,640	(0)
32-066	Lakota 66	378,813	396,050	431,694	470,547	431,694	470,547	(0)
33-001	Center-Stanton 1	406,113	527,805	568,458	619,619	537,677	586,068	64,332
34-006	Cavalier 6	682,492	701,297	746,106	813,255	746,106	813,255	(0)
34-012	Valley 12	-	-	-	-	-	-	-
34-019	Drayton 19	428,249	445,268	485,342	529,023	485,342	529,023	(0)
34-043	St Thomas 43	247,562	250,377	269,658	293,927	269,658	293,927	(0)
34-100	North Border 100	983,721	1,116,626	1,217,122	1,326,663	1,217,122	1,326,663	(0)
34-118	Valley-Edinburg 118	466,163	506,042	551,586	601,228	551,586	601,228	(0)
35-001	Wolford 1	130,741	133,271	145,266	158,339	145,266	158,339	0
35-005	Rugby 5	848,904	885,885	965,615	1,052,520	965,615	1,052,520	0
36-001	Devils Lake 1	1,629,425	1,718,026	1,782,229	1,942,629	1,782,229	1,942,629	0
36-002	Edmore 2	253,738	263,285	286,980	312,809	278,642	303,719	17,428
36-044	Starkweather 44	222,673	232,493	247,720	270,015	247,720	270,015	0
37-006	Ft Ransom 6	82,544	122,467	133,489	145,503	133,489	145,503	0
37-019	Lisbon 19	757,807	801,128	837,414	912,781	837,414	912,781	(0)
37-024	Enderlin Area 24	550,939	572,703	624,246	680,429	599,227	653,157	52,291
38-001	Mohall-Lansford-Sherwood	692,822	727,689	793,181	864,567	793,181	864,567	(0)
38-026	Glenburn 26	327,951	349,899	381,389	415,714	381,389	415,714	(0)
39-008	Hankinson 8	532,487	538,938	553,273	603,067	553,273	603,067	0
39-018	Fairmount 18	324,595	328,687	332,601	362,535	332,601	362,535	0
39-028	Lidgerwood 28	311,343	320,758	336,022	366,264	336,022	366,264	0
39-037	Wahpeton 37	1,750,843	1,818,494	1,840,750	2,006,417	1,840,750	2,006,417	(0)
39-042	Wyndmere 42	449,871	461,451	490,100	534,209	479,643	522,811	21,855
39-044	Richland 44	485,636	505,262	527,166	574,611	527,166	574,611	0
40-001	Dunseith 1	106,007	107,421	117,089	127,627	115,601	126,005	3,110
40-003	St John 3	58,880	59,755	54,027	58,890	65,133	70,995	(23,212)
40-004	Mt Pleasant 4	317,945	335,692	361,540	394,078	361,540	394,078	(0)
40-007	Belcourt 7	-	-	-	-	-	-	-
40-029	Rolette 29	233,026	235,883	257,113	280,253	257,113	280,253	(0)
41-002	Milnor 2	298,142	301,542	311,823	339,887	311,823	339,887	0

Mill Levy Reduction Grant Projections

2009-11 MRLG grants			2011-13 MRLG projection		Senate 2011-12	Senate 2012-13	Difference	
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate				2012-13 Estimate
41-003	N Sargent 3	248,227	248,227	255,039	277,993	255,039	277,993	(0)
41-006	Sargent Central 6	606,778	665,779	725,699	791,011	725,699	791,011	(0)
42-016	Goodrich 16	138,340	139,172	149,987	163,486	149,987	163,486	(0)
42-019	McClusky 19	221,605	230,275	247,221	269,470	247,221	269,470	0
43-003	Solen 3	122,223	124,343	124,343	135,533	124,343	135,533	(0)
43-004	Ft Yates 4	41,240	43,821	46,744	50,951	46,744	50,951	0
43-008	Selfridge 8	108,402	114,413	123,419	134,527	123,419	134,527	(0)
44-012	Marmarth 12	-	-	-	-	-	-	-
44-032	Central Elementary 32	-	-	-	-	-	-	-
45-001	Dickinson 1	3,528,621	3,876,354	4,157,897	4,532,108	4,157,897	4,532,108	(0)
45-009	South Heart 9	236,525	251,097	273,696	298,329	271,575	296,016	4,434
45-013	Belfield 13	161,734	176,197	192,054	209,339	192,054	209,339	(0)
45-034	Richardton-Taylor 34	419,610	462,371	485,092	528,751	485,092	528,751	(0)
46-010	Hope 10	293,553	377,324	411,284	448,299	411,284	448,299	(0)
46-019	Finley-Sharon 19	357,760	462,620	504,256	549,639	504,256	549,639	(0)
47-001	Jamestown 1	2,754,899	2,943,251	3,036,251	3,309,514	3,036,251	3,309,514	0
47-003	Medina 3	284,447	306,365	329,445	359,095	329,445	359,095	(0)
47-010	Pingree-Buchanan	265,069	282,234	307,321	334,979	307,321	334,979	0
47-014	Montpelier 14	207,533	218,594	238,267	259,711	238,267	259,711	(0)
47-019	Kensal 19	207,356	211,090	224,255	244,437	224,255	244,437	0
48-010	North Star 10	449,925	476,280	419,127	456,848	519,146	565,869	(209,039)
48-028	North Central 28	247,589	262,487	257,806	281,008	262,487	286,111	(9,784)
49-003	Central Valley 3	387,948	405,038	441,492	481,226	437,603	476,987	8,127
49-007	Hatton 7	350,445	371,383	395,841	431,467	395,841	431,467	0
49-009	Hillsboro 9	790,363	844,187	918,305	1,000,953	918,305	1,000,953	(0)
49-014	May-Port CG 14	890,503	916,512	981,341	1,069,661	981,341	1,069,661	0
50-003	Grafton 3	835,632	841,958	876,439	955,318	876,439	955,318	0
50-005	Fordville-Lankin 5	205,157	249,284	271,720	296,174	271,720	296,174	0
50-020	Minto 20	317,526	319,537	341,013	371,704	341,013	371,704	(0)
50-078	Park River 78	477,414	511,573	555,230	605,201	555,230	605,201	(0)
50-106	Edinburg 106	-	-	-	-	-	-	-
50-128	Adams 128	147,467	147,467	160,739	175,205	156,619	170,715	8,610
51-001	Minot 1	7,875,042	8,771,828	9,561,293	10,421,809	9,561,293	10,421,809	(0)
51-004	Nedrose 4	540,196	622,710	678,754	739,842	678,754	739,842	0
51-007	United 7	659,919	724,266	789,450	860,501	789,450	860,501	0

Mill Levy Reduction Grant Projections

2009-11 MRLG grants				2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
51-016	Sawyer 16	234,227	248,574	270,946	295,331	270,946	295,331	(0)
51-019	Eureka 19	-	-	-	-	-	-	-
51-028	Kenmare 28	579,899	614,801	670,133	730,445	670,133	730,445	(0)
51-041	Surrey 41	293,788	342,024	372,806	406,358	372,806	406,358	0
51-070	S Prairie 70	485,652	485,652	434,924	474,067	497,264	542,018	(130,291)
51-161	Lewis and Clark 161	785,631	832,065	906,951	988,576	906,951	988,576	0
52-025	Fessenden-Bowdon 25	467,432	477,681	520,673	567,533	520,673	567,533	0
52-035	Pleasant Valley 3	57,304	60,502	65,947	71,882	65,947	71,882	(0)
52-038	Harvey 38	722,844	747,202	787,889	858,799	787,889	858,799	(0)
53-001	Williston 1	2,039,939	2,436,434	2,631,123	2,867,924	2,631,123	2,867,924	(0)
53-002	Nesson 2	360,421	417,719	423,115	461,195	455,313	496,291	(67,295)
53-006	Eight Mile 6	135,662	135,662	146,691	159,893	140,794	153,465	12,325
53-008	New 8	701,768	857,644	904,349	985,740	909,123	990,944	(9,978)
53-015	Tioga 15	388,687	455,210	400,585	436,637	496,179	540,835	(199,792)
53-099	Grenora 99	320,329	327,178	356,624	388,720	356,624	388,720	0
<b>Statewide Total</b>		<b>144,890,868</b>	<b>154,935,881</b>	<b>162,623,177</b>	<b>177,259,263</b>	<b>163,354,278</b>	<b>178,056,163</b>	<b>1,528,002</b>
Taxable Valuation 2010-2011 Totals		299,826,749		339,882,440			341,410,442	1,528,002
Increase in Taxable Valuation								
Percentage change								

Mill Levy Reduction Grant Projections - Calculation

2011-2012 MLRG Projection																	
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills. Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
51-016	Sawyer 16	178.95	3,831,888	185.00	103.23	75.00	0.41	1.32	75.00	287,392	694,147	287,392	8,466	295,858	-	-	295,858
51-019	Eureka 19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
51-028	Kenmare 28	358.83	9,219,287	181.47	97.62	75.00	0.41	(2.38)	72.62	669,505	1,391,902	669,505	8,397	677,902	-	-	677,902
51-041	Surrey 41	405.50	5,317,652	197.71	102.07	75.00	0.38	0.79	75.00	398,824	1,572,935	398,824	7,804	406,628	-	-	406,628
51-070	S Prairie 70	168.55	7,705,808	161.82	91.91	61.82	0.38	(8.09)	53.73	414,033	653,805	414,033	20,891	434,924	-	-	434,924
51-161	Lewis and Clark 161	424.26	13,260,041	178.74	92.71	75.00	0.42	(7.29)	67.71	897,837	1,645,705	897,837	19,959	917,796	-	-	917,796
52-025	Fessenden-Bowdon 25	177.41	9,128,135	156.61	100.73	56.61	0.36	0.26	56.87	519,143	688,173	519,143	4,906	524,049	-	-	524,049
52-035	Pleasant Valley 3	16.59	1,329,860	186.66	117.06	75.00	0.40	6.82	75.00	99,740	64,353	64,353	1,599	65,952	-	-	65,952
52-038	Harvey 38	448.69	10,115,533	182.17	104.45	75.00	0.41	1.82	75.00	758,665	1,740,469	758,665	29,224	787,889	-	-	787,889
53-001	Williston 1	2,483.33	34,070,448	188.33	110.00	75.00	0.40	4.00	75.00	2,555,284	9,632,837	2,555,284	75,839	2,631,123	-	-	2,631,123
53-002	Nesson 2	257.93	6,257,813	172.83	93.55	72.83	0.42	(6.45)	66.38	415,394	1,000,510	415,394	7,721	423,115	-	-	423,115
53-006	Eight Mile 6	247.88	1,946,135	170.27	107.39	70.27	0.41	3.03	73.30	142,652	961,527	142,652	4,039	146,691	-	-	146,691
53-008	New 8	227.33	14,570,368	167.94	113.88	67.94	0.40	5.55	73.49	1,070,805	881,813	881,813	22,536	904,349	-	-	904,349
53-015	Tioga 15	341.96	11,442,057	153.37	74.19	53.37	0.35	(25.81)	27.56	315,343	1,326,463	315,343	31,799	347,142	53,442	-	400,585
53-099	Grenora 99	127.21	5,031,435	185.00	109.31	75.00	0.41	3.82	75.00	377,358	493,448	377,358	4,774	382,132	-	-	382,132
Statewide Total		108,152.86	2,289,035,490	192.58		71.58	0.37		70.63	161,678,913	419,524,951	161,206,666	3,086,175	164,292,841	1,403,911	-	165,696,752
Taxable Valuation 2010-2011			2,123,954,388														
Increase in Taxable Valuation			165,081,102														
Percentage change			7.77%														

11.0273.06006 version 108152.86 2289035490 192.5789 72 0.37 70.63 161,678,913 419,524,951 161,206,666 3,086,175 164,292,841 1,403,911 (3,071,928) 162,624,823

Mill Levy Reduction Grant Projections - Calculation

2011-2012 MLRG Projection																	
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
41-003	N Sargent 3	307.88	3,335,987	177.82	106.04	75.00	0.42	2.54	75.00	250,199	1,194,267	250,199	4,840	255,039	-	-	255,039
41-006	Sargent Central 6	303.17	10,201,767	189.01	106.78	75.00	0.40	2.71	75.00	765,133	1,175,996	765,133	9,905	775,038	-	-	775,038
42-016	Goodrich 16	39.78	1,897,510	189.26	112.64	75.00	0.40	5.06	75.00	142,313	154,307	142,313	7,674	149,987	-	-	149,987
42-019	McClusky 19	131.28	3,197,372	186.11	109.46	75.00	0.40	3.78	75.00	239,803	509,235	239,803	7,418	247,221	-	-	247,221
43-003	Solen 3	233.13	1,512,689	185.00	110.00	75.00	0.41	4.10	75.00	113,452	904,311	113,452	3,854	117,306	7.036	-	124,343
43-004	Fi Yates 4	291.83	577,863	185.00	109.69	75.00	0.41	3.97	75.00	43,340	1,132,009	43,340	3,404	46,744	-	-	46,744
43-008	Selfridge 8	107.09	1,631,893	184.27	109.08	75.00	0.41	3.72	75.00	122,392	415,402	122,392	1,027	123,419	-	-	123,419
44-012	Marmarth 12	25.65	2,294,707	49.04	43.93	-	-	-	-	-	99,496	-	-	-	-	-	-
44-032	Central Elementary 32	5.36	1,544,929	27.98	25.89	-	-	-	-	-	20,791	-	-	-	-	-	-
45-001	Dickinson 1	2,885.83	54,133,507	185.00	109.99	75.00	0.41	4.10	75.00	4,060,013	11,194,135	4,060,013	97,884	4,157,897	-	-	4,157,897
45-009	South Heart 9	268.42	4,471,352	159.40	103.95	59.40	0.37	1.46	60.86	272,133	1,041,201	272,133	5,977	278,110	-	-	278,110
45-013	Belfield 13	277.82	2,486,347	185.00	110.00	75.00	0.41	4.10	75.00	186,476	1,077,664	186,476	7,028	193,504	-	-	193,504
45-034	Richardton-Taylor 34	315.94	6,283,586	185.00	110.00	75.00	0.41	4.10	75.00	471,269	1,225,531	471,269	13,823	485,092	-	-	485,092
46-010	Hope 10	145.56	8,128,576	173.17	100.88	73.17	0.42	0.37	73.54	597,772	564,627	564,627	5,612	570,239	-	-	570,239
46-019	Finley-Sharon 19	211.28	7,298,203	185.00	103.13	75.00	0.41	1.28	75.00	547,365	819,555	547,365	4,877	552,242	-	-	552,242
47-001	Jamestown 1	2,377.77	39,621,322	192.03	117.02	75.00	0.39	6.64	75.00	2,971,599	9,223,370	2,971,599	64,652	3,036,251	-	-	3,036,251
47-003	Medina 3	208.15	4,308,394	185.00	110.00	75.00	0.41	4.10	75.00	323,130	807,414	323,130	6,315	329,445	-	-	329,445
47-010	Pingree-Buchanan	178.59	4,049,257	177.00	102.00	75.00	0.42	0.84	75.00	303,694	692,751	303,694	3,627	307,321	-	-	307,321
47-014	Montpelier 14	131.56	3,138,710	185.00	110.00	75.00	0.41	4.10	75.00	235,403	510,321	235,403	2,983	238,386	-	-	238,386
47-019	Kensal 19	75.18	2,974,749	185.00	110.00	75.00	0.41	4.10	75.00	223,106	291,623	223,106	1,149	224,255	-	-	224,255
48-010	North Star 10	337.72	8,948,785	157.66	86.24	57.66	0.37	(13.76)	43.90	392,852	1,310,016	392,852	5,369	398,221	20.906	-	419,127
48-028	North Central 28	65.80	4,450,099	165.54	94.38	65.54	0.40	(5.62)	59.92	266,650	255,238	255,238	2,568	257,806	-	-	257,806
49-003	Central Valley 3	283.79	7,572,635	157.05	110.00	57.05	0.36	3.60	60.65	459,280	1,100,821	459,280	5,584	464,864	-	-	464,864
49-007	Hatton 7	257.96	5,195,066	203.50	110.00	75.00	0.37	3.70	75.00	389,630	1,000,627	389,630	6,211	395,841	-	-	395,841
49-009	Hillsboro 9	445.17	12,069,486	185.00	110.00	75.00	0.41	4.10	75.00	905,211	1,726,814	905,211	13,094	918,305	-	-	918,305
49-014	May-Port CG 14	578.57	12,961,076	185.00	110.00	75.00	0.41	4.10	75.00	972,081	2,244,273	972,081	9,260	981,341	-	-	981,341
50-003	Grafton 3	955.66	11,474,301	185.92	110.00	75.00	0.40	4.00	75.00	860,573	3,707,005	860,573	15,856	876,439	-	-	876,439
50-005	Fordville-Lankin 5	88.63	4,310,738	166.03	110.00	66.03	0.40	4.00	70.03	301,881	343,796	301,881	2,981	304,862	-	-	304,862
50-020	Minto 20	270.80	4,473,715	189.01	115.36	75.00	0.40	6.14	75.00	335,529	1,050,433	335,529	5,484	341,013	-	-	341,013
50-078	Park River 78	448.33	7,302,453	188.08	112.92	75.00	0.40	5.17	75.00	547,684	1,739,072	547,684	7,546	555,230	-	-	555,230
50-106	Edinburg 106	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50-128	Adams 128	64.61	2,212,535	169.84	110.00	69.84	0.41	4.10	73.94	163,595	250,622	163,595	2,096	165,691	-	-	165,691
51-001	Minot 1	7,388.50	127,362,513	191.69	116.03	75.00	0.39	6.25	75.00	9,552,188	28,659,992	9,552,188	212,975	9,765,163	-	-	9,765,163
51-004	Nedrose 4	223.69	9,728,064	191.97	95.29	75.00	0.39	(4.71)	70.29	683,786	867,694	683,786	16,646	700,432	-	-	700,432
51-007	United 7	604.84	10,980,766	178.63	103.61	75.00	0.42	1.52	75.00	823,557	2,346,174	823,557	17,436	840,993	-	-	840,993

