

HB 1277

Tuesday March 23, 2021

Senate Tax & Finance Committee

Senator Jessica Bell, Chair

Fort Totten Room

Chairperson Bell and members of the Senate Finance and Taxation committee, my name is Shawn Kessel and I have the privilege of being the Chief Operating Officer and Deputy Commissioner of the North Dakota Department of Commerce. I am here today to provide neutral testimony regarding HB1277.

I have the privilege of working with North Dakota communities daily and in these discussions, I hear about their amazing success stories and their challenges. Having enough housing and the right kind of housing is almost always mentioned within the top three hurdles in almost every community.

I would like to suggest an amendment to the bill that will help communities incent new housing construction by utilizing the property tax exemption allowed for in this bill and incent the removal of blight in communities at the same time. Please add the words "utilizing existing infrastructure" in line 2 after the words "new construction". By adding these three words it means communities can prioritize new construction on infill lots and not incur the long-term expense of infrastructure extensions.

The Department of Commerce has created a tool called ND2C. With just a few inputs, this tool provides an estimate of the long-term costs associated with infrastructure extensions so communities can make informed choices. The tool is in its beta version but has received national attention and is being used in communities as far away as Rhode Island.

Providing housing options in a fiscally prudent way is a recipe for success. Thank you for your time this morning and I will try to answer any questions you have.

Shawn Kessel

COO/Deputy Commerce Commissioner