

**HOUSE BILL NO. 1222**

**HOUSE POLITICAL SUBDIVISIONS**

**Rep. Jason Doctor, Chairman**

**Written Testimony**

**Joe Ibach**

**North Dakota Appraisers Association, Government Affairs Chairman**

**January 27, 2021**

Mr. Chairman & Members of the Committee,

I am representing myself as a licensed North Dakota real estate appraiser and as the chairman of the North Dakota Appraisers Association's Government Affairs Committee. I will offer my personal opinion about the proposed bill and the view from the NDAA Board of Directors.

I am not well versed as to why this bill originated. However, having been in the North Dakota real estate appraisal profession since 1975, issues dealing with nonconformity have not been a major issue in the appraisal process. In rare instances, a dwelling was found to be nonconforming. However, the nonconformity issue is normally remedied by applying to the controlling political subdivision and pursue a "conditional" use permit. It appears that, if this legislation were to pass, it would have a major negative effect on small rural communities as they have limited or no zoning and planning staff or even an inspector. It would then create a significant financial burden on these communities.

The bill, if passed, would also require political subdivisions to reimburse the property owners for the property's fair market value before the damage occurred. This reimbursement would also create an undue financial burden on the political subdivision. Therefore, I personally recommend a "do not" pass on this bill.

Again, I serve as the Governmental Affairs Committee Chairman of the North Dakota Appraisers Association (NDAA). Though not yet in a "bill" form, this issue was discussed at the NDAA Board of Directors' last board meeting in November 2020. They also opined that the nonconforming issue has not been a significant appraisal issue. Most related issues are typically addressed by the local political subdivision. Therefore, the Board decided not to support the bill.