Mill Levy Reduction Grant Projections - Calculation

2011-2012 MLRG Projection																		
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)	
30-049	New Salem - Almont 49	371.76	6,526,446	154.55	110.00	54.55	0.35	3.50	58.05	378,860	1,442,057	378,860	5,977	384,837	-	-	384,837	
31-001	New Town 1	807.87	8,016,433	180.97	106.57	75.00	0.41	2.69	75.00	601,232	3,133,728	601,232	24,276	625,508	-	-	625,508	
31-002	Stanley 2	451.80	15,977,648	185.00	110.00	75.00	0.41	4.10	75.00	1,198,324	1,752,532	1,198,324	16,946	1,215,270	-	-	1,215,270	
31-003	Parshall 3	349.78	7,974,612	179.70	100.00	75.00	0.42	-	75.00	598,096	1,356,797	598,096	13,000	611,096	-	-	611,096	
32-001	Dakota Prairie 1	353.98	14,579,220	185.00	97.47	75.00	0.41	(2.53)	72.47	1,056,556	1,373,088	1,056,556	14,621	1,071,177	-	-	1,071,177	
32-066	Lakota 66	264.65	6,049,987	185.00	105.95	75.00	0.41	2.44	75.00	453,749	1,026,577	453,749	6,376	460,125	-	-	460,125	
33-001	Center-Stanton 1	260.33	7,515,074	170.04	109.99	70.04	0.41	4.10	74.14	557,137	1,009,820	557,137	11,321	568,458	-	-	568,458	
34-006	Cavalier 6	435.12	9,789,355	185.96	110.00	75.00	0.40	4.00	75.00	734,202	1,687,830	734,202	11,904	746,106	-	-	746,106	
34-012	Valley 12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
34-019	Drayton 19	175.48	6,766,531	208.44	138.08	75.00	0.36	13.71	75.00	507,490	680,687	507,490	4,719	512,209	-	-	512,209	
34-043	St Thomas 43	105.71	3,561,653	209.34	131.05	75.00	0.36	11.18	75.00	267,124	410,049	267,124	2,534	269,658	-	-	269,658	
34-100	North Border 100	545.56	17,615,985	185.00	110.00	75.00	0.41	4.10	75.00	1,321,199	2,116,227	1,321,199	27,780	1,348,979	-	-	1,348,979	
34-118	Valley-Edinburg 118	323.65	9,206,001	194.61	122.00	75.00	0.39	8.58	75.00	690,450	1,255,438	690,450	7,173	697,623	-	-	697,623	
35-001	Wolford 1	76.71	1,939,370	210.00	135.00	75.00	0.36	12.60	75.00	145,453	297,558	145,453	883	146,336	-	-	146,336	
35-005	Rugby 5	617.58	14,407,406	185.00	99.36	75.00	0.41	(0.64)	74.36	1,071,335	2,395,593	1,071,335	15,764	1,087,099	-	-	1,087,099	
36-001	Devils Lake 1	1,819.04	23,273,574	188.00	110.00	75.00	0.40	4.00	75.00	1,745,518	7,056,056	1,745,518	36,711	1,782,229	-	-	1,782,229	
36-002	Edmore 2	93.55	5,525,628	150.00	110.00	50.00	0.33	3.30	53.30	294,516	362,880	294,516	2,361	296,877	-	-	296,877	
36-044	Starkweather 44	122.59	3,284,513	175.43	100.00	75.00	0.43	-	75.00	246,338	475,527	246,338	1,382	247,720	-	-	247,720	
37-006	Fl Ransom 6	34.91	2,761,908	238.16	89.99	75.00	0.31	(10.01)	64.99	179,496	135,416	135,416	2,494	137,910	-	-	137,910	
37-019	Lisbon 19	690.82	10,961,807	185.00	108.98	75.00	0.41	3.68	75.00	822,136	2,679,691	822,136	15,278	837,414	-	-	837,414	
37-024	Enderfin Area 24	377.81	8,875,149	166.07	109.84	66.07	0.40	3.94	70.01	621,314	1,465,525	621,314	12,846	634,160	-	-	634,160	
38-001	Mohall-Lansford-Sherwoo	409.67	12,318,896	167.02	97.61	67.02	0.40	(2.39)	64.63	796,170	1,589,110	796,170	8,885	805,055	-	-	805,055	
38-026	Glenburn 26	320.48	5,791,140	184.51	94.85	75.00	0.41	(5.15)	69.85	404,511	1,243,142	404,511	10,733	415,244	-	-	415,244	
39-008	Hankinson 8	357.05	7,260,965	180.87	110.00	75.00	0.41	4.10	75.00	544,572	1,384,997	544,572	8,701	553,273	-	-	553,273	
39-018	Fairmount 18	161.70	4,387,703	188.06	110.00	75.00	0.40	4.00	75.00	329,078	627,234	329,078	3,523	332,601	-	-	332,601	
39-028	Lidgerwood 28	235.88	4,388,439	190.61	116.38	75.00	0.39	6.39	75.00	329,133	914,979	329,133	6,889	336,022	-	-	336,022	
39-037	Wahpeton 37	1,331.25	23,699,437	186.65	111.65	75.00	0.40	4.66	75.00	1,777,458	5,163,919	1,777,458	63,292	1,840,750	-	-	1,840,750	
39-042	Wyndmere 42	278.89	7,532,019	163.27	103.56	63.27	0.39	1.39	64.66	487,008	1,081,814	487,008	3,092	490,100	-	-	490,100	
39-044	Richland 44	362.88	6,918,979	185.00	109.94	75.00	0.41	4.08	75.00	518,923	1,407,612	518,923	8,243	527,166	-	-	527,166	
40-001	Dunseith 1	642.10	1,771,109	162.53	107.76	62.53	0.38	2.95	65.48	115,970	2,490,706	115,970	4,854	120,824	-	-	120,824	
40-003	St John 3	408.53	1,000,116	161.47	85.99	61.47	0.38	(14.01)	47.46	47,466	1,584,688	47,466	6,561	54,027	-	-	54,027	
40-004	Mt Pleasant 4	303.43	4,758,658	180.03	109.27	75.00	0.42	3.89	75.00	356,899	1,177,005	356,899	4,641	361,540	-	-	361,540	
40-007	Belcourt 7	1,699.26	471,793	-	-	-	-	-	-	-	6,591,430	-	-	-	-	-	-	
40-029	Rolette 29	179.29	3,366,769	192.43	116.00	75.00	0.39	6.24	75.00	252,508	695,466	252,508	4,900	257,408	-	-	257,408	
41-002	Milnor 2	309.65	4,058,743	188.22	113.12	75.00	0.40	5.25	75.00	304,406	1,201,132	304,406	7,417	311,823	-	-	311,823	

Mill Levy Reduction Grant Projections - Calculation

2011-2012 MLRG Projection																			
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustment	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	
																		Rate	Adjusted Reduced Mill Rate
22-001	Kidder County 10	484.90	11,197,571	155.00	100.00	55.00	0.35	-	55.00	615,866	1,880,927	615,866	17,142	633,008	-	-	633,008		
22-014	Robinson 14	24.00	1,448,469	164.57	95.00	64.57	0.39	(5.00)	59.57	86,285	93,096	86,285	3,576	89,861	-	-	89,861		
23-003	Edgeley 3	288.59	7,242,783	180.71	107.56	75.00	0.42	3.18	75.00	543,209	1,119,441	543,209	5,915	549,124	-	-	549,124		
23-007	Kulm 7	138.64	6,719,479	178.77	100.02	75.00	0.42	0.01	75.00	503,961	537,785	503,961	5,720	509,681	-	-	509,681		
23-008	LaMoure 8	373.47	7,990,045	158.01	109.98	58.01	0.37	3.69	61.70	493,007	1,448,690	493,007	12,997	506,004	-	-	506,004		
24-002	Napoleon 2	323.39	5,162,173	176.84	100.86	75.00	0.42	0.36	75.00	387,163	1,254,430	387,163	6,472	393,635	-	-	393,635		
24-056	Gackle-Streeter 56	127.39	5,846,544	157.05	100.74	57.05	0.36	0.27	57.32	335,103	494,146	335,103	5,337	340,440	-	-	340,440		
25-001	Velva 1	431.88	11,342,107	163.69	105.13	63.69	0.39	2.00	65.69	745,071	1,675,263	745,071	13,366	758,437	-	-	758,437		
25-014	Anamoose 14	108.13	2,344,117	201.51	115.61	75.00	0.37	5.78	75.00	175,809	419,436	175,809	11,946	187,755	-	-	187,755		
25-057	Drake 57	103.88	4,411,823	171.68	101.09	71.68	0.42	0.46	72.14	318,259	402,951	318,259	6,493	324,752	-	-	324,752		
25-060	TGU 60	393.69	12,915,107	171.96	110.00	71.96	0.42	4.20	75.00	968,633	1,527,124	968,633	20,447	989,080	-	-	989,080		
26-004	ZeeLand 4	75.51	2,762,515	176.98	110.00	75.00	0.42	4.20	75.00	207,189	292,903	207,189	909	208,098	2,323	-	210,421		
26-009	Ashley 9	178.68	4,931,435	174.25	106.67	74.25	0.43	2.87	75.00	369,858	693,100	369,858	7,671	377,529	-	-	377,529		
26-019	Wishek 19	268.49	5,118,741	176.02	106.86	75.00	0.43	2.95	75.00	383,906	1,041,473	383,906	6,534	390,440	-	-	390,440		
27-001	McKenzie Co 1	599.33	12,625,353	156.38	100.76	56.38	0.36	0.27	56.65	715,272	2,324,801	715,272	38,832	754,104	-	-	754,104		
27-002	Alexander 2	115.74	3,439,590	168.89	109.07	68.89	0.41	3.72	72.61	249,744	448,955	249,744	13,518	263,262	-	-	263,262		
27-014	Yellowstone 14	110.59	2,057,119	181.79	126.72	75.00	0.41	10.96	75.00	154,284	428,979	154,284	3,999	158,283	-	-	158,283		
27-018	Earl 18	7.95	608,169	19.48	16.94	-	-	-	-	-	30,838	-	-	-	-	-	-		
27-032	Horse Creek 32	4.70	2,207,032	56.16	40.78	-	-	-	-	-	18,231	-	-	-	-	-	-		
27-036	Mandaree 36	243.04	452,012	76.19	15.49	-	-	-	-	-	942,752	-	-	-	-	-	-		
28-001	Montefiore 1	281.77	5,700,132	164.76	100.87	64.76	0.39	0.34	65.10	371,075	1,092,986	371,075	9,049	380,124	-	-	380,124		
28-004	Washburn 4	348.60	7,441,952	155.92	72.56	55.92	0.36	(27.44)	28.48	211,947	1,352,219	211,947	11,078	223,025	134,412	-	357,437		
28-008	Underwood 8	240.26	7,186,273	176.01	109.23	75.00	0.43	3.97	75.00	538,970	931,969	538,970	19,684	558,654	-	-	558,654		
28-050	Max 50	217.68	5,081,171	178.46	81.80	75.00	0.42	(18.20)	56.80	288,611	844,381	288,611	6,074	294,685	-	-	294,685		
28-051	Garrison 51	381.62	10,182,581	163.00	104.64	63.00	0.39	1.81	64.81	659,929	1,480,304	659,929	14,966	674,895	-	-	674,895		
28-072	Turtle Lake-Mercer 72	216.45	6,273,013	166.35	110.00	66.35	0.40	4.00	70.35	441,306	839,610	441,306	10,096	451,402	-	-	451,402		
28-085	White Shield 85	171.23	403,758	185.00	110.00	75.00	0.41	4.10	75.00	30,282	664,201	30,282	3,206	33,488	-	-	33,488		
29-003	Hazen 3	648.31	6,971,051	185.00	110.00	75.00	0.41	4.10	75.00	522,829	2,514,794	522,829	13,565	536,394	-	-	536,394		
29-027	Beulah 27	737.95	12,477,564	185.00	109.96	75.00	0.41	4.08	75.00	935,817	2,862,508	935,817	98,894	1,034,711	-	-	1,034,711		
30-001	Mandan 1	3,536.48	62,283,248	185.00	109.18	75.00	0.41	3.76	75.00	4,671,244	13,718,006	4,671,244	117,176	4,788,420	-	-	4,788,420		
30-004	Little Heart 4	12.56	858,327	195.70	171.75	75.00	0.38	27.27	75.00	64,375	48,720	48,720	1,555	50,275	10,718	-	60,993		
30-013	Hebron 13	227.38	4,082,864	165.97	110.00	65.97	0.40	4.00	69.97	285,678	882,007	285,678	2,467	288,145	-	-	288,145		
30-017	Sweet Briar 17	12.81	577,352	136.20	107.98	36.20	0.27	2.15	38.35	22,144	49,690	22,144	403	22,547	-	-	22,547		
30-039	Flasher 39	270.32	3,637,234	185.19	110.00	75.00	0.40	4.00	75.00	272,793	1,048,571	272,793	5,498	278,291	-	-	278,291		
30-048	Glen Ullin 48	203.75	5,356,463	169.06	100.00	69.06	0.41	-	69.06	369,917	790,346	369,917	3,434	373,351	-	-	373,351		

Mill Levy Reduction Grant Projections - Calculation

2011-2012 MLRG Projection																	
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills)		Rate adjustment	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
						Min Rqmt 100 mills	MLRG Ratio										
09-004	Maple Valley 4	323.64	13,542,181	177.54	100.00	75.00	0.42	-	75.00	1,015,664	1,255,400	1,015,664	14,582	1,030,246	-	-	1,030,246
09-006	West Fargo 6	7,649.21	169,182,271	188.26	114.28	75.00	0.40	5.71	75.00	12,688,670	29,671,286	12,688,670	194,361	12,883,031	-	-	12,883,031
09-007	Mapleton 7	107.91	4,481,994	227.48	148.71	75.00	0.33	16.07	75.00	336,150	418,583	336,150	2,747	338,897	-	-	338,897
09-017	Central Cass 17	881.05	17,390,625	156.33	108.90	56.33	0.36	3.20	59.53	1,035,333	3,417,593	1,035,333	11,333	1,046,666	-	-	1,046,666
09-080	Page 80	99.50	4,566,896	166.72	103.58	66.72	0.40	1.43	68.15	311,243	385,961	311,243	5,853	317,096	-	-	317,096
09-097	Northern Cass	596.82	13,450,418	183.85	106.80	75.00	0.41	2.79	75.00	1,008,781	2,315,065	1,008,781	13,465	1,022,246	-	-	1,022,246
10-019	Munich 19	136.63	5,245,308	161.05	110.00	61.05	0.38	3.80	64.85	340,158	529,988	340,158	2,393	342,551	-	-	342,551
10-023	Langdon Area 23	433.51	20,970,619	155.00	60.00	55.00	0.35	(40.00)	15.00	314,559	1,681,585	314,559	6,296	320,855	620,270	-	941,125
11-040	Ellendale 40	380.15	10,872,687	179.45	104.22	75.00	0.42	1.77	75.00	815,452	1,474,602	815,452	10,443	825,895	-	-	825,895
11-041	Oakes 41	517.65	12,303,564	185.00	110.00	75.00	0.41	4.10	75.00	922,767	2,007,964	922,767	16,609	939,376	-	-	939,376
12-001	Divide County 1	314.95	9,848,030	122.95	84.09	22.95	0.19	(15.91)	7.04	69,330	1,221,691	69,330	5,896	75,226	104,229	-	179,456
13-016	Killdeer 16	422.48	9,334,585	158.78	100.00	58.78	0.37	-	58.78	548,687	1,638,800	548,687	25,343	574,030	-	-	574,030
13-019	Halliday 19	34.16	2,262,824	170.63	100.00	70.63	0.41	-	70.63	159,823	132,507	132,507	11,947	144,454	16,645	-	161,099
13-037	Twin Buttes 37	58.71	109,965	-	-	-	-	-	-	-	227,736	-	-	-	-	-	-
14-002	New Rockford-Sheyenne	386.05	8,047,689	165.00	110.00	65.00	0.39	3.90	68.90	554,486	1,497,488	554,486	7,584	562,070	-	-	562,070
15-006	Hazleton-Moffit-Braddock	176.01	4,748,436	160.41	108.00	60.41	0.38	3.04	63.45	301,288	682,743	301,288	4,838	306,126	-	-	306,126
15-010	Bakker 10	7.38	1,365,330	126.46	135.25	26.46	0.21	7.40	33.86	46,233	28,627	28,627	780	29,407	-	-	29,407
15-015	Strasburg 15	189.46	3,614,520	166.54	101.53	66.54	0.40	0.61	67.15	242,722	734,915	242,722	4,198	246,920	-	-	246,920
15-036	Linton 36	367.85	5,727,483	168.97	97.82	68.97	0.41	(2.18)	66.79	382,539	1,426,890	382,539	10,061	392,600	-	-	392,600
16-049	Carrington 49	592.95	14,757,590	159.59	105.00	59.59	0.37	1.85	61.54	908,182	2,300,053	908,182	12,629	920,811	-	-	920,811
17-003	Beach 3	365.07	4,972,312	155.31	100.00	55.31	0.36	-	55.31	275,019	1,416,107	275,019	5,053	280,072	-	-	280,072
17-006	Lone Tree 6	40.03	1,871,611	232.18	98.04	75.00	0.32	(1.96)	73.04	136,702	155,276	136,702	687	137,389	-	-	137,389
18-001	Grand Forks 1	7,695.20	153,540,567	198.96	123.96	75.00	0.38	9.10	75.00	11,515,543	29,849,681	11,515,543	148,793	11,664,336	-	-	11,664,336
18-044	Larimore 44	500.72	9,067,257	185.00	110.00	75.00	0.41	4.10	75.00	680,044	1,942,293	680,044	17,950	697,994	-	-	697,994
18-061	Thompson 61	451.83	8,071,338	184.81	109.70	75.00	0.41	3.98	75.00	605,350	1,752,649	605,350	6,405	611,755	-	-	611,755
18-125	Manvel 125	201.91	4,672,353	190.42	120.10	75.00	0.39	7.84	75.00	350,426	783,209	350,426	8,124	358,550	-	-	358,550
18-127	Emerado 127	110.95	2,518,386	275.13	212.24	75.00	0.27	30.30	75.00	188,879	430,375	188,879	8,447	197,326	-	-	197,326
18-128	Midway 128	270.30	7,250,493	191.36	119.83	75.00	0.39	7.73	75.00	543,787	1,048,494	543,787	12,040	555,827	-	-	555,827
18-129	Northwood 129	308.14	6,696,197	184.06	110.00	75.00	0.41	4.10	75.00	502,215	1,195,275	502,215	6,718	508,933	-	-	508,933
19-018	Roosevelt 18	143.99	2,723,346	177.62	106.94	75.00	0.42	2.91	75.00	204,251	558,537	204,251	2,823	207,074	-	-	207,074
19-049	Elgin-New Leipzig 49	192.18	4,859,092	206.50	130.00	75.00	0.36	10.80	75.00	364,432	745,466	364,432	8,900	373,332	-	-	373,332
20-007	Midkola 7	146.54	7,243,567	185.00	118.29	75.00	0.41	7.50	75.00	543,268	568,429	543,268	10,374	553,642	-	-	553,642
20-018	Griggs County Central 18	347.01	8,796,890	190.00	130.95	75.00	0.39	12.07	75.00	659,767	1,346,052	659,767	7,731	667,498	-	-	667,498
21-001	Mott-Regent 1	298.39	7,994,914	165.00	108.00	65.00	0.39	3.12	68.12	544,614	1,157,455	544,614	8,005	552,619	-	-	552,619
21-009	New England 9	195.48	5,604,167	185.00	110.00	75.00	0.41	4.10	75.00	420,313	758,267	420,313	8,471	428,784	-	-	428,784

Mill Levy Reduction Grant Projections - Calculation

GF Levy3 = 2008 General Fund, Tuition and Transportation Levies.  
 Tax Relief wsu allocation = district wsu \* \$3.879.  
 Limits: Minimum levy effort of 100 mills to qualify for any reduction.  
 Max mill reduction of 75 mills.

Minimum GF Levy3 Requirement 100  
 Maximum GF Levy3 Reduction 75  
 Per wsu rate 3.879  
 Inflator 1.09

Conference Committee : 11.0273.06010 ... remove the limitation on grant increases to the state average taxable

1

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3

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2011-2012 MLRG Projection																	
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustme nt	Adjusted Reduced Mill Rate	Maximum Relief Allowed	Tax Relief wsu allocation	Mill Levy Reduction Grant	2011-12 Addtl Grants Est.	2011-12 Total	Subsection 3 Decrease Hold Harmless	Subsection 4 Overall Growth Limit	2011-12 Total (adjusted)
01-013	Hettinger 13	349.69	7,115,917	168.82	110.00	68.82	0.41	4.10	72.92	518,885	1,356,448	518,885	9,761	528,646	-	-	528,646
02-002	Valley City 2	1,193.48	25,116,099	186.32	111.91	75.00	0.40	4.76	75.00	1,883,707	4,629,509	1,883,707	30,249	1,913,956	-	-	1,913,956
02-007	Barnes County North 7	402.54	17,939,529	167.93	100.21	67.93	0.40	0.08	68.01	1,220,139	1,561,453	1,220,139	13,599	1,233,738	-	-	1,233,738
02-046	Litchville-Marion 46	179.53	8,641,921	162.68	104.14	62.68	0.39	1.61	64.29	555,622	696,397	555,622	7,900	563,522	-	-	563,522
03-005	Minnewaukan 5	288.74	1,907,504	180.17	100.47	75.00	0.42	0.20	75.00	143,063	1,120,022	143,063	4,620	147,683	-	-	147,683
03-006	Leeds 6	206.21	5,992,226	166.52	85.94	66.52	0.40	(14.06)	52.46	314,352	799,889	314,352	3,938	318,290	1,053	-	319,343
03-009	Maddock 9	231.16	5,089,970	171.74	110.00	71.74	0.42	4.20	75.00	381,748	896,670	381,748	6,516	388,264	-	-	388,264
03-016	Oberon 16	63.53	1,243,049	170.24	137.33	70.24	0.41	15.31	75.00	93,229	246,433	93,229	2,272	95,501	-	-	95,501
03-029	Warwick 29	289.13	1,465,993	155.66	84.92	55.66	0.36	(15.08)	40.58	59,490	1,121,535	59,490	3,910	63,400	6,203	-	69,603
03-030	Fl Totten 30	194.90	127,250	328.05	-	75.00	0.23	(75.00)	-	-	756,017	-	-	-	8,207	-	8,207
04-001	Billings Co 1	56.66	6,763,589	34.10	29.57	-	-	-	-	-	219,784	-	-	-	-	-	-
05-001	Bottineau 1	668.87	20,946,814	155.00	72.25	55.00	0.35	(27.75)	27.25	570,801	2,594,547	570,801	15,730	586,531	393,903	-	980,434
05-017	Westhope 17	153.21	4,651,964	165.14	110.00	65.14	0.39	3.90	69.04	321,172	594,302	321,172	2,336	323,508	-	-	323,508
05-054	Newburg-United 54	108.80	5,814,890	168.26	90.78	68.26	0.41	(9.22)	59.04	343,311	414,277	343,311	5,310	348,621	-	-	348,621
06-001	Bowman County 1	468.28	12,734,882	161.21	109.13	61.21	0.38	3.47	64.68	823,685	1,816,458	823,685	30,209	853,894	-	-	853,894
06-033	Scranton 33	180.46	4,472,447	151.21	99.95	51.21	0.34	(0.05)	51.16	228,810	700,004	228,810	4,164	232,974	-	-	232,974
07-014	Bowbells 14	88.60	3,692,821	157.57	95.98	57.57	0.37	(4.02)	53.55	197,751	343,679	197,751	1,866	199,617	-	-	199,617
07-027	Powers Lake 27	125.25	2,527,205	185.00	94.97	75.00	0.41	(5.03)	69.97	176,829	485,845	176,829	3,700	180,529	-	-	180,529
07-036	Burke Central 36	125.14	4,324,199	171.41	93.66	71.41	0.42	(6.34)	65.07	281,376	485,418	281,376	3,095	284,471	-	-	284,471
08-001	Sismarck 1	11,883.54	250,882,766	205.71	124.86	75.00	0.36	8.95	75.00	18,816,207	46,096,252	18,816,207	384,675	19,200,882	-	-	19,200,882
08-025	Naughton 25	6.53	344,346	166.13	74.77	66.13	0.40	(25.23)	40.90	14,084	25,330	14,084	939	15,023	4,199	-	19,222
08-028	Wing 28	136.04	2,458,791	160.08	108.10	60.08	0.38	3.08	63.16	155,292	527,699	155,292	6,967	162,259	-	-	162,259
08-029	Baldwin 29	16.14	1,057,584	218.23	165.47	75.00	0.34	22.26	75.00	79,319	62,607	62,607	3,128	65,735	10,615	-	76,350
08-033	Menoken 33	31.26	1,600,633	200.21	138.54	75.00	0.37	14.26	75.00	120,047	121,258	120,047	2,460	122,507	-	-	122,507
08-035	Sterling 35	29.23	2,604,337	244.15	142.51	75.00	0.31	13.18	75.00	195,325	113,383	113,383	4,959	118,342	9,749	-	128,092
08-039	Apple Creek 39	74.43	3,496,623	214.99	213.60	75.00	0.35	39.76	75.00	262,247	288,714	262,247	3,062	265,309	-	-	265,309
08-045	Manning 45	8.06	323,390	274.97	228.83	75.00	0.27	34.78	75.00	24,254	31,265	24,254	3,433	27,687	-	-	27,687
09-001	Fargo 1	11,330.68	255,562,235	266.31	191.18	75.00	0.28	25.53	75.00	19,167,168	43,951,708	19,167,168	194,017	19,361,185	-	-	19,361,185
09-002	Kindred 2	733.28	15,405,566	166.50	104.97	66.50	0.40	1.99	68.49	1,055,096	2,844,393	1,055,096	14,274	1,069,370	-	-	1,069,370

Mill Levy Reduction Grant Projections - Calculation

		2009-11 MRLG grants		2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
51-016	Sawyer 16	234,227	248,574	295,658	322,485	270,946	295,331	52,065
51-019	Eureka 19	-	-	-	-	-	-	-
51-028	Kenmare 28	579,899	614,801	677,902	738,913	670,133	730,445	16,237
51-041	Surrey 41	293,788	342,024	406,628	443,224	372,806	406,358	70,688
51-070	S Prairie 70	485,652	485,652	434,924	474,067	497,264	542,018	(130,291)
51-161	Lewis and Clark 161	785,631	832,065	917,796	1,000,398	906,951	988,576	22,667
52-025	Fessenden-Bowdon 25	467,432	477,681	524,049	571,213	520,673	567,533	7,056
52-035	Pleasant Valley 3	57,304	60,502	65,952	71,888	65,947	71,882	11
52-038	Harvey 38	722,844	747,202	787,889	858,799	787,889	858,799	(0)
53-001	Williston 1	2,039,939	2,436,434	2,631,123	2,867,924	2,631,123	2,867,924	(0)
53-002	Nesson 2	360,421	417,719	423,115	461,195	455,313	496,291	(67,295)
53-006	Eight Mile 6	135,662	135,662	146,691	159,893	140,794	153,465	12,325
53-008	New 8	701,768	857,644	904,349	985,740	909,123	990,944	(9,978)
53-015	Tioga 15	388,687	455,210	400,585	436,637	496,179	540,835	(199,792)
53-099	Grenora 99	320,329	327,178	382,132	416,523	356,624	388,720	53,311
Statewide Total		144,890,868	154,937,527	165,696,752	180,809,459	163,354,278	178,056,163	4,895,769
Taxable Valuation 2010-2011		299,828,396		346,306,211				
Increase in Taxable Valuation								
Percentage change								
11.0273.06006 version		144,890,868	154,937,527	162,624,823	177,261,057	163,354,278	178,056,163	1,524,561
					339,885,881		341,410,442	

Mill Levy Reduction Grant Projections - Calculation

2009-11 MRLG grants				2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
41-003	N Sargent 3	248,227	248,227	255,039	277,993	255,039	277,993	(0)
41-006	Sargent Central 6	606,778	665,779	775,038	844,791	725,699	791,011	103,120
42-016	Goodrich 16	138,340	139,172	149,987	163,486	149,987	163,486	(0)
42-019	McClusky 19	221,605	230,275	247,221	269,470	247,221	269,470	0
43-003	Solen 3	122,223	124,343	124,343	135,533	124,343	135,533	(0)
43-004	Ft Yates 4	41,240	43,821	46,744	50,951	46,744	50,951	0
43-008	Selfridge 8	108,402	114,413	123,419	134,527	123,419	134,527	(0)
44-012	Marmarth 12	-	-	-	-	-	-	-
44-032	Central Elementary 32	-	-	-	-	-	-	-
45-001	Dickinson 1	3,528,621	3,876,354	4,157,897	4,532,108	4,157,897	4,532,108	(0)
45-009	South Heart 9	236,525	251,097	278,110	303,139	271,575	296,016	13,658
45-013	Belfield 13	161,734	176,197	193,504	210,920	192,054	209,339	3,031
45-034	Richardson-Taylor 34	419,610	462,371	485,092	528,751	485,092	528,751	(0)
46-010	Hope 10	293,553	377,324	570,239	621,560	411,284	448,299	332,216
46-019	Finley-Sharon 19	357,760	462,620	552,242	601,944	504,256	549,639	100,291
47-001	Jamestown 1	2,754,899	2,943,251	3,036,251	3,309,514	3,036,251	3,309,514	0
47-003	Medina 3	284,447	306,365	329,445	359,095	329,445	359,095	(0)
47-010	Pingree-Buchanan	265,069	282,234	307,321	334,979	307,321	334,979	0
47-014	Montpelier 14	207,533	218,594	238,386	259,841	238,267	259,711	248
47-019	Kensal 19	207,356	211,090	224,255	244,437	224,255	244,437	0
48-010	North Star 10	449,925	476,280	419,127	456,848	519,146	565,869	(209,039)
48-028	North Central 28	247,589	262,487	257,806	281,008	262,487	286,111	(9,784)
49-003	Central Valley 3	387,948	405,038	464,864	506,702	437,603	476,987	56,975
49-007	Halton 7	350,445	371,383	395,841	431,467	395,841	431,467	0
49-009	Hillsboro 9	790,363	844,187	918,305	1,000,953	918,305	1,000,953	(0)
49-014	May-Port CG 14	890,503	916,512	981,341	1,069,661	981,341	1,069,661	0
50-003	Grafton 3	835,632	841,958	876,439	955,318	876,439	955,318	0
50-005	Fordville-Lankin 5	205,157	249,284	304,862	332,299	271,720	296,174	69,267
50-020	Minto 20	317,526	319,537	341,013	371,704	341,013	371,704	(0)
50-078	Park River 78	477,414	511,573	555,230	605,201	555,230	605,201	(0)
50-106	Edinburg 106	-	-	-	-	-	-	-
50-128	Adams 128	147,467	147,467	165,691	180,603	156,619	170,715	18,960
51-001	Minot 1	7,875,042	8,771,828	9,765,163	10,644,027	9,561,293	10,421,809	426,088
51-004	Nedrose 4	540,196	622,710	700,432	763,470	678,754	739,842	45,305
51-007	United 7	659,919	724,266	840,993	916,682	789,450	860,501	107,725

Mill Levy Reduction Grant Projections - Calculation

2009-11 MRLG grants			2011-13 MRLG projection		Senate 2011-12	Senate 2012-13	Difference	
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate				2012-13 Estimate
30-049	New Salem - Almont 49	336,964	350,059	384,837	419,473	361,995	394,575	47,740
31-001	New Town 1	302,213	359,228	625,508	681,804	391,559	426,799	488,954
31-002	Stanley 2	529,226	656,220	1,215,270	1,324,644	715,279	779,654	1,044,980
31-003	Parshall 3	294,463	349,939	611,096	666,095	381,434	415,763	479,994
32-001	Dakota Prairie 1	757,682	896,928	1,071,177	1,167,583	977,652	1,065,640	195,468
32-066	Lakota 66	378,813	396,050	460,125	501,536	431,694	470,547	59,419
33-001	Center-Stanton 1	406,113	527,805	568,458	619,619	537,677	586,068	64,332
34-006	Cavalier 6	682,492	701,297	746,106	813,255	746,106	813,255	(0)
34-012	Valley 12	-	-	-	-	-	-	-
34-019	Drayton 19	428,249	445,268	512,209	558,307	485,342	529,023	56,150
34-043	St Thomas 43	247,562	250,377	269,658	293,927	269,658	293,927	(0)
34-100	North Border 100	983,721	1,116,626	1,348,979	1,470,387	1,217,122	1,326,663	275,582
34-118	Valley-Edinburg 118	466,163	506,042	697,623	760,409	551,586	601,228	305,218
35-001	Wolford 1	130,741	133,271	146,336	159,507	145,266	158,339	2,238
35-005	Rugby 5	848,904	885,885	1,087,099	1,184,937	965,615	1,052,520	253,901
36-001	Devils Lake 1	1,629,425	1,718,026	1,782,229	1,942,629	1,782,229	1,942,629	0
36-002	Edmore 2	253,738	263,285	296,877	323,596	278,642	303,719	38,111
36-044	Starkweather 44	222,673	232,493	247,720	270,015	247,720	270,015	0
37-006	Fl Ransom 6	82,544	122,467	137,910	150,322	133,489	145,503	9,240
37-019	Lisbon 19	757,807	801,128	837,414	912,781	837,414	912,781	(0)
37-024	Enderlin Area 24	550,939	572,703	634,160	691,234	599,227	653,157	73,010
38-001	Mohall-Lansford-Sherwood	692,822	727,689	805,055	877,510	793,181	864,567	24,818
38-026	Glenburn 26	327,951	349,899	415,244	452,616	381,389	415,714	70,755
39-008	Hankinson 8	532,487	538,938	553,273	603,067	553,273	603,067	0
39-018	Fairmount 18	324,595	328,687	332,601	362,535	332,601	362,535	0
39-028	Lidgerwood 28	311,343	320,758	336,022	366,264	336,022	366,264	0
39-037	Wahpeton 37	1,750,843	1,818,494	1,840,750	2,006,417	1,840,750	2,006,417	(0)
39-042	Wyndmere 42	449,871	461,451	490,100	534,209	479,643	522,811	21,855
39-044	Richland 44	485,636	505,262	527,166	574,611	527,166	574,611	0
40-001	Dunseith 1	106,007	107,421	120,824	131,698	115,601	126,005	10,916
40-003	St John 3	58,880	59,755	54,027	58,890	65,133	70,995	(23,212)
40-004	Mt Pleasant 4	317,945	335,692	361,540	394,078	361,540	394,078	(0)
40-007	Belcourt 7	-	-	-	-	-	-	-
40-029	Rolette 29	233,026	235,883	257,408	280,575	257,113	280,253	617
41-002	Milnor 2	298,142	301,542	311,823	339,887	311,823	339,887	0

Mill Levy Reduction Grant Projections - Calculation

2009-11 MRLG grants			2011-13 MRLG projection					
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
22-001	Kidder County 10	541,332	591,705	633,008	689,979	633,008	689,979	0
22-014	Robinson 14	86,330	94,598	89,861	97,949	97,104	105,844	(15,138)
23-003	Edgeley 3	474,019	504,143	549,124	598,546	549,124	598,546	(0)
23-007	Kulm 7	445,696	471,757	509,681	555,553	509,681	555,553	(0)
23-008	LaMoure 8	410,030	436,791	506,004	551,545	476,103	518,952	62,494
24-002	Napoteon 2	339,577	360,941	393,635	429,062	393,426	428,834	436
24-056	Gackle-Streeler 56	301,373	314,430	340,440	371,079	338,882	369,381	3,256
25-001	Velva 1	536,911	569,398	758,437	826,696	620,644	676,502	287,987
25-014	Anamoose 14	166,178	171,930	187,755	204,652	187,403	204,270	734
25-057	Drake 57	288,116	297,260	324,752	353,980	322,732	351,778	4,222
25-060	TGU 60	838,438	849,688	989,080	1,078,098	926,160	1,009,515	131,503
26-004	Zeeland 4	209,351	210,421	210,421	229,359	210,421	229,359	0
26-009	Ashley 9	319,141	332,884	377,529	411,507	362,844	395,500	30,692
26-019	Wishek 19	342,365	355,725	390,440	425,579	387,740	422,637	5,641
27-001	McKenzie Co 1	663,017	686,177	754,104	821,974	747,932	815,246	12,899
27-002	Alexander 2	231,030	232,162	263,262	286,955	250,471	273,013	26,733
27-014	Yellowstone 14	139,736	147,051	158,283	172,529	158,283	172,529	(0)
27-018	Earl 18	-	-	-	-	-	-	-
27-032	Horse Creek 32	-	-	-	-	-	-	-
27-036	Mandaree 36	-	-	-	-	-	-	-
28-001	Montefiore 1	287,972	311,831	380,124	414,335	339,896	370,486	84,076
28-004	Washburn 4	353,241	406,178	357,437	389,606	427,232	465,683	(145,871)
28-008	Underwood 8	454,414	514,239	558,654	608,933	558,654	608,933	(0)
28-050	Max 50	248,485	266,427	294,685	321,207	290,406	316,542	8,944
28-051	Garrison 51	544,240	610,637	674,895	735,636	656,469	715,551	38,510
28-072	Turtle Lake-Mercer 72	359,197	392,665	451,402	492,028	426,310	464,678	52,442
28-085	White Shield 85	28,205	30,595	33,488	36,502	33,348	36,350	292
29-003	Hazen 3	493,575	511,639	536,394	584,670	536,394	584,670	0
29-027	Beulah 27	875,574	986,816	1,034,711	1,127,835	1,034,711	1,127,835	(0)
30-001	Mandan 1	4,232,324	4,518,002	4,788,420	5,219,378	4,788,420	5,219,378	(0)
30-004	Little Heart 4	36,821	60,993	60,993	66,482	60,993	66,482	(0)
30-013	Hebron 13	271,233	271,233	288,145	314,078	271,814	296,277	34,132
30-017	Sweet Briar 17	22,451	22,451	22,547	24,576	22,451	24,471	201
30-039	Flasher 39	249,186	265,019	278,291	303,338	278,291	303,338	(0)
30-048	Glen Ullin 48	312,663	346,585	373,351	406,953	373,351	406,953	(0)

Mill Levy Reduction Grant Projections - Calculation

		2009-11 MRLG grants		2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011- 12	Senate 2012- 13	Difference
09-004	Maple Valley 4	754,275	909,654	1,030,246	1,122,968	991,523	1,080,760	80,932
09-006	West Fargo 6	11,746,546	12,351,251	12,883,031	14,042,503	12,883,031	14,042,503	(0)
09-007	Mapleton 7	288,482	314,674	338,897	369,398	338,897	369,398	(0)
09-017	Central Cass 17	877,559	913,147	1,046,666	1,140,866	990,947	1,080,133	116,453
09-080	Page 80	273,928	287,605	317,096	345,635	310,556	338,506	13,669
09-097	Northern Cass	919,859	956,430	1,022,246	1,114,249	1,022,246	1,114,249	(0)
10-019	Munich 19	278,969	303,901	342,551	373,381	322,619	351,655	41,658
10-023	Langdon Area 23	1,001,245	1,069,460	941,125	1,025,826	1,159,680	1,264,051	(456,779)
11-040	Ellendale 40	634,390	776,411	825,895	900,225	825,895	900,225	(0)
11-041	Oakes 41	771,313	899,139	939,376	1,023,920	939,376	1,023,920	0
12-001	Divide County 1	196,490	203,927	179,456	195,607	222,280	242,286	(89,504)
13-016	Killdeer 16	498,745	524,935	574,030	625,692	572,179	623,675	3,868
13-019	Halliday 19	150,635	161,099	161,099	175,598	161,099	175,598	(0)
13-037	Twin Buttes 37	-	-	-	-	-	-	-
14-002	New Rockford-Sheyenne	475,959	494,683	562,070	612,656	530,684	578,445	65,597
15-006	Hazleton-Moffit-Graddock	258,118	262,885	306,126	333,677	286,544	312,333	40,925
15-010	Bakker 10	19,189	24,904	29,407	32,053	27,145	29,588	4,727
15-015	Sirasburg 15	223,253	225,863	246,920	269,143	244,708	266,732	4,623
15-036	Linton 36	390,423	390,423	392,600	427,934	405,086	441,544	(26,096)
16-049	Carrington 49	802,089	843,616	920,811	1,003,684	893,510	973,926	57,059
17-003	Beach 3	254,384	262,685	280,072	305,276	280,072	305,278	(0)
17-006	Lone Tree 6	112,883	112,883	137,389	149,754	123,042	134,116	29,984
18-001	Grand Forks 1	10,883,801	11,329,471	11,664,336	12,714,127	11,664,336	12,714,127	0
18-044	Larimore 44	614,621	641,592	697,994	760,813	697,994	760,813	0
18-061	Thompson 61	552,136	583,697	611,755	666,813	611,755	666,813	(0)
18-125	Marvel 125	333,911	343,556	358,550	390,820	358,550	390,820	(0)
18-127	Emerado 127	178,561	188,300	197,326	215,085	197,326	215,085	(0)
18-128	Midway 128	506,471	520,219	555,827	605,851	555,827	605,851	0
18-129	Northwood 129	445,662	470,528	508,933	554,737	508,933	554,737	0
19-018	Roosevelt 18	187,380	193,206	207,074	225,711	207,074	225,711	0
19-049	Elgin-New Leipzig 49	345,526	345,526	373,332	406,932	373,332	406,932	(0)
20-007	Midkola 7	466,887	492,721	553,642	603,470	537,066	585,402	34,643
20-018	Griggs County Central 18	490,231	526,589	667,498	727,573	573,982	625,640	195,448
21-001	Moti-Regent 1	501,196	505,580	552,619	602,355	527,674	575,165	52,135
21-009	New England 9	410,760	419,419	428,784	467,374	428,784	467,374	(0)

Mill Levy Reduction Grant Projections - Calculation

GF Levy3 = 2008 General Fund, Tuition and Transportation Levies.

Tax Relief vsu allocation = district wsu \* \$3,879.

Limits: Minimum levy effort of 100 mills to qualify for any reduction.

Max mill reduction of 75 mills.

Conference Committee : 11.0273.06010 ... remove the limitation on grant increases to the state average taxable valuation increase.

		2009-11 MRLG grants		2011-13 MRLG projection				
CoDist	Entity Name	2009-10 Total	2010-11 Total (adjusted)	2011-12 Estimate	2012-13 Estimate	Senate 2011-12	Senate 2012-13	Difference
01-013	Hettinger 13	488,689	488,689	528,646	576,224	499,472	544,424	60,974
02-002	Valley City 2	1,447,122	1,791,329	1,913,956	2,086,212	1,913,956	2,086,212	0
02-007	Barnes County North 7	1,109,946	1,153,625	1,233,738	1,344,774	1,232,231	1,343,131	3,150
02-046	Litchville-Marion 46	458,223	496,870	563,522	614,239	541,588	590,331	45,841
03-005	Minnewaukan 5	125,305	136,960	147,683	160,974	147,683	160,974	(0)
03-006	Leeds 6	326,937	362,890	319,343	348,084	395,550	431,150	(159,273)
03-009	Maddock 9	319,664	339,284	388,264	423,208	369,820	403,104	38,549
03-016	Oberon 16	75,944	80,691	95,501	104,096	87,953	95,869	15,774
03-029	Warwick 29	76,321	79,094	69,603	75,867	85,507	93,202	(33,239)
03-030	Ft Totten 30	9,326	9,326	8,207	8,946	9,544	10,403	(2,794)
04-001	Billings Co t	-	-	-	-	-	-	-
05-001	Bottineau 1	868,137	1,114,129	980,434	1,068,673	1,167,805	1,272,907	(391,606)
05-017	Westhope 17	249,916	270,684	323,508	352,623	295,045	321,599	59,487
05-054	Newburg-United 54	348,845	363,675	348,621	379,997	396,405	432,082	(99,869)
06-001	Bowman County 1	670,459	731,127	853,894	930,745	796,929	868,652	119,059
06-033	Scranton 33	208,066	227,136	232,974	253,942	233,198	254,186	(468)
07-014	Bowbells 14	177,915	187,275	199,617	217,582	204,130	222,501	(9,432)
07-027	Powers Lake 27	159,185	167,389	180,529	196,776	182,454	198,875	(4,025)
07-036	Burke Central 36	262,234	275,310	284,471	310,074	300,087	327,095	(32,638)
08-001	Bismarck 1	17,505,961	18,628,920	19,200,882	20,928,961	19,200,882	20,928,961	(0)
08-025	Naughton 25	21,644	21,843	19,222	20,951	23,711	25,845	(9,383)
08-028	Wing 28	142,664	146,354	162,259	176,863	154,691	168,614	15,817
08-029	Baldwin 29	76,350	76,350	76,350	83,221	76,350	83,221	(0)
08-033	Menoken 33	88,005	97,612	122,507	133,532	106,397	115,972	33,670
08-035	Sterling 35	128,092	128,092	128,092	139,620	126,445	137,825	3,440
08-039	Apple Creek 39	230,033	251,605	265,309	289,187	265,309	289,187	0
08-045	Manning 45	21,842	25,380	27,687	30,178	27,665	30,155	46
09-001	Fargo 1	18,239,963	18,888,013	19,361,185	21,103,691	19,361,185	21,103,691	0
09-002	Kindred 2	973,371	994,566	1,069,370	1,165,613	1,038,744	1,132,231	64,008

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State/County edID	Entity Name	2009 GFLevy3	2010 GFLevy3	2011 GFLevy3	2009 Tax value	2010 Tax value	2011 Tax value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr %
31-003	Parshall 3	179.70	104.70	100.00	3,787,565	4,506,833	7,974,612	75.00	294,463	349,110	19%
53-001	Williston 1	188.33	109.08	110.00	26,520,142	31,558,091	34,070,448	75.00	2,039,939	2,421,223	19%
32-001	Dakota Prairie 1	185.00	110.00	97.47	9,865,083	11,780,191	14,579,220	75.00	757,682	902,517	19%
09-004	Maple Valley 4	177.54	100.00	100.00	9,763,214	11,950,345	13,542,181	75.00	754,275	919,797	22%
50-005	Fordville-Lankin 5	166.03	110.00	110.00	3,054,044	3,733,903	4,310,738	66.03	205,157	250,284	22%
11-040	Ellendale 40	179.45	104.95	104.22	8,358,767	10,224,408	10,872,687	75.00	634,390	774,818	22%
31-002	Stanley 2	185.00	110.00	110.00	6,876,284	8,542,304	15,977,648	75.00	529,226	655,089	24%
02-002	Valley City 2	186.32	111.49	111.91	18,926,056	23,514,378	25,116,099	75.00	1,447,122	1,793,114	24%
53-008	New 8	167.94	119.93	113.88	9,997,395	12,798,685	14,570,368	67.94	701,768	881,711	26%
05-001	Bottineau 1	155.00	73.63	72.25	15,522,763	19,994,511	20,946,814	55.00	868,137	1,115,054	28%
46-010	Hope 10	173.17	104.98	100.88	3,926,803	5,086,458	8,128,576	73.17	293,553	378,825	29%
46-019	Finley-Sharon 19	185.00	110.00	103.13	4,696,042	6,108,611	7,298,203	75.00	357,760	464,078	30%
33-001	Center-Stanton 1	170.04	109.92	109.99	5,622,443	7,387,477	7,515,074	70.04	406,113	530,568	31%
37-006	Ft Ransom 6	238.16	155.67	89.99	1,065,539	1,602,385	2,761,908	75.00	82,544	122,986	49%
30-004	Little Heart 4	195.70	171.36	171.75	873,770	863,274	858,327	75.00	39,450	62,114	57%
04-001	Billings Co 1	34.10	32.75	29.57	5,865,200	6,107,775	6,763,589	-	-	-	0%
13-037	Twin Buttes 37	-	-	-	100,961	101,547	109,965	-	-	-	0%
18-140	Grand Forks AFB 140	-	-	-	21,160	20,743	21,438	-	-	-	0%
27-018	Earl 18	19.48	19.17	16.94	528,503	537,195	608,169	-	-	-	0%
27-032	Horse Creek 32	58.16	39.45	40.78	1,719,231	2,408,432	2,207,032	-	-	-	0%
27-036	Mandaree 36	76.19	71.21	15.49	91,876	98,297	452,012	-	-	-	0%
30-007	New Salem 7	161.19	-	-	4,541,332	-	-	-	-	-	0%
30-008	Sims 8	135.05	-	-	1,547,586	-	-	-	-	-	0%
34-118	Valley-Edinburg 118	-	-	122.00	-	-	9,206,001	75.00	-	508,509	0%
40-007	Belcourt 7	-	-	-	428,221	436,210	471,793	-	-	-	0%
44-012	Marmarth 12	49.04	43.93	43.93	2,055,512	2,294,640	2,294,707	-	-	-	0%
44-032	Central Elem 32	27.98	25.94	25.89	1,429,548	1,541,729	1,544,929	-	-	-	0%
50-051	Nash 51	199.47	-	-	932,971	-	-	-	-	-	0%
51-160	Minot AFB 160	-	-	-	-	-	-	-	-	-	0%

Note: The Mill Levy Reduction grants are subject to the excess fund balance offset provision.

State/SSU edID	EntityName	2009 GFLevy3	2010 GFLevy3	2011 GFLevy3	2009Taxvalue	2010Taxvalue	2011Taxvalue	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr. %
28-001	Wilton 1	164.76	100.92	100.87	4,303,270	4,686,990	5,700,132	64.76	287,972	313,448	9%
09-007	Mapleton 7	227.48	156.57	148.71	3,821,770	4,162,056	4,481,994	75.00	288,482	314,128	9%
22-014	Robinson 14	164.57	100.00	95.00	1,297,774	1,414,233	1,448,469	64.57	86,330	94,021	9%
45-001	Dickinson 1	185.00	110.00	109.99	46,334,099	50,487,354	54,133,507	75.00	3,528,621	3,843,731	9%
52-035	Pleasant Valley 35	186.66	120.11	117.06	1,141,084	1,197,066	1,329,860	75.00	57,304	62,441	9%
10-019	Munich 19	161.05	110.00	110.00	4,533,167	4,941,932	5,245,308	61.05	278,969	304,074	9%
45-034	Richardton-Taylor 34	185.00	110.00	110.00	5,474,759	5,995,859	6,283,586	75.00	419,610	459,300	9%
06-001	Bowman Co 1	161.21	108.00	109.13	10,486,620	11,491,784	12,734,882	61.21	670,459	733,914	9%
41-006	Sargent Central 6	189.01	113.31	106.78	7,982,999	8,755,884	10,201,767	75.00	606,778	665,288	10%
13-019	Halliday 19	170.63	100.00	100.00	1,995,491	2,137,588	2,262,824	70.63	150,635	165,268	10%
28-072	Turtle Lake-Mercer 72	166.35	109.99	110.00	5,260,069	5,778,487	6,273,013	66.35	359,197	394,282	10%
08-039	Apple Creek 39	214.99	178.80	213.60	3,018,037	3,317,268	3,496,623	75.00	230,033	252,724	10%
02-046	Litchville-Marion 46	162.68	100.87	104.14	7,103,467	7,811,460	8,641,821	62.68	458,223	503,476	10%
05-017	Westhope 17	165.14	103.00	110.00	3,748,449	4,122,517	4,651,964	65.14	249,916	274,670	10%
28-085	White Shield 85	185.00	110.00	110.00	333,746	368,714	403,758	75.00	28,205	31,042	10%
51-001	Minot 1	191.99	118.86	116.03	103,001,261	113,430,597	127,362,513	75.00	7,846,730	8,707,997	11%
06-033	Scranton 33	151.21	91.55	99.95	3,920,379	4,360,787	4,472,447	51.21	208,066	231,112	11%
51-007	United 7	179.08	109.65	103.61	8,493,014	9,264,257	10,980,766	75.00	654,474	727,278	11%
30-017	Sweet Briar 17	136.20	106.71	107.98	475,341	537,476	577,352	36.20	22,451	25,054	12%
03-006	Leeds 6	166.52	95.35	85.94	4,834,312	5,401,042	5,992,226	66.52	326,937	364,998	12%
30-048	Glen Ullin 48	169.06	96.52	100.00	4,436,229	4,972,988	5,356,463	69.06	312,663	350,157	12%
28-051	Garrison 51	163.00	109.60	104.64	8,435,732	9,474,705	10,182,581	63.00	544,240	610,559	12%
28-008	Underwood 8	176.01	113.02	109.23	5,866,586	6,615,742	7,186,273	75.00	454,414	511,574	13%
34-100	North Border 100	185.00	110.00	110.00	12,910,468	14,548,522	17,615,985	75.00	983,721	1,107,617	13%
28-004	Washburn 4	155.92	108.70	72.56	6,232,630	7,081,816	7,441,952	55.92	353,241	401,046	14%
51-004	Nedrose 4	191.97	114.46	95.29	7,043,056	8,099,190	9,728,064	75.00	540,196	620,214	15%
53-015	Tioga 15	153.37	94.94	74.19	6,890,074	7,982,688	11,442,057	53.37	388,687	448,415	15%
08-033	Menoken 33	200.21	141.93	138.54	1,395,381	1,490,128	1,600,633	75.00	88,005	101,682	16%
11-041	Oakes 41	185.00	111.00	110.00	10,153,983	11,785,346	12,303,564	75.00	771,313	894,324	16%
51-041	Surrey 41	197.71	108.54	102.07	3,842,024	4,464,858	5,317,652	75.00	293,788	340,881	16%
53-002	Nesson 2	172.83	92.40	93.55	4,824,620	5,638,270	6,257,813	72.83	360,421	420,290	17%
08-045	Manning 45	274.97	258.06	228.83	248,192	296,418	323,390	75.00	21,842	25,678	18%

State/Issue ID	Entity Name	2009 GFLevy3	2010 GFLevy3	2011 GFLevy3	2009 Taxvalue	2010 Taxvalue	2011 Taxvalue	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr. %
25-001	Velva 1	163.69	110.00	105.13	8,247,340	8,747,622	11,342,107	63.69	536,911	569,559	6%
29-027	Beulah 27	185.00	110.00	109.96	11,262,227	11,947,833	12,477,564	75.00	875,574	929,080	6%
08-001	Bismarck 1	205.71	124.60	124.86	229,643,662	243,653,423	250,882,766	75.00	17,505,961	18,575,774	6%
43-004	Ft Yates 4	185.00	109.65	109.69	511,545	542,643	577,863	75.00	41,240	43,766	6%
27-001	McKenzie Co 1	156.38	105.00	100.76	10,874,714	11,538,680	12,625,353	56.38	663,017	703,820	6%
47-001	Jamestown 1	192.03	117.00	117.02	36,217,958	38,452,496	39,621,322	75.00	2,754,899	2,925,092	6%
23-007	Kulm 7	178.77	101.68	100.02	5,901,489	6,220,123	6,719,479	75.00	445,696	473,580	6%
27-014	Yellowstone 14	181.79	132.15	126.72	1,795,798	1,911,759	2,057,119	75.00	139,736	148,774	6%
47-010	Pingree-Buchanan 10	177.00	101.79	102.00	3,492,566	3,718,763	4,049,257	75.00	265,069	282,246	6%
48-028	North Central 28	165.54	103.05	94.38	3,727,308	3,969,049	4,450,099	65.54	247,589	263,655	6%
49-009	Hillsboro 9	185.00	110.00	110.00	10,417,739	11,095,647	12,069,486	75.00	790,363	841,816	7%
23-003	Edgeley 3	180.71	109.50	107.56	6,242,210	6,649,546	7,242,783	75.00	474,019	504,964	7%
37-019	Lisbon 19	185.00	109.86	108.98	9,846,535	10,494,825	10,961,807	75.00	757,807	807,733	7%
23-008	LaMoure 8	158.01	109.00	109.98	6,866,714	7,324,037	7,990,045	58.01	410,030	437,349	7%
51-161	Lewis and Clark 161	178.74	119.54	92.71	10,168,412	10,850,048	13,260,041	75.00	785,631	838,306	7%
51-016	Sawyer 16	185.00	110.00	103.23	3,007,666	3,210,768	3,831,888	75.00	234,227	250,044	7%
03-030	Ft. Totten 30	328.05	102.98		115,549	123,424	127,250	75.00	9,326	9,962	7%
09-080	Page 80	166.72	102.67	103.58	3,958,798	4,230,138	4,566,896	66.72	273,928	292,694	7%
43-008	Selfridge 8	184.27	109.72	109.08	1,415,902	1,512,947	1,631,893	75.00	108,402	115,829	7%
45-009	South Heart 9	159.40	100.36	103.95	3,866,433	4,134,921	4,471,352	59.40	236,525	252,936	7%
03-016	Oberon 16	170.24	107.25	137.33	1,043,938	1,119,118	1,243,049	70.24	75,944	81,401	7%
51-028	Kenmare 28	181.47	99.30	97.62	7,549,644	8,094,634	9,219,287	75.00	579,899	621,696	7%
28-050	Max 50	178.46	106.70	81.80	3,241,502	3,478,064	5,081,171	75.00	248,485	266,590	7%
50-078	Park River 78	188.00	112.90	112.92	6,221,449	6,728,670	7,302,453	75.00	477,414	512,576	7%
51-070	South Prairie 70	161.82	120.62	91.91	5,677,741	6,110,191	7,705,808	61.82	485,652	521,475	7%
47-003	Medina 3	185.00	110.00	110.00	3,731,709	4,007,616	4,308,394	75.00	284,447	305,449	7%
10-023	Langdon Area 23	155.00	100.00	60.00	17,999,232	19,339,715	20,970,619	55.00	1,001,245	1,075,733	7%
20-018	Griggs County Central 18	190.00	120.57	130.95	6,411,861	6,926,621	8,796,890	75.00	490,231	529,468	8%
38-026	Glenburn 26	185.00	110.00	94.85	4,194,620	4,458,536	5,791,140	75.00	325,410	351,749	8%
03-005	Minnewaukan 5	180.17	101.66	100.47	1,634,934	1,769,616	1,907,504	75.00	125,305	135,588	8%
45-013	Belfield 13	185.00	110.00	110.00	2,085,528	2,263,314	2,486,347	75.00	161,734	175,427	8%
22-001	Kidder County 1	155.00	100.00	100.00	9,644,161	10,472,328	11,197,571	55.00	541,332	587,617	9%

State/County edID	EntityName	2009 GFLevy3	2010 GFLevy3	2011 GFLevy3	2009Taxvalue	2010Taxvalue	2011Taxvalue	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr.%
25-057	Drake 57	171.68	95.97	101.09	3,891,002	4,063,935	4,411,823	71.68	288,116	301,133	5%
12-001	Divide County 1	122.95	95.74	84.09	8,281,915	8,649,999	9,848,030	22.95	196,490	205,370	5%
02-007	Barnes County North 7	167.93	101.20	100.21	16,078,048	16,798,905	17,939,529	67.93	1,109,946	1,160,112	5%
05-054	Newburg-United 54	168.26	95.66	90.78	5,028,475	5,256,418	5,814,890	68.26	348,845	364,782	5%
39-044	Richland 44	185.00	109.65	109.94	6,345,864	6,635,992	6,918,979	75.00	485,636	508,050	5%
42-019	McClusky 19	186.11	109.41	109.46	2,848,157	2,979,604	3,197,372	75.00	221,605	232,002	5%
24-056	Gackle-Streeter 56	157.05	105.06	100.74	5,183,046	5,425,653	5,846,544	57.05	301,373	315,596	5%
09-006	West Fargo 6	188.26	113.26	114.28	154,815,661	162,305,976	169,182,271	75.00	11,746,546	12,317,457	5%
36-044	Starkweather 44	175.43	102.00	100.00	2,939,109	3,082,993	3,284,513	75.00	222,673	233,616	5%
18-127	Emerado 127	275.13	223.08	212.24	2,295,855	2,407,346	2,518,386	75.00	178,561	187,353	5%
09-097	Northern Cass 97	183.85	107.91	106.80	12,001,095	12,587,681	13,450,418	75.00	919,859	965,188	5%
16-049	Carrington 49	159.69	103.11	105.00	13,272,805	13,939,183	14,757,590	59.69	802,089	842,529	5%
36-001	Devils Lake 1	188.00	110.00	110.00	21,383,826	22,457,948	23,273,574	75.00	1,629,425	1,711,715	5%
32-066	Lakota 66	185.00	110.00	105.95	4,943,046	5,202,675	6,049,987	75.00	378,813	398,831	5%
40-004	Mt Pleasant 4	180.03	109.75	109.27	4,193,814	4,419,128	4,758,658	75.00	317,945	335,074	5%
38-001	Mohall-Lansford-Sherwood 1	167.02	100.00	97.61	10,178,719	10,736,157	12,318,896	67.02	692,822	730,900	5%
07-036	Burke Central 36	171.41	102.21	93.66	3,616,969	3,815,570	4,324,199	71.41	262,234	276,682	6%
18-129	Northwood 129	184.06	110.00	110.00	5,867,561	6,191,529	6,696,197	75.00	445,662	470,337	6%
47-014	Montpelier 14	185.00	110.00	110.00	2,726,909	2,878,095	3,138,710	75.00	207,533	219,075	6%
18-061	Thompson 61	184.81	109.40	109.70	7,299,030	7,704,277	8,071,338	75.00	552,136	582,848	6%
49-007	Hatton 7	203.50	128.19	110.00	4,617,774	4,875,793	5,195,066	75.00	350,445	370,074	6%
03-029	Warwick 29	155.66	94.71	84.92	1,284,880	1,356,579	1,465,993	55.66	76,321	80,636	6%
37-024	Enderlin Area 24	166.07	103.71	109.84	8,034,946	8,489,756	8,875,149	66.07	550,939	582,343	6%
07-014	Bowbells 14	157.57	108.12	95.98	3,046,340	3,223,260	3,692,821	57.57	177,915	188,272	6%
13-016	Killdeer 16	158.78	100.00	100.00	8,067,281	8,534,954	9,334,585	58.78	498,745	527,892	6%
08-025	Naughton 25	166.13	103.91	74.77	306,997	324,982	344,346	66.13	21,644	22,924	6%
48-010	North Star 10	157.66	94.41	86.24	7,717,636	8,174,723	8,948,785	57.66	449,925	476,613	6%
24-002	Napoleon 2	176.84	109.98	100.86	4,467,212	4,733,386	5,162,173	75.00	339,577	359,846	6%
03-009	Maddock 9	171.74	110.00	110.00	4,384,537	4,646,027	5,089,970	71.74	319,664	338,769	6%
20-007	Midkota 7	185.00	114.22	118.29	6,079,789	6,442,721	7,243,567	75.00	466,887	494,843	6%
07-027	Powers Lake 27	185.00	109.76	94.97	2,062,671	2,186,601	2,527,205	75.00	159,185	168,782	6%
30-001	Mandan 1	185.00	109.98	109.18	55,466,873	58,806,685	62,283,248	75.00	4,232,324	4,487,692	6%

State/County	Entity Name	2009 GF Levy	2010 GF Levy	2011 GF Levy	2009 Tax Value	2010 Tax Value	2011 Tax Value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr %
39-028	Lidgerwood 28	190.61	115.96	116.38	4,102,014	4,192,501	4,388,439	75.00	311,343	318,379	2%
35-001	Wolford 1	210.00	135.00	135.00	1,726,343	1,766,143	1,939,370	75.00	130,741	133,811	2%
15-006	Hazelton-Moffit-Braddock 6	160.41	106.98	108.00	4,176,781	4,278,208	4,748,436	60.41	258,118	264,637	3%
52-025	Fessenden-Bowdon 25	156.61	97.55	100.73	8,153,792	8,358,608	9,128,135	56.61	467,432	479,421	3%
09-002	Kindred 2	166.50	105.01	104.97	14,375,882	14,758,949	15,405,566	66.50	973,371	1,000,018	3%
39-042	Wyndmere 42	163.27	96.57	103.56	7,043,705	7,248,532	7,532,019	63.27	449,871	463,115	3%
39-037	Wahpeton 37	186.65	111.65	111.65	22,803,037	23,472,371	23,699,437	75.00	1,750,843	1,803,785	3%
49-014	May-Port CG 14	185.00	110.00	110.00	11,755,737	12,106,889	12,961,076	75.00	890,503	917,435	3%
08-035	Sterling 35	244.15	177.84	142.51	2,248,672	2,396,133	2,604,337	75.00	128,092	132,009	3%
34-006	Cavalier 6	185.96	110.00	110.00	8,935,791	9,205,019	9,789,355	75.00	682,492	703,515	3%
09-001	Fargo 1	266.31	191.31	191.18	241,961,324	249,466,881	255,562,235	75.00	18,239,963	18,809,149	3%
18-125	Manvel 125	190.42	120.13	120.10	4,338,706	4,481,364	4,672,353	75.00	333,911	345,184	3%
08-028	Wing 28	160.08	108.00	108.10	2,256,431	2,329,591	2,458,791	60.08	142,664	147,539	3%
53-099	Grenora 99	185.00	110.00	109.31	4,165,165	4,303,982	5,031,435	75.00	320,329	331,277	3%
17-003	Beach 3	155.31	100.00	100.00	4,513,532	4,665,507	4,972,312	55.31	254,384	263,111	3%
18-001	Grand Forks 1	198.96	123.96	123.96	144,094,077	149,239,508	153,540,567	75.00	10,883,801	11,274,888	4%
29-003	Hazen 3	185.00	109.99	110.00	6,426,102	6,655,915	6,974,051	75.00	493,575	511,595	4%
30-049	New Salem-Almont 49	-	110.00	110.00	-	6,316,688	6,526,446	54.55	336,964	349,714	4%
26-019	Wishek 19	176.02	105.84	106.86	4,491,552	4,663,081	5,118,741	75.00	342,365	355,601	4%
19-018	Roosevelt 18	177.62	98.86	106.94	2,448,244	2,541,550	2,723,346	75.00	187,380	194,632	4%
18-044	Larimore 44	185.00	110.00	110.00	8,024,193	8,334,989	9,067,257	75.00	614,621	638,796	4%
21-009	New England 9	185.00	109.00	110.00	5,285,474	5,488,630	5,604,167	75.00	410,760	426,965	4%
52-038	Harvey 38	182.17	109.46	104.45	9,246,383	9,605,210	10,115,533	75.00	722,844	751,738	4%
26-009	Ashley 9	174.25	115.70	106.67	4,218,219	4,388,505	4,931,435	74.25	319,141	332,185	4%
14-002	New Rockford-Sheyenne 2	165.00	108.00	110.00	7,204,749	7,503,468	8,047,689	65.00	475,959	495,892	4%
34-019	Drayton 19	208.44	137.00	138.08	5,642,471	5,879,190	6,766,531	75.00	428,249	446,345	4%
35-005	Rugby 5	185.00	110.00	99.36	11,143,781	11,618,978	14,407,406	75.00	848,904	885,429	4%
49-003	Central Valley 3	157.05	110.00	110.00	6,717,488	7,009,910	7,572,635	57.05	387,948	404,948	4%
09-017	Central Cass 17	156.33	109.00	108.90	15,352,871	16,026,079	17,390,625	56.33	877,559	916,341	4%
25-014	Anamoose 14	201.51	112.74	115.61	2,058,677	2,146,274	2,344,117	75.00	166,178	173,543	4%
30-039	Flasher 39	185.19	110.00	110.00	3,319,195	3,466,332	3,637,234	75.00	249,186	260,237	4%
36-002	Edmore 2	150.00	110.00	110.00	4,999,718	5,222,381	5,525,628	50.00	253,738	265,124	4%

State/County ed ID	Entity Name	2009 GF Levy %	2010 GF Levy %	2011 GF Levy %	2009 Tax value	2010 Tax value	2011 Tax value	MLRG rate	2010 MLRG	2011 MLRG	Grant Incr %
31-001	New Town 1	180.97	98.96	106.57	3,792,083	4,492,754	8,016,433	75.00	302,213	-	-100%
34-012	Valley 12	197.49	120.89		3,870,331	4,122,837		-	308,824	-	-100%
50-106	Edinburg 106	189.78	110.00		2,039,272	2,536,643			157,339	-	-100%
51-019	Eureka 19	155.14	235.30		1,126,593	1,176,748		-	36,298	-	-100%
15-010	Bakker 10	126.46	136.00	135.25	1,170,215	1,210,343	1,365,330	26.46	30,988	286	-99%
08-029	Baldwin 29	218.23	139.33	165.47	985,180	1,023,452	1,057,584	75.00	76,350	63,620	-17%
53-006	Eight Mile 6	170.27	104.98	107.39	1,879,326	1,790,261	1,946,135	70.27	135,662	129,647	-4%
15-036	Linton 36	168.97	101.77	97.82	5,572,866	5,475,610	5,727,483	68.97	390,423	384,124	-2%
17-006	Lone Tree 6	232.18	132.31	98.04	1,492,382	1,474,703	1,871,611	75.00	112,883	111,621	-1%
42-016	Goodrich 16	189.26	113.00	112.64	1,781,126	1,761,753	1,897,510	75.00	138,340	137,209	-1%
50-128	Adams 128	169.84	110.00	110.00	2,066,679	2,066,592	2,212,535	69.84	147,467	147,672	0%
26-004	Zeeland 4	176.98	110.00	110.00	2,776,375	2,794,493	2,762,515	75.00	209,351	210,786	1%
43-003	Solen 3	185.00	109.34	110.00	1,601,125	1,610,754	1,512,689	75.00	122,223	123,089	1%
50-003	Grafton 3	185.00	110.00	110.00	10,264,692	11,032,032	11,474,301	75.00	835,632	841,979	1%
39-008	Hankinson 8	180.87	110.00	110.00	7,024,709	7,079,403	7,260,965	75.00	532,487	536,969	1%
19-049	Elgin-New Leipzig 49	206.50	130.00	130.00	4,466,676	4,497,726	4,859,092	75.00	345,526	348,565	1%
15-015	Strasburg 15	166.54	108.80	101.53	3,309,726	3,336,518	3,614,520	66.54	223,253	225,240	1%
01-013	Hettinger 13	168.82	110.00	110.00	6,892,484	6,949,297	7,115,817	68.82	488,689	493,567	1%
50-020	Minto 20	189.01	115.99	115.36	4,152,116	4,193,411	4,473,715	75.00	317,526	321,036	1%
41-003	North Sargent 3	177.82	108.32	106.04	3,207,659	3,237,606	3,335,987	75.00	248,227	250,990	1%
39-018	Fairmount 18	188.06	110.00	110.00	4,290,198	4,339,392	4,387,703	75.00	324,595	328,475	1%
40-029	Rolette 29	192.43	116.18	116.00	3,051,452	3,085,169	3,366,769	75.00	233,026	235,836	1%
41-002	Minor 2	188.22	115.09	113.12	3,886,995	3,929,837	4,058,743	75.00	298,142	301,801	1%
40-003	St John 3	161.47	98.38	85.99	867,035	874,181	1,000,116	61.47	58,880	59,696	1%
34-043	St Thomas 43	209.34	132.68	131.05	3,262,509	3,307,362	3,561,653	75.00	247,562	251,120	1%
27-002	Alexander 2	168.89	105.00	109.07	3,149,208	3,190,026	3,439,590	68.89	231,030	234,792	2%
40-001	Dunseith 1	162.53	115.90	107.76	1,623,789	1,646,698	1,771,109	62.53	106,007	107,741	2%
30-013	Hebron 13	165.97	104.84	110.00	3,988,094	4,056,340	4,082,864	65.97	271,233	276,284	2%
25-060	TGU 60	171.96	109.98	110.00	11,339,961	11,547,101	12,915,107	71.96	838,438	854,857	2%
47-019	Kensal 19	185.00	110.00	110.00	2,745,788	2,800,486	2,974,749	75.00	207,356	211,554	2%
21-001	Mott-Regent 1	165.00	110.00	108.00	7,509,528	7,665,170	7,994,914	65.00	501,196	512,196	2%
18-128	Midway 128	191.36	120.00	119.83	6,647,782	6,788,977	7,250,493	75.00	506,471	517,592	2%

School District Taxable Valuation

Sum of TaxValue

Column Labels

Row Labels	2007	2008	2009	2010	2011	2007-08 Change	2008-2009 Change	2009-10 Change	2010-11 Change
01-013 Hettinger 13	6,623,870	6,800,832	6,892,484	6,949,297	7,115,817	3%	1%	1%	2%
02-002 Valley City 2	16,921,764	17,869,538	18,926,056	23,514,378	25,116,099	6%	6%	24%	7%
02-007 Barnes County North 7		15,561,691	16,078,048	16,798,905	17,939,529	0%	3%	4%	7%
02-046 Litchville-Marion 46	6,774,116	6,971,405	7,103,467	7,811,460	8,641,821	3%	2%	10%	11%
03-005 Minnewaukan 5	1,592,220	1,607,423	1,634,934	1,769,616	1,907,504	1%	2%	8%	8%
03-006 Leeds 6	4,640,554	4,711,034	4,834,312	5,401,042	5,992,226	2%	3%	12%	11%
03-009 Maddock 9	4,259,762	4,347,197	4,384,537	4,646,027	5,089,970	2%	1%	6%	10%
03-016 Oberon 16	1,045,274	1,044,228	1,043,938	1,119,118	1,243,049	0%	0%	7%	11%
03-029 Warwick 29	1,226,876	1,254,800	1,284,880	1,356,579	1,465,993	2%	2%	6%	8%
03-030 Ft Totten 30	120,157	118,837	115,549	123,424	127,250	-1%	-3%	7%	3%
04-001 Billings Co 1	5,143,741	5,478,295	5,865,200	6,107,775	6,763,589	7%	7%	4%	11%
05-001 Bottineau 1	12,712,022	13,191,951	15,522,763	19,994,511	20,946,814	4%	18%	29%	5%
05-017 Westhope 17	3,717,065	3,718,753	3,748,449	4,122,517	4,651,964	0%	1%	10%	13%
05-054 Newburg-United 54	5,115,724	5,048,348	5,028,475	5,256,418	5,814,890	-1%	0%	5%	11%
06-001 Bowman County 1	8,020,930	9,649,424	10,486,620	11,491,784	12,734,882	20%	9%	10%	11%
06-033 Scranton 33	3,614,419	3,677,321	3,920,379	4,360,787	4,472,447	2%	7%	11%	3%
07-014 Bowbells 14	2,939,706	2,999,616	3,046,340	3,223,260	3,692,821	2%	2%	6%	15%
07-027 Powers Lake 27	2,031,265	2,053,188	2,062,671	2,186,601	2,527,205	1%	0%	6%	16%
07-036 Burke Central 36	3,492,885	3,550,982	3,616,969	3,815,570	4,324,199	2%	2%	5%	13%
08-001 Bismarck 1	181,875,185	205,360,014	229,643,662	243,653,423	250,882,766	13%	12%	6%	3%
08-025 Naughton 25	286,333	306,132	306,997	324,982	344,346	7%	0%	6%	6%
08-028 Wing 28	2,196,493	2,246,412	2,256,431	2,329,591	2,458,791	2%	0%	3%	6%
08-029 Baldwin 29	880,824	951,762	985,180	1,023,452	1,057,584	8%	4%	4%	3%
08-033 Menoken 33	1,275,949	1,337,013	1,395,381	1,490,128	1,600,633	5%	4%	7%	7%
08-035 Sterling 35	2,123,699	2,186,392	2,248,672	2,396,133	2,604,337	3%	3%	7%	9%
08-039 Apple Creek 39	2,293,197	2,706,323	3,018,037	3,317,268	3,496,623	18%	12%	10%	5%
08-045 Manning 45	252,003	268,377	248,192	296,418	323,390	6%	-8%	19%	9%
09-001 Fargo 1	221,866,441	236,551,016	241,961,324	249,466,881	255,562,235	7%	2%	3%	2%
09-002 Kindred 2	13,178,666	13,855,757	14,375,882	14,758,949	15,405,566	5%	4%	3%	4%
09-004 Maple Valley 4	9,378,839	9,526,244	9,763,214	11,950,345	13,542,181	2%	2%	22%	13%
09-006 West Fargo 6	127,048,414	143,467,729	154,815,661	162,305,976	169,182,271	13%	8%	5%	4%
09-007 Mapleton 7	3,369,926	3,577,475	3,821,770	4,162,056	4,481,994	6%	7%	9%	8%
09-017 Central Cass 17	13,963,238	14,457,472	15,352,871	16,026,079	17,390,625	4%	6%	4%	9%
09-080 Page 80	3,863,075	3,916,236	3,958,798	4,230,138	4,566,896	1%	1%	7%	8%
09-097 Northern Cass	11,458,315	11,713,109	12,001,095	12,587,681	13,450,418	2%	2%	5%	7%
10-019 Munich 19	4,355,374	4,450,454	4,533,167	4,941,932	5,245,308	2%	2%	9%	6%
10-023 Langdon Area 23	14,474,195	14,713,171	17,999,232	19,339,715	20,970,619	2%	22%	7%	8%
11-040 Ellendale 40	6,954,349	7,220,419	8,358,767	10,224,408	10,872,687	4%	16%	22%	6%
11-041 Oakes 41	9,514,575	9,926,866	10,153,983	11,785,346	12,303,564	4%	2%	16%	4%
12-001 Divide County 1	7,106,107	7,701,484	8,281,915	8,649,999	9,848,030	8%	8%	4%	14%
13-016 Killdeer 16	7,545,875	7,602,579	8,067,281	8,534,954	9,334,585	1%	6%	6%	9%
13-019 Halliday 19	1,948,688	1,990,354	1,995,491	2,137,588	2,262,824	2%	0%	7%	6%
13-037 Twin Buttes 37	24,816	99,116	100,961	101,547	109,965	299%	2%	1%	8%

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School District Taxable Valuation

Sum of TaxValue

Column Labels

Row Labels	2007	2008	2009	2010	2011	2007-08 Change	2008-2009 Change	2009-10 Change	2010-11 Change
14-002 New Rockford-Sheyenne 2	7,127,537	7,200,488	7,204,749	7,503,468	8,047,689	1%	0%	4%	7%
15-006 Hazelton-Moffit-Braddock 6	4,028,979	4,150,438	4,176,781	4,278,208	4,748,436	3%	1%	2%	11%
15-010 Bakker 10	1,136,638	1,170,200	1,170,215	1,210,343	1,365,330	3%	0%	3%	13%
15-015 Strasburg 15	3,256,107	3,312,251	3,309,726	3,336,518	3,614,520	2%	0%	1%	8%
15-036 Linton 36	5,505,726	5,576,382	5,572,866	5,475,610	5,727,483	1%	0%	-2%	5%
16-049 Carrington 49	12,896,659	13,105,272	13,272,805	13,939,183	14,757,590	2%	1%	5%	6%
17-003 Beach 3	4,144,174	4,380,173	4,513,532	4,665,507	4,972,312	6%	3%	3%	7%
17-006 Lone Tree 6	1,452,927	1,470,062	1,492,382	1,474,703	1,871,611	1%	2%	-1%	27%
18-001 Grand Forks 1	127,790,615	137,167,230	144,094,077	149,239,508	153,540,567	7%	5%	4%	3%
18-044 Larimore 44	7,437,150	7,575,510	8,024,193	8,334,989	9,067,257	2%	6%	4%	9%
18-061 Thompson 61	6,487,151	6,784,862	7,299,030	7,704,277	8,071,338	5%	8%	6%	5%
18-125 Manvel 125	3,959,813	4,087,803	4,338,706	4,481,364	4,672,353	3%	6%	3%	4%
18-127 Emerald 127	2,225,596	2,242,501	2,295,855	2,407,346	2,518,386	1%	2%	5%	5%
18-128 Midway 128	6,126,598	6,606,511	6,647,782	6,788,977	7,250,493	8%	1%	2%	7%
18-129 Northwood 129	5,790,898	5,903,905	5,867,561	6,191,529	6,696,197	2%	-1%	6%	8%
18-140 Grand Forks AFB 140	27,020	23,801	21,160	20,743	21,438	-12%	-11%	-2%	3%
19-018 Roosevelt 18	2,482,644	2,542,489	2,448,244	2,541,550	2,723,346	2%	-4%	4%	7%
19-049 Elgin-New Leipzig 49	4,464,390	4,569,977	4,466,676	4,497,726	4,859,092	2%	-2%	1%	8%
20-007 Midkota 7	5,844,290	5,996,360	6,079,789	6,442,721	7,243,567	3%	1%	6%	12%
20-018 Griggs County Central 18	6,245,816	6,382,267	6,411,861	6,926,621	8,796,890	2%	0%	8%	27%
21-001 Mott-Regent 1	7,291,655	7,449,555	7,509,528	7,665,170	7,994,914	2%	1%	2%	4%
21-009 New England 9	5,081,468	5,214,161	5,285,474	5,488,630	5,604,167	3%	1%	4%	2%
22-001 Kidder County 10			9,644,161	10,472,328	11,197,571	0%	0%	9%	7%
22-014 Robinson 14	1,241,915	1,302,947	1,297,774	1,414,233	1,448,469	5%	0%	9%	2%
23-003 Edgeley 3	6,145,817	6,229,467	6,242,210	6,649,546	7,242,783	1%	0%	7%	9%
23-007 Kulm 7	5,910,315	5,966,233	5,901,489	6,220,123	6,719,479	1%	-1%	5%	8%
23-008 LaMoure 8	6,747,119	6,842,524	6,866,714	7,324,037	7,990,045	1%	0%	7%	9%
24-002 Napoleon 2	4,212,783	4,393,697	4,467,212	4,733,386	5,162,173	4%	2%	6%	9%
24-056 Gackle-Streeter 56	4,938,071	5,103,521	5,183,046	5,425,653	5,846,544	3%	2%	5%	8%
25-001 Velva 1	7,809,644	8,062,623	8,247,340	8,747,622	11,342,107	3%	2%	6%	30%
25-014 Anamoose 14	1,996,548	2,032,667	2,058,677	2,146,274	2,344,117	2%	1%	4%	9%
25-057 Drake 57	3,842,991	3,815,362	3,891,002	4,063,935	4,411,823	-1%	2%	4%	9%
25-060 TGU 60	11,702,839	11,310,656	11,339,961	11,547,101	12,915,107	-3%	0%	2%	12%
26-004 Zeeland 4	2,737,510	2,770,590	2,776,375	2,794,493	2,762,515	1%	0%	1%	-1%
26-009 Ashley 9	4,106,759	4,210,869	4,218,219	4,388,505	4,931,435	3%	0%	4%	12%
26-019 Wishek 19	4,275,156	4,417,418	4,491,552	4,663,081	5,118,741	3%	2%	4%	10%
27-001 McKenzie Co 1	10,541,870	10,851,192	10,874,714	11,538,680	12,625,353	3%	0%	6%	9%
27-002 Alexander 2	3,052,372	3,155,928	3,149,208	3,190,026	3,439,590	3%	0%	1%	8%
27-014 Yellowstone 14	1,674,462	1,746,037	1,795,798	1,911,759	2,057,119	4%	3%	6%	8%
27-018 Earl 18		507,144	528,503	537,195	608,169	0%	4%	2%	13%
27-032 Horse Creek 32	1,170,756	1,323,283	1,719,231	2,408,432	2,207,032	13%	30%	40%	-8%
27-036 Mandaree 36	85,135	83,358	91,876	98,297	452,012	-2%	10%	7%	360%
28-001 Montefiore 1	3,914,721	4,262,757	4,303,270	4,686,990	5,700,132	9%	1%	9%	22%

School District Taxable Valuation

Sum of TaxValue Row Labels	Column Labels					2007-08	2008-2009	2009-10	2010-11	
	2007	2008	2009	2010	2011	Change	Change	Change	Change	
28-004 Washburn 4	5,412,202	5,839,246	6,232,630	7,081,816	7,441,952	8%	7%	14%	5%	
28-008 Underwood 8	5,119,060	5,431,252	5,866,586	6,615,742	7,186,273	6%	8%	13%	9%	
28-050 Max 50	3,141,047	3,199,731	3,241,502	3,478,064	5,081,171	2%	1%	7%	46%	
28-051 Garrison 51	7,593,487	7,952,505	8,435,732	9,474,705	10,182,581	5%	6%	12%	7%	
28-072 Turtle Lake-Mercer 72	4,923,032	5,129,799	5,260,069	5,778,487	6,273,013	4%	3%	10%	9%	
28-085 White Shield 85	323,186	327,471	333,746	368,714	403,758	1%	2%	10%	10%	
29-003 Hazen 3	5,965,525	6,207,207	6,426,102	6,655,915	6,971,051	4%	4%	4%	5%	
29-027 Beulah 27	9,706,543	10,806,627	11,262,227	11,947,833	12,477,564	11%	4%	6%	4%	
30-001 Mandan 1	46,101,503	50,581,195	55,466,873	58,806,685	62,283,248	10%	10%	6%	6%	
30-004 Little Heart 4	845,884	888,128	873,770	863,274	858,327	5%	-2%	-1%	-1%	
30-007 New Salem 7	4,146,963	4,437,061	4,541,332			7%	2%	-100%	0%	
30-008 Sims 8	1,535,702	1,570,185	1,547,586			2%	-1%	-100%	0%	
30-013 Hebron 13	3,902,707	3,939,370	3,988,094	4,056,340	4,082,864	1%	1%	2%	1%	
30-017 Sweet Briar 17	381,833	422,116	475,341	537,476	577,352	11%	13%	13%	7%	
30-039 Flasher 39	3,261,855	3,416,435	3,319,195	3,466,332	3,637,234	5%	-3%	4%	5%	
30-048 Glen Ullin 48	4,215,108	4,318,657	4,436,229			2%	3%	12%	8%	
30-049 New Salem - Almont 49						6,316,688	6,526,446	0%	0%	3%
31-001 New Town 1	3,574,733	3,666,304	3,792,083	4,492,754	8,016,433	3%	3%	18%	78%	
31-002 Stanley 2	6,359,834	6,509,866	6,876,284	8,542,304	15,977,648	2%	6%	24%	87%	
31-003 Parshall 3	3,708,678	3,728,942	3,787,565	4,506,833	7,974,612	1%	2%	19%	77%	
32-001 Dakota Prairie 1	9,758,327	9,841,839	9,865,083	11,780,191	14,579,220	1%	0%	19%	24%	
32-066 Lakota 66	4,742,174	4,841,337	4,943,046	5,202,675	6,049,987	2%	2%	5%	16%	
33-001 Center-Stanton 1	5,072,027	5,827,874	5,622,443	7,387,477	7,515,074	15%	-4%	31%	2%	
34-006 Cavalier 6	8,930,577	8,906,276	8,935,791	9,205,019	9,789,355	0%	0%	3%	6%	
34-012 Valley 12	3,904,395	3,879,503	3,870,331	4,122,837		-1%	0%	7%	-100%	
34-019 Drayton 19	5,518,152	5,571,133	5,642,471	5,879,190	6,766,531	1%	1%	4%	15%	
34-043 St Thomas 43	3,288,127	3,268,841	3,262,509	3,307,362	3,561,653	-1%	0%	1%	8%	
34-100 North Border 100	12,603,685	12,790,821	12,910,468	14,548,522	17,615,985	1%	1%	13%	21%	
34-118 Valley-Edinburg 118					9,206,001	0%	0%	0%	0%	
35-001 Wolford 1	1,696,655	1,726,883	1,726,343	1,766,143	1,939,370	2%	0%	2%	10%	
35-005 Rugby 5	11,235,384	11,177,752	11,143,781	11,618,978	14,407,406	-1%	0%	4%	24%	
36-001 Devils Lake 1	19,070,698	20,349,820	21,383,826	22,457,948	23,273,574	7%	5%	5%	4%	
36-002 Edmore 2	4,895,013	4,939,819	4,999,718	5,222,381	5,525,628	1%	1%	4%	6%	
36-044 Starkweather 44	2,905,961	2,938,264	2,939,109	3,082,993	3,284,513	1%	0%	5%	7%	
37-006 Ft Ransom 6	974,188	1,034,390	1,065,539	1,602,385	2,761,908	6%	3%	50%	72%	
37-019 Lisbon 19	9,301,590	9,567,867	9,846,535	10,494,825	10,961,807	3%	3%	7%	4%	
37-024 Enderlin Area 24		7,832,526	8,034,946	8,489,756	8,875,149	0%	3%	6%	5%	
38-001 Mohall-Lansford-Sherwood 1	10,514,238	10,462,721	10,178,719	10,736,157	12,318,896	0%	-3%	5%	15%	
38-026 Glenburn 26	3,810,697	3,850,911	4,194,620	4,458,536	5,791,140	1%	9%	6%	30%	
39-008 Hankinson 8	6,476,954	6,721,270	7,024,709	7,079,403	7,260,965	4%	5%	1%	3%	
39-018 Fairmount 18	4,225,804	4,247,667	4,290,198	4,339,392	4,387,703	1%	1%	1%	1%	
39-028 Lidgerwood 28	3,978,934	4,091,261	4,102,014	4,192,501	4,388,439	3%	0%	2%	5%	
39-037 Wahpeton 37	21,522,503	22,530,417	22,803,037	23,472,371	23,699,437	5%	1%	3%	1%	

School District Taxable Valuation

Sum of TaxValue Row Labels	Column Labels					2007-08	2008-2009	2009-10	2010-11
	2007	2008	2009	2010	2011	Change	Change	Change	Change
39-042 Wyndmere 42	6,848,232	6,973,829	7,043,705	7,248,532	7,532,019	2%	1%	3%	4%
39-044 Richland 44	5,837,367	6,161,541	6,345,864	6,635,992	6,918,979	6%	3%	5%	4%
40-001 Dunseith 1	1,538,120	1,559,881	1,623,789	1,646,698	1,771,109	1%	4%	1%	8%
40-003 St John 3	817,325	850,277	867,035	874,181	1,000,116	4%	2%	1%	14%
40-004 Mt Pleasant 4	4,201,031	4,129,858	4,193,814	4,419,128	4,758,658	-2%	2%	5%	8%
40-007 Belcourt 7	369,179	401,703	428,221	436,210	471,793	9%	7%	2%	8%
40-029 Rolette 29	3,125,844	3,037,777	3,051,452	3,085,169	3,366,769	-3%	0%	1%	9%
41-002 Milnor 2	3,827,121	3,868,807	3,886,995	3,929,837	4,058,743	1%	0%	1%	3%
41-003 N Sargent 3	3,160,275	3,194,675	3,207,659	3,237,606		1%	0%	1%	-100%
41-003 North Sargent 3					3,335,987	0%	0%	0%	0%
41-006 Sargent Central 6	7,731,469	7,871,320	7,982,999	8,755,884	10,201,767	2%	1%	10%	17%
42-016 Goodrich 16	1,757,337	1,793,257	1,781,126	1,761,753	1,897,510	2%	-1%	-1%	8%
42-019 McClusky 19	2,752,304	2,815,581	2,848,157	2,979,604	3,197,372	2%	1%	5%	7%
43-003 Solen 3	250,307	1,617,360	1,601,125	1,610,754	1,512,689	546%	-1%	1%	-6%
43-004 Ft Yates 4	482,891	506,086	511,545	542,643	577,863	5%	1%	6%	6%
43-008 Selfridge 8	1,334,150	1,397,931	1,415,902	1,512,947	1,631,893	5%	1%	7%	8%
44-012 Marmarth 12	1,469,837	2,051,013	2,055,512	2,294,640	2,294,707	40%	0%	12%	0%
44-032 Central Elementary 32	1,381,364	1,422,757	1,429,548	1,541,729	1,544,929	3%	0%	8%	0%
45-001 Dickinson 1	35,959,581	39,734,325	46,334,099	50,487,354	54,133,507	10%	17%	9%	7%
45-009 South Heart 9	3,095,455	3,321,550	3,866,433	4,134,921	4,471,352	7%	16%	7%	8%
45-013 Belfield 13	1,678,693	1,763,020	2,085,528	2,263,314	2,486,347	5%	18%	9%	10%
45-034 Richardton-Taylor 34	4,502,094	4,693,608	5,474,759	5,995,859	6,283,586	4%	17%	10%	5%
46-010 Hope 10	3,782,123	3,874,495	3,926,803	5,086,458	8,128,576	2%	1%	30%	60%
46-019 Finley-Sharon 19	4,513,978	4,513,978	4,696,042	6,108,611	7,298,203	0%	4%	30%	19%
47-001 Jamestown 1	33,535,250	34,836,862	36,217,958	38,452,496	39,621,322	4%	4%	6%	3%
47-003 Medina 3	3,507,591	3,584,462	3,731,709	4,007,616	4,308,394	2%	4%	7%	8%
47-010 Pingree-Buchanan	3,282,435	3,363,081	3,492,566	3,718,763	4,049,257	2%	4%	6%	9%
47-014 Montpelier 14	2,586,121	2,650,087	2,726,909	2,878,095	3,138,710	2%	3%	6%	9%
47-019 Kensal 19	2,653,471	2,627,869	2,745,788	2,800,486	2,974,749	-1%	4%	2%	6%
48-010 North Star 10			7,717,636	8,174,723	8,948,785	0%	0%	6%	9%
48-028 North Central 28	3,621,226	3,726,647	3,727,308	3,969,049	4,450,099	3%	0%	6%	12%
49-003 Central Valley 3	6,411,109	6,592,340	6,717,488	7,009,910	7,572,635	3%	2%	4%	8%
49-007 Hatton 7	4,005,398	4,147,984	4,617,774	4,875,793	5,195,066	4%	11%	6%	7%
49-009 Hillsboro 9	9,874,586	10,081,975	10,417,739	11,095,647	12,069,486	2%	3%	7%	9%
49-014 May-Port CG 14	11,315,992	11,598,067	11,755,737	12,106,889	12,961,076	2%	1%	3%	7%
50-003 Grafton 3	10,045,145	10,084,591	10,264,692	11,032,032	11,474,301	0%	2%	7%	4%
50-005 Fordville-Lankin 5	3,073,873	3,058,530	3,054,044	3,733,903	4,310,738	0%	0%	22%	15%
50-020 Minto 20	4,128,903	4,167,505	4,152,116	4,193,411	4,473,715	1%	0%	1%	7%
50-051 Nash 51	938,667	934,509	932,971			0%	0%	-100%	0%
50-078 Park River 78	5,878,755	6,362,369	6,221,449	6,728,670	7,302,453	8%	-2%	8%	9%
50-106 Edinburg 106	2,030,114	2,041,983	2,039,272	2,536,643		1%	0%	24%	-100%
50-128 Adams 128	2,074,568	2,072,266	2,066,679	2,066,592	2,212,535	0%	0%	0%	7%
51-001 Minot 1	86,111,800	93,865,202	103,001,261	113,430,597	127,362,513	9%	10%	10%	12%

School District Taxable Valuation

Sum of TaxValue	Column Labels					2007-08	2008-2009	2009-10	2010-11
	Row Labels	2007	2008	2009	2010	2011	Change	Change	Change
51-004 Nedrose 4	6,003,991	6,450,981	7,043,056	8,099,190	9,728,064	7%	9%	15%	20%
51-007 United 7	7,521,922	7,893,627	8,493,014	9,264,257	10,980,766	5%	8%	9%	19%
51-016 Sawyer 16	2,680,278	2,716,304	3,007,666	3,210,768	3,831,888	1%	11%	7%	19%
51-019 Eureka 19	1,048,485	1,089,369	1,126,593	1,176,748		4%	3%	4%	-100%
51-028 Kenmare 28	7,205,996	7,357,787	7,549,644	8,094,634	9,219,287	2%	3%	7%	14%
51-041 Surrey 41	3,480,760	3,720,882	3,842,024	4,464,858	5,317,652	7%	3%	16%	19%
51-070 S Prairie 70	4,657,224	5,330,363	5,677,741	6,110,191		14%	7%	8%	-100%
51-070 South Prairie 70					7,705,808	0%	0%	0%	0%
51-160 Minot AFB 160	0	0	0	0	0	0%	0%	0%	0%
51-161 Lewis and Clark 161	9,898,727	10,024,268	10,168,412	10,850,048	13,260,041	1%	1%	7%	22%
52-025 Fessenden-Bowdon 25	8,067,983	8,237,621	8,153,792	8,358,608	9,128,135	2%	-1%	3%	9%
52-035 Pleasant Valley 3	1,128,829	1,164,382	1,141,084	1,197,066	1,329,860	3%	-2%	5%	11%
52-038 Harvey 38	9,042,970	9,104,861	9,246,383	9,605,210	10,115,533	1%	2%	4%	5%
53-001 Williston 1	20,186,097	23,083,033	26,520,142	31,558,091	34,070,448	14%	15%	19%	8%
53-002 Nesson 2	3,634,390	4,375,884	4,824,620	5,638,270	6,257,813	20%	10%	17%	11%
53-006 Eight Mile 6	1,600,815	1,707,248	1,879,326	1,790,261	1,946,135	7%	10%	-5%	9%
53-008 New 8	8,220,423	9,038,024	9,997,395	12,798,685	14,570,368	10%	11%	28%	14%
53-015 Tioga 15	5,925,708	6,295,202	6,890,074	7,982,688	11,442,057	6%	9%	16%	43%
53-099 Grenora 99	3,696,856	3,999,792	4,165,165	4,303,982	5,031,435	8%	4%	3%	17%
02-065 N Central 65	6,539,043					-100%	0%	0%	0%
02-082 Wimbledon-Courtenay 82	5,958,890					-100%	0%	0%	0%
13-008 Dodge 8	642,258					-100%	0%	0%	0%
22-011 Pettibone-Tuttle 11	1,202,149	1,243,653				3%	-100%	0%	0%
22-020 Tuttle-Pettibone 20	1,423,166	1,484,676				4%	-100%	0%	0%
22-026 Steele-Dawson 26	4,766,626	4,923,813				3%	-100%	0%	0%
22-028 Tappen 28	1,781,767	1,871,640				5%	-100%	0%	0%
27-018 Earl	498,398					-100%	0%	0%	0%
29-020 Golden Valley 20	1,228,949					-100%	0%	0%	0%
37-002 Sheldon 2	1,464,852					-100%	0%	0%	0%
37-022 Enderlin 22	6,216,237					-100%	0%	0%	0%
47-026 Spiritwood 26	3,132,609					-100%	0%	0%	0%
48-002 Bisbee-Egeland 2	3,620,091	3,749,952				4%	-100%	0%	0%
48-008 Southern 8	3,838,760	3,948,942				3%	-100%	0%	0%
51-010 Bell 10	3,075,653	3,317,989				8%	-100%	0%	0%
53-091 Wildrose-Alamo 91	1,992,295					-100%	0%	0%	0%
<b>Grand Total</b>	<b>1,775,656,783</b>	<b>1,887,339,780</b>	<b>1,988,764,880</b>	<b>2,123,975,131</b>	<b>2,289,056,928</b>	<b>6%</b>	<b>5%</b>	<b>7%</b>	<b>8%</b>

#3

2011-2012 MLRG Projection												
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustment	Adjusted Reduced Mill Rate	Net New Mills	Effect - Dollars	Effect - Per Weighted Student
02-007	Barnes County North 7	402.54	17,939,529	167.93	100.21	67.93	0.40	0.08	68.01	0.08	1,506.92	3.74
52-025	Fessenden-Bowdon 25	177.41	9,128,135	156.61	100.73	56.61	0.36	0.26	56.87	0.26	2,398.87	13.52
24-056	Gackle-Streeter 56	127.39	5,846,544	157.05	100.74	57.05	0.36	0.27	57.32	0.27	1,557.52	12.23
27-001	McKenzie Co 1	599.33	12,625,353	156.38	100.76	56.38	0.36	0.27	56.65	0.27	3,454.30	5.76
28-001	Montefiore 1	281.77	5,700,132	164.76	100.87	64.76	0.39	0.34	65.10	0.34	1,934.05	6.86
46-010	Hope 10	145.56	8,128,576	173.17	100.88	73.17	0.42	0.37	73.54	0.37	3,004.32	20.64
25-057	Drake 57	103.88	4,411,823	171.68	101.09	71.68	0.42	0.46	72.14	0.46	2,019.73	19.44
15-015	Strasburg 15	189.46	3,614,520	166.54	101.53	66.54	0.40	0.61	67.15	0.61	2,212.09	11.68
26-009	Ashley 9	178.68	4,931,435	174.25	106.67	74.25	0.43	2.87	75.00	0.75	3,698.58	20.70
39-042	Wyndmere 42	278.89	7,532,019	163.27	103.56	63.27	0.39	1.39	64.66	1.39	10,457.46	37.50
09-080	Page 80	99.50	4,566,896	166.72	103.58	66.72	0.40	1.43	68.15	1.43	6,539.80	65.73
45-009	South Heart 9	268.42	4,471,352	159.40	103.95	59.40	0.37	1.46	60.86	1.46	6,534.88	24.35
02-046	Litchville-Marion 46	179.53	8,641,821	162.68	104.14	62.68	0.39	1.61	64.29	1.61	13,953.08	77.72
28-051	Garrison 51	381.62	10,182,581	163.00	104.64	63.00	0.39	1.81	64.81	1.81	18,426.40	48.28
16-049	Carrington 49	592.95	14,757,590	159.69	105.00	59.69	0.37	1.85	61.54	1.85	27,301.54	46.04
09-002	Kindred 2	733.28	15,405,566	166.50	104.97	66.50	0.40	1.99	68.49	1.99	30,626.27	41.77
25-001	Velva 1	431.88	11,342,107	163.69	105.13	63.69	0.39	2.00	65.69	2.00	22,692.15	52.54
30-017	Sweet Briar 17	12.81	577,352	136.20	107.98	36.20	0.27	2.15	38.35	2.15	1,243.96	97.11
40-001	Dunseith 1	642.10	1,771,109	162.53	107.76	62.53	0.38	2.95	65.48	2.95	5,222.65	8.13
53-006	Eight Mile 6	247.88	1,946,135	170.27	107.39	70.27	0.41	3.03	73.30	3.03	5,896.59	23.79
25-060	TGU 60	393.69	12,915,107	171.96	110.00	71.96	0.42	4.20	75.00	3.04	39,261.93	99.73
15-006	Hazellon-Moffit-Braddock 6	176.01	4,748,436	160.41	108.00	60.41	0.38	3.04	63.45	3.04	14,435.25	82.01
08-028	Wing 28	136.04	2,458,791	160.08	108.10	60.08	0.38	3.08	63.16	3.08	7,568.16	55.63
21-001	Mott-Regent 1	298.39	7,994,914	165.00	108.00	65.00	0.39	3.12	68.12	3.12	24,944.13	83.60
09-017	Central Cass 17	881.05	17,390,625	156.33	108.90	56.33	0.36	3.20	59.53	3.20	55,719.56	63.24
03-009	Maddock 9	231.16	5,089,970	171.74	110.00	71.74	0.42	4.20	75.00	3.26	16,593.30	71.78

2011-2012 MLRG Projection													
CoDist	Entity Name	Total Weighted Student Units (wsu)	Taxable Valuation	GFLevy3 2008	GFLevy3 2010	Maximum Levy Reduction (Max reduction 75 mills, Min Rqmt 100 mills)	MLRG Ratio	Rate adjustment	Adjusted Reduced Mill Rate	Net New Mills	Effect - Dollars	Effect - Per Weighted Student	
36-002	Edmore 2	93.55	5,525,628	150.00	110.00	50.00	0.33	3.30	53.30	3.30	18,234.57	194.92	
06-001	Bowman County 1	468.28	12,734,882	161.21	109.13	61.21	0.38	3.47	64.68	3.47	44,182.40	94.35	
30-049	New Salem - Almont 49	371.76	6,526,446	154.55	110.00	54.55	0.35	3.50	58.05	3.50	22,842.56	61.44	
49-003	Central Valley 3	283.79	7,572,635	157.05	110.00	57.05	0.36	3.60	60.65	3.60	27,261.49	96.06	
23-008	LaMoure 8	373.47	7,990,045	158.01	109.98	58.01	0.37	3.69	61.70	3.69	29,504.04	79.00	
27-002	Alexander 2	115.74	3,439,590	168.89	109.07	68.89	0.41	3.72	72.61	3.72	12,790.80	110.51	
10-019	Munich 19	136.63	5,245,308	161.05	110.00	61.05	0.38	3.80	64.85	3.80	19,932.17	145.88	
14-002	New Rockford-Sheyenne 2	386.05	8,047,689	165.00	110.00	65.00	0.39	3.90	68.90	3.90	31,385.99	81.30	
05-017	Westhope 17	153.21	4,651,964	165.14	110.00	65.14	0.39	3.90	69.04	3.90	18,142.66	118.42	
37-024	Enderlin Area 24	377.81	8,875,149	166.07	109.84	66.07	0.40	3.94	70.01	3.94	34,932.59	92.46	
30-013	Hebron 13	227.38	4,082,864	165.97	110.00	65.97	0.40	4.00	69.97	4.00	16,331.46	71.82	
50-005	Fordville-Lankin 5	88.63	4,310,738	166.03	110.00	66.03	0.40	4.00	70.03	4.00	17,242.95	194.55	
28-072	Turtle Lake-Mercer 72	216.45	6,273,013	166.35	110.00	66.35	0.40	4.00	70.35	4.00	25,092.05	115.93	
33-001	Center-Stanton 1	260.33	7,515,074	170.04	109.99	70.04	0.41	4.10	74.14	4.10	30,780.99	118.24	
01-013	Hettinger 13	349.69	7,115,817	168.82	110.00	68.82	0.41	4.10	72.92	4.10	29,174.85	83.43	
50-128	Adams 128	64.61	2,212,535	169.84	110.00	69.84	0.41	4.10	73.94	4.10	9,071.39	140.40	
03-016	Oberon 16	63.53	1,243,049	170.24	137.33	70.24	0.41	15.31	75.00	4.76	5,916.91	93.14	
53-008	New 8	227.33	14,570,368	167.94	113.88	67.94	0.40	5.55	73.49	5.55	80,894.68	355.85	
15-010	Bakker 10	7.38	1,365,330	126.46	135.25	26.46	0.21	7.40	33.86	7.40	10,106.86	1,369.49	
<b>Statewide Total</b>		<b>108,152.86</b>	<b>2,289,035,490</b>	<b>192.58</b>	<b>106.88</b>	<b>71.58</b>	<b>0.37</b>		<b>70.63</b>	<b>(0.95)</b>	<b>813,024.90</b>	<b>7.52</b>	
Taxable Valuation 2010-2011			2,123,954,388										
Increase in Taxable Valuation			165,081,102										
Percentage change			7.77%										

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

Page 1, line 2, after "Code" insert "and section 13 of chapter 520 of the 2007 Session Laws"

Page 1, line 3; after the second "districts" insert "and a legislative management study of property tax reform and relief"

Page 4, line 12, remove the overstrike over "3."

Page 4, line 13, after the overstruck period insert "Reduced mill rate" means the number of mills determined by subtracting one hundred mills from the combined education mill rate of the school district for taxable year 2008.

4. "Taxable valuation" means the valuation to which the mill rate is applied to determine the amount of ad valorem taxes or payments in lieu of taxes, and includes taxable valuation determined for agricultural, residential, and commercial property; gas company property, pipeline property, power company property, and railroad property assessed by the state board of equalization under chapter 57-06; mobile homes under chapter 57-55; land controlled by the game and fish department subject to valuation under chapter 57-02.1; land owned by the board of university and school lands or the state treasurer subject to valuation under chapter 57-02.3; national guard land subject to valuation under chapter 37-07.3; farmland or ranchland owned by nonprofit organizations for conservation purposes subject to valuation under section 10-06.1-10; land acquired by the state water commission for the Devils Lake project subject to valuation under chapter 61-02; a workforce safety and insurance building and associated real property subject to valuation under section 65-02-32; and carbon dioxide pipeline property subject to valuation under section 57-06-17.2. The term includes the taxable valuation of the homestead credit reimbursed by the state under section 57-02-08.2 and the disabled veterans' credit reimbursed by the state under section 57-02-08.8."

Page 4, line 24, overstrike the semicolon and insert immediately thereafter an underscored period

Page 4, line 26; overstrike "number of mills determined by subtracting one hundred mills from".

Page 4, line 27, overstrike "the"

Page 4, line 27, replace "previous year" with "reduced mill rate adjusted by:

(1) Subtracting the number of mills the"

Page 4, line 28, remove "plus the previous year number of mills of property tax relief under this"

Page 4, line 29, remove "chapter"

Page 4, line 29, overstrike "; or" and insert immediately thereafter "is less than one hundred mills; or"

(2) Adding the number of mills determined by subtracting one hundred mills from the previous year's combined education mill

rate and multiplying the result by a percentage determined by dividing the school district's reduced mill rate by the combined education mill rate of the school district for taxable year 2008."

Page 5, line 1, after "The" insert "Except as provided in this subsection, the"

Page 5, line 1, remove the overstrike over "~~grant to a qualifying school district may not be less than the grant to that school~~"

Page 5, line 2, remove the overstrike over "~~district in the preceding school year.~~"

Page 5, line 2, remove "For purposes of this section, "taxable valuation""

Page 5, replace lines 3 through 19 with "If a school district's combined education mill rate is fewer than one hundred mills in the school district's most recent previous taxable year, the grant to that school district as determined under subsection 2 may not be more than twelve percent less than the grant for the preceding school year."

Page 7, after line 29, insert:

**"SECTION 11. AMENDMENT.** Section 13 of chapter 520 of the 2007 Session Laws is amended and reenacted as follows:

**SECTION 13. LEGISLATIVE COUNCIL MANAGEMENT STUDY.** The legislative council management shall study in each interim through 2012 the feasibility and desirability of property tax reform and providing property tax relief to taxpayers of the state, with the goal of reduction of each taxpayer's annual property tax bill to an amount that is not more than one and one-half percent of the true and full value of property, and including examination of the proper measure of education funding from local taxation and state resources and the variability of funding resources among taxing districts and examination of improved collection and reporting of property tax information to identify residency of property owners with minimized administrative difficulty. The legislative management shall consider the sustainability of state-funded property tax relief in view of the compounding effect of ongoing property taxable valuation increases. The legislative council management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the legislative assembly subsequent to each interim."

Renumber accordingly

April 20, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

That the House accede to the Senate amendments as printed on pages 1423 and 1424 of the House Journal and pages 911 and 912 of the Senate Journal and that Engrossed House Bill No. 1047 be further amended as follows:

Page 1, line 1, after the first comma insert "57-35.3-03, 57-35.3-05, 57-35.3-07, 57-35.3-08, 57-38-30, subsection 1 of section 57-38-30.3,"

Page 1, line 2, after "Code" insert "and section 13 of chapter 520 of the 2007 Session Laws"

Page 1, line 2, after the first "to" insert "reduction of the rate of the financial institutions tax and adjustment of the allocation of the tax and a reduction in income tax rates for corporations, individuals, estates, and trusts and"

Page 1, line 5, replace "transfers" with "a transfer"

Page 1, line 5, after the third semicolon insert "to provide for legislative management studies;"

Page 4, after line 3, insert:

**"SECTION 2. AMENDMENT.** Section 57-35.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-03. Imposition and basis of tax.**

An annual tax is imposed upon each financial institution for the grant to it of the privilege of transacting, or for the actual transacting by it, of business within this state during any part of each tax year. The tax is based upon and measured by the taxable income of the financial institution for the calendar year. The rate of tax is seven-six and one-half percent of taxable income, but the amount of tax may not be less than fifty dollars.

**SECTION 3. AMENDMENT.** Section 57-35.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-05. Credits.**

1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the taxable year to nonprofit private institutions of higher education located within the state or to the North Dakota independent college fund. The amount allowable as a credit under this subdivision for any taxable year may not exceed five and seven-tenths ~~four and six-tenths~~ percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.
- b. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the

taxpayer during the taxable year to nonprofit private institutions of secondary education located within the state. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

- c. For the purposes of this subsection, the term "nonprofit private institution of higher education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education at a level above the twelfth grade. The term "nonprofit private institution of secondary education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum approved by the department of public instruction and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education to students in the ninth through twelfth grades.
  - d. For the purposes of this subsection, a taxpayer may elect to treat a contribution as made in the preceding taxable year if the contribution and election are made not later than the time prescribed for filing the return for the taxable year.
2. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to any overpayment of tax paid pursuant to chapter 57-35 or 57-35.1, for a taxable year beginning before January 1, 1997, to the extent that the overpayment would have been an allowable deduction from tax payable for the current taxable year, under section 57-35-12 or 57-35.1-07, if chapters 57-35 and 57-35.1 applied to the current taxable year. The amount allowable as a credit under this subsection for any taxable year may not exceed five-sevenths of the tax before credits allowed under this section.
  - b. For purposes of determining distributions to and from the counties under section 57-35.3-09:
    - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
    - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
    - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee.

3. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in rural leadership North Dakota conducted through the North Dakota state university extension service. Contributions by a taxpayer may be earmarked for use by a designated recipient. The amount allowable as a credit under this subsection for any taxable year may not exceed ~~five and seven-tenths~~ four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

**SECTION 4. AMENDMENT.** Section 57-35.3-07 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-07. Payment of tax.**

~~Two-sevenths~~ Three-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 1 of section 57-35.3-05, must be paid to the commissioner on or before April fifteenth of the year in which the return is due, regardless of any extension of the time for filing the return granted under section 57-35.3-06. ~~Five-sevenths~~ Ten-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 2 of section 57-35.3-05, must be paid to the commissioner on or before January fifteenth of the year after the return is due. Payment must be made by check, draft, or money order, payable to the commissioner, or as prescribed by the commissioner under subsection 15 of section 57-01-02.

**SECTION 5. AMENDMENT.** Section 57-35.3-08 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-08. Disposition of tax.**

The commissioner shall deposit the portion of the tax payable in the year the return is due in the general fund of the state treasury and shall deposit the portion of the tax payable in the year after the return is due in the financial institution tax distribution fund of the state treasury, ~~which is hereby created~~. Interest, penalty, and late tax payments attributable to each portion of the tax must be deposited in the appropriate fund.

**SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-30. Imposition and rate of tax on corporations.**

A tax is hereby imposed upon the taxable income of every domestic and foreign corporation which must be levied, collected, and paid annually as in this chapter provided:

1. a. For the first twenty-five thousand dollars of taxable income, at the rate of ~~two one and one-tenth~~ sixty-eight hundredths percent.
- b. On all taxable income exceeding twenty-five thousand dollars and not exceeding fifty thousand dollars, at the rate of ~~five~~ four and ~~twenty-five~~ twenty-three hundredths percent.

- c. On all taxable income exceeding fifty thousand dollars, at the rate of ~~six~~five and ~~four-tenths~~four~~fifteen~~fifteen hundredths percent.
- 2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

**SECTION 7. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

- 1. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. A taxpayer computing the tax under this section is only eligible for those adjustments or credits that are specifically provided for in this section. Provided, that for purposes of this section, any person required to file a state income tax return under this chapter, but who has not computed a federal taxable income figure, shall compute a federal taxable income figure using a pro forma return in order to determine a federal taxable income figure to be used as a starting point in computing state income tax under this section. The tax for individuals is equal to North Dakota taxable income multiplied by the rates in the applicable rate schedule in subdivisions a through d corresponding to an individual's filing status used for federal income tax purposes. For an estate or trust, the schedule in subdivision e must be used for purposes of this subsection.

a. Single, other than head of household or surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over <del>\$33,950</del> <u>\$34,500</u>	<del>4.84%</del> <u>1.51%</u>
Over <del>\$33,950</del> <u>\$34,500</u>	<del>\$624.68</del> <u>\$520.95</u> plus <del>3.44%</del> <u>2.82%</u>
but not over <del>\$82,250</del> <u>\$83,600</u>	of amount over <del>\$33,950</del> <u>\$34,500</u>
Over <del>\$82,250</del> <u>\$83,600</u>	<del>\$2,286.20</del> <u>\$1,950.57</u> plus
<del>3.81%</del> <u>3.13%</u>	
but not over <del>\$171,550</del> <u>\$174,400</u>	of amount over <del>\$82,250</del> <u>\$83,600</u>
Over <del>\$171,550</del> <u>\$174,400</u>	<del>\$5,688.53</del> <u>\$4,747.61</u> plus
<del>4.42%</del> <u>3.63%</u>	
but not over <del>\$372,950</del> <u>\$379,150</u>	of amount over
<del>\$171,550</del> <u>\$174,400</u>	
Over <del>\$372,950</del> <u>\$379,150</u>	<del>\$14,590.41</del> <u>\$12,180.04</u> plus
<del>4.86%</del> <u>3.99%</u>	
of amount over	
<del>\$372,950</del> <u>\$379,150</u>	

b. Married filing jointly and surviving spouse.

If North Dakota taxable income is:

Not over ~~\$56,750~~\$57,700

Over ~~\$56,750~~\$57,700

~~3.44%~~2.82%

but not over ~~\$137,050~~\$139,350

Over ~~\$137,050~~\$139,350

~~3.81%~~3.13%

but not over ~~\$208,850~~\$212,300

~~\$137,050~~\$135,350

Over ~~\$208,850~~\$212,300

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$208,850~~\$212,300

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

The tax is equal to:

~~1.84%~~1.51%

~~\$1,044.20~~\$871.27 plus

of amount over ~~\$56,750~~\$57,700

~~\$3,806.52~~\$3,173.80 plus

of amount over

~~\$6,542.10~~\$5,457.14 plus

of amount over

~~\$13,795.32~~\$11,513.79 plus

of amount over

c. Married filing separately.

If North Dakota taxable income is:

Not over ~~\$28,375~~\$28,850

Over ~~\$28,375~~\$28,850

but not over ~~\$68,525~~\$69,675

Over ~~\$68,525~~\$69,675

~~3.81%~~3.13%

but not over ~~\$104,425~~\$106,150

Over ~~\$104,425~~\$106,150

~~4.42%~~3.63%

but not over ~~\$186,475~~\$189,575

~~\$104,425~~\$106,150

Over ~~\$186,475~~\$189,575

~~4.86%~~3.99%

The tax is equal to:

~~1.84%~~1.51%

~~\$522.10~~\$424.10 plus ~~3.44%~~2.82%

of amount over ~~\$28,375~~\$28,850

~~\$1,903.26~~\$1,586.90 plus

of amount over ~~\$68,525~~\$69,675

~~\$3,271.05~~\$2,728.57 plus

of amount over

~~\$6,897.66~~\$5,756.90 plus

of amount over

\$186,475\$189,575

d. Head of household.

If North Dakota taxable income is:

Not over \$45,500\$46,250

Over \$45,500\$46,250

but not over \$117,450\$119,400

Over \$117,450\$119,400

3.81%3.13%

but not over \$190,200\$193,350

\$117,450\$119,400

Over \$190,200\$193,350

4.42%3.63%

but not over \$372,950\$379,150

\$190,200\$193,350

Over \$372,950\$379,150

4.86%3.99%

\$372,950\$379,150

e. Estates and trusts.

If North Dakota taxable income is:

Not over \$2,300

Over \$2,300

but not over \$5,350\$5,450

Over \$5,350\$5,450

but not over \$8,200\$8,300

Over \$8,200\$8,300

but not over \$11,150\$11,350

Over \$11,150\$11,350

The tax is equal to:

4.84%1.51%

\$837.20\$698.38 plus 3.44%2.82%

of amount over \$45,500\$46,250

\$3,312.28\$2,761.21 plus

of amount over

\$6,084.06\$5,075.84 plus

of amount over

\$14,161.61\$11,820.38 plus

of amount over

The tax is equal to:

4.84%1.51%

\$42.32\$34.73 plus 3.44%2.82%

of amount over \$2,300

\$147.24\$123.56 plus 3.81%3.13%

of amount over \$5,350\$5,450

\$255.83\$212.77 plus 4.42%3.63%

of amount over \$8,200\$8,300

\$386.22\$323.48 plus 4.86%3.99%

of amount over \$11,150\$11,350

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax

otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

- g. ~~For taxable years beginning after December 31, 2009, the~~The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same as that used for adjusting the income brackets for federal income tax purposes.
- h. The tax commissioner shall prescribe an optional simplified method of computing tax under this section that may be used by an individual taxpayer who is not entitled to claim an adjustment under subsection 2 or credit against income tax liability under subsection 7."

Page 4, line 27, remove "previous year"

Page 4, line 27, remove the overstrike over "~~for taxable~~"

Page 4, line 28, remove the overstrike over "~~year 2008~~"

Page 4, line 28, remove "plus the previous year number of mills of property tax relief under this"

Page 4, line 29, remove "chapter"

Page 5, line 1, remove the overstrike over "~~The grant to a qualifying school district may not be less than the grant to that school~~"

Page 5, line 2, remove the overstrike over "~~district in the preceding school year.~~" and insert immediately thereafter:

"4. The grant to a qualifying school district may not exceed the grant to that school district in the preceding school year by a percentage that is more than the percentage increase in statewide taxable valuation which was determined for the previous taxable year.

5."

Page 5, line 20, overstrike "4." and insert immediately thereafter "6."

Page 5, line 23, overstrike "5." and insert immediately thereafter "7."

Page 5, line 27, overstrike "6." and insert immediately thereafter "8."

Page 5, line 29, overstrike "7." and insert immediately thereafter "9."

Page 7, replace lines 23 through 29 with:

**"SECTION 15. AMENDMENT.** Section 13 of chapter 520 of the 2007 Session Laws is amended and reenacted as follows:

**SECTION 13. LEGISLATIVE COUNCIL ~~MANAGEMENT~~ STUDY.**

The legislative ~~council~~management shall study in each interim through 2012 the feasibility and desirability of property tax reform and providing property tax relief to taxpayers of the state, with the goal of reduction of each taxpayer's annual property tax bill to an amount that is not more than one and one-half percent of the true and full value of property, and including examination of the proper measure of education funding from local taxation and state resources and the variability of funding resources among taxing districts and examination of improved collection and reporting of property tax information to identify residency of property owners with minimized administrative difficulty. The legislative management shall consider the sustainability of state-funded property tax relief in view of the compounding effect of ongoing property taxable valuation increases. The legislative ~~council~~management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the legislative assembly subsequent to each interim.

**SECTION 16. LEGISLATIVE MANAGEMENT STUDY - FINANCIAL INSTITUTIONS TAXATION AND CORPORATE INCOME.** During the 2011-12 interim, the legislative management shall consider studying the feasibility and desirability of revision of the financial institutions taxes, including the feasibility of taxing financial institutions under the state corporate income tax laws. The study under this section must include consideration of corporate income taxes, including corporate income apportionment factors and potential impact of federal legislation on state corporate income taxes. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 7, line 30, replace "Section 1" with "Sections 1 through 7"

Page 7, line 30, replace "is" with "are"

Re-number accordingly

April 21, 2011

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1047

That the House accede to the Senate amendments as printed on pages 1423 and 1424 of the House Journal and pages ~~911~~ and ~~912~~ of the Senate Journal and that Engrossed House Bill No. 1047 be further amended as follows:

Page 1, line 1, after the first comma insert "57-35.3-03, 57-35.3-05, 57-35.3-07, 57-35.3-08, 57-38-30, subsection 1 of section 57-38-30.3,"

Page 1, line 2, after "Code" insert "and section 13 of chapter 520 of the 2007 Session Laws"

Page 1, line 2, after the first "to" insert "reduction of the rate of the financial institutions tax and adjustment of the allocation of the tax and a reduction in income tax rates for corporations, individuals, estates, and trusts and"

Page 1, line 5, replace "transfers" with "a transfer"

Page 1, line 5, after the third semicolon insert "to provide for legislative management studies;"

Page 4, after line 3, insert:

**"SECTION 2. AMENDMENT.** Section 57-35.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-03. Imposition and basis of tax.**

An annual tax is imposed upon each financial institution for the grant to it of the privilege of transacting, or for the actual transacting by it, of business within this state during any part of each tax year. The tax is based upon and measured by the taxable income of the financial institution for the calendar year. The rate of tax is ~~sevensix and one-half~~ seven and one-half percent of taxable income, but the amount of tax may not be less than fifty dollars.

**SECTION 3. AMENDMENT.** Section 57-35.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-05. Credits.**

1. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the taxpayer during the taxable year to nonprofit private institutions of higher education located within the state or to the North Dakota independent college fund. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~ four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.
- b. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of charitable contributions made by the

taxpayer during the taxable year to nonprofit private institutions of secondary education located within the state. The amount allowable as a credit under this subdivision for any taxable year may not exceed ~~five and seven-tenths~~four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

- c. For the purposes of this subsection, the term "nonprofit private institution of higher education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education at a level above the twelfth grade. The term "nonprofit private institution of secondary education" means only a nonprofit private educational institution located in North Dakota which normally maintains a regular faculty and curriculum approved by the department of public instruction and which normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, and which regularly offers education to students in the ninth through twelfth grades.
  - d. For the purposes of this subsection, a taxpayer may elect to treat a contribution as made in the preceding taxable year if the contribution and election are made not later than the time prescribed for filing the return for the taxable year.
2. a. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to any overpayment of tax paid pursuant to chapter 57-35 or 57-35.1, for a taxable year beginning before January 1, 1997, to the extent that the overpayment would have been an allowable deduction from tax payable for the current taxable year, under section 57-35-12 or 57-35.1-07, if chapters 57-35 and 57-35.1 applied to the current taxable year. The amount allowable as a credit under this subsection for any taxable year may not exceed five-sevenths of the tax before credits allowed under this section.
  - b. For purposes of determining distributions to and from the counties under section 57-35.3-09:
    - (1) The balance in the financial institution tax distribution fund and the amount of the payment received by each county from the state shall be determined as if any credit allowed under subdivision a had not been claimed and the full amount of the tax otherwise due had been timely paid;
    - (2) The credited amount must be deducted from the distributions that would otherwise be made to and from the county that received the tax overpayment until the sum of the deductions equals the credit; and
    - (3) The deductions from distributions made by a county to each distributee must be proportionate to the overpayment of tax received by each distributee.

3. There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to fifty percent of the aggregate amount of contributions made by the taxpayer during the taxable year for tuition scholarships for participation in rural leadership North Dakota conducted through the North Dakota state university extension service. Contributions by a taxpayer may be earmarked for use by a designated recipient. The amount allowable as a credit under this subsection for any taxable year may not exceed ~~five and seven-tenths~~four and six-tenths percent of the tax before credits allowed under this section, or two thousand five hundred dollars, whichever is less.

**SECTION 4. AMENDMENT.** Section 57-35.3-07 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-07. Payment of tax.**

~~Two-sevenths~~Three-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 1 of section 57-35.3-05, must be paid to the commissioner on or before April fifteenth of the year in which the return is due, regardless of any extension of the time for filing the return granted under section 57-35.3-06. ~~Five-sevenths~~Ten-thirteenths of the tax before credits allowed under section 57-35.3-05, less the credit allowed under subsection 2 of section 57-35.3-05, must be paid to the commissioner on or before January fifteenth of the year after the return is due. Payment must be made by check, draft, or money order, payable to the commissioner, or as prescribed by the commissioner under subsection 15 of section 57-01-02.

**SECTION 5. AMENDMENT.** Section 57-35.3-08 of the North Dakota Century Code is amended and reenacted as follows:

**57-35.3-08. Disposition of tax.**

The commissioner shall deposit the portion of the tax payable in the year the return is due in the general fund of the state treasury and shall deposit the portion of the tax payable in the year after the return is due in the financial institution tax distribution fund of the state treasury, ~~which is hereby created~~. Interest, penalty, and late tax payments attributable to each portion of the tax must be deposited in the appropriate fund.

**SECTION 6. AMENDMENT.** Section 57-38-30 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-30. Imposition and rate of tax on corporations.**

A tax is hereby imposed upon the taxable income of every domestic and foreign corporation which must be levied, collected, and paid annually as in this chapter provided:

1. a. For the first twenty-five thousand dollars of taxable income, at the rate of ~~two one~~ and ~~one-tenth~~sixty-eight hundredths percent.
- b. On all taxable income exceeding twenty-five thousand dollars and not exceeding fifty thousand dollars, at the rate of ~~five~~four and ~~twenty-five~~twenty-three hundredths percent.

- c. On all taxable income exceeding fifty thousand dollars, at the rate of ~~six~~five and ~~four tenths~~four tenths ~~fifteen hundredths~~fifteen hundredths percent.
- 2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.

**SECTION 7. AMENDMENT.** Subsection 1 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

- 1. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. A taxpayer computing the tax under this section is only eligible for those adjustments or credits that are specifically provided for in this section. Provided, that for purposes of this section, any person required to file a state income tax return under this chapter, but who has not computed a federal taxable income figure, shall compute a federal taxable income figure using a pro forma return in order to determine a federal taxable income figure to be used as a starting point in computing state income tax under this section. The tax for individuals is equal to North Dakota taxable income multiplied by the rates in the applicable rate schedule in subdivisions a through d corresponding to an individual's filing status used for federal income tax purposes. For an estate or trust, the schedule in subdivision e must be used for purposes of this subsection.

- a. Single, other than head of household or surviving spouse.

If North Dakota taxable income is:	The tax is equal to:
Not over <del>\$33,950</del> <u>\$34,500</u>	<del>4.84%</del> <u>1.51%</u>
Over <del>\$33,950</del> <u>\$34,500</u>	<del>\$624.68</del> <u>\$520.95</u> plus <del>3.44%</del> <u>2.82%</u>
but not over <del>\$82,250</del> <u>\$83,600</u>	of amount over <del>\$33,950</del> <u>\$34,500</u>
Over <del>\$82,250</del> <u>\$83,600</u>	<del>\$2,286.20</del> <u>\$1,950.57</u> plus
<del>3.81%</del> <u>3.13%</u>	
but not over <del>\$171,550</del> <u>\$174,400</u>	of amount over <del>\$82,250</del> <u>\$83,600</u>
Over <del>\$171,550</del> <u>\$174,400</u>	<del>\$5,688.53</del> <u>\$4,747.61</u> plus
<del>4.42%</del> <u>3.63%</u>	
but not over <del>\$372,950</del> <u>\$379,150</u>	of amount over
<del>\$171,550</del> <u>\$174,400</u>	
Over <del>\$372,950</del> <u>\$379,150</u>	<del>\$14,590.41</del> <u>\$12,180.04</u> plus
<del>4.86%</del> <u>3.99%</u>	
	of amount over
<del>\$372,950</del> <u>\$379,150</u>	

- b. Married filing jointly and surviving spouse.

If North Dakota taxable income is:

Not over ~~\$56,750~~\$57,700

Over ~~\$56,750~~\$57,700

~~3.44%~~2.82%

but not over ~~\$137,050~~\$139,350

Over ~~\$137,050~~\$139,350

~~3.81%~~3.13%

but not over ~~\$208,850~~\$212,300

~~\$137,050~~\$139,350

Over ~~\$208,850~~\$212,300

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$208,850~~\$212,300

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

The tax is equal to:

~~1.84%~~1.51%

~~\$1,044.20~~\$871.27 plus

of amount over ~~\$56,750~~\$57,700

~~\$3,806.52~~\$3,173.80 plus

of amount over

~~\$6,542.10~~\$5,457.14 plus

of amount over

~~\$13,795.32~~\$11,513.79 plus

of amount over

c. Married filing separately.

If North Dakota taxable income is:

Not over ~~\$28,375~~\$28,850

Over ~~\$28,375~~\$28,850

but not over ~~\$68,525~~\$69,675

Over ~~\$68,525~~\$69,675

~~3.81%~~3.13%

but not over ~~\$104,425~~\$106,150

Over ~~\$104,425~~\$106,150

~~4.42%~~3.63%

but not over ~~\$186,475~~\$189,575

~~\$104,425~~\$106,150

Over ~~\$186,475~~\$189,575

~~4.86%~~3.99%

The tax is equal to:

~~1.84%~~1.51%

~~\$522.10~~\$424.10 plus ~~3.44%~~2.82%

of amount over ~~\$28,375~~\$28,850

~~\$1,903.26~~\$1,586.90 plus

of amount over ~~\$68,525~~\$69,675

~~\$3,271.05~~\$2,728.57 plus

of amount over

~~\$6,897.66~~\$5,756.90 plus

of amount over

~~\$186,475~~\$189,575

d. Head of household.

If North Dakota taxable income is:

Not over ~~\$45,500~~\$46,250

Over ~~\$45,500~~\$46,250

but not over ~~\$117,450~~\$119,400

Over ~~\$117,450~~\$119,400

~~3.81%~~3.13%

but not over ~~\$190,200~~\$193,350

~~\$117,450~~\$119,400

Over ~~\$190,200~~\$193,350

~~4.42%~~3.63%

but not over ~~\$372,950~~\$379,150

~~\$190,200~~\$193,350

Over ~~\$372,950~~\$379,150

~~4.86%~~3.99%

~~\$372,950~~\$379,150

e. Estates and trusts.

If North Dakota taxable income is:

Not over \$2,300

Over \$2,300

but not over ~~\$5,350~~\$5,450

Over ~~\$5,350~~\$5,450

but not over ~~\$8,200~~\$8,300

Over ~~\$8,200~~\$8,300

but not over ~~\$11,150~~\$11,350

Over ~~\$11,150~~\$11,350

The tax is equal to:

~~1.84%~~1.51%

~~\$837.20~~\$698.38 plus ~~3.44%~~2.82%

of amount over ~~\$45,500~~\$46,250

~~\$3,312.28~~\$2,761.21 plus

of amount over

~~\$6,084.06~~\$5,075.84 plus

of amount over

~~\$14,161.61~~\$11,820.38 plus

of amount over

The tax is equal to:

~~1.84%~~1.51%

~~\$42.32~~\$34.73 plus ~~3.44%~~2.82%

of amount over \$2,300

~~\$147.24~~\$123.56 plus ~~3.81%~~3.13%

of amount over ~~\$5,350~~\$5,450

~~\$255.83~~\$212.77 plus ~~4.42%~~3.63%

of amount over ~~\$8,200~~\$8,300

~~\$386.22~~\$323.48 plus ~~4.86%~~3.99%

of amount over ~~\$11,150~~\$11,350

f. For an individual who is not a resident of this state for the entire year, or for a nonresident estate or trust, the tax is equal to the tax

otherwise computed under this subsection multiplied by a fraction in which:

- (1) The numerator is the federal adjusted gross income allocable and apportionable to this state; and
- (2) The denominator is the federal adjusted gross income from all sources reduced by the net income from the amounts specified in subdivisions a and b of subsection 2.

In the case of married individuals filing a joint return, if one spouse is a resident of this state for the entire year and the other spouse is a nonresident for part or all of the tax year, the tax on the joint return must be computed under this subdivision.

- g. ~~For taxable years beginning after December 31, 2009, the~~The tax commissioner shall prescribe new rate schedules that apply in lieu of the schedules set forth in subdivisions a through e. The new schedules must be determined by increasing the minimum and maximum dollar amounts for each income bracket for which a tax is imposed by the cost-of-living adjustment for the taxable year as determined by the secretary of the United States treasury for purposes of section 1(f) of the United States Internal Revenue Code of 1954, as amended. For this purpose, the rate applicable to each income bracket may not be changed, and the manner of applying the cost-of-living adjustment must be the same as that used for adjusting the income brackets for federal income tax purposes.
- h. The tax commissioner shall prescribe an optional simplified method of computing tax under this section that may be used by an individual taxpayer who is not entitled to claim an adjustment under subsection 2 or credit against income tax liability under subsection 7."

Page 7, replace lines 23 through 29 with:

**"SECTION 15. AMENDMENT.** Section 13 of chapter 520 of the 2007 Session Laws is amended and reenacted as follows:

**SECTION 13. LEGISLATIVE COUNCIL MANAGEMENT STUDY.**

The legislative ~~council~~management shall study in each interim through 2012 the feasibility and desirability of property tax reform and providing property tax relief to taxpayers of the state, with the goal of reduction of each taxpayer's annual property tax bill to an amount that is not more than one and one-half percent of the true and full value of property, and including examination of the proper measure of education funding from local taxation and state resources and the variability of funding resources among taxing districts and examination of improved collection and reporting of property tax information to identify residency of property owners with minimized administrative difficulty. The legislative management shall consider the sustainability of state-funded property tax relief in view of the compounding effect of ongoing property taxable valuation increases. The legislative ~~council~~management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the legislative assembly subsequent to each interim.

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Page 7, line 30, replace "is" with "are"

Renumber accordingly