



Testimony in Strong Support of House Bill 1168

I am here today to express my strong support for House Bill 1168, a crucial piece of legislation that delivers substantial property tax relief for all taxing groups. This bill represents a proven method of property tax relief that our state has successfully implemented multiple times. By leveraging a practical and sustainable approach, HB 1168 ensures broad-based tax relief while maintaining essential public services.

Substantial Property Tax Relief for All Taxing Groups

One of the most significant benefits of HB 1168 is its direct impact on reducing the property tax burden for all taxing entities, including homeowners, businesses, and agricultural property owners. This bill responsibly utilizes earnings from the Legacy Fund to create a structured, reliable pathway for long-term tax relief, thereby alleviating the financial strain on North Dakota taxpayers.

A Proven and Effective Approach

North Dakota has successfully used this method of property tax relief in the past, demonstrating that it is not only feasible but also effective in maintaining local government functions while reducing tax burdens. By utilizing earnings from the Legacy Fund and other state resources, HB 1168 provides relief in a way that is fiscally responsible and sustainable over time.

Collaboration with Political Subdivisions

Unlike previous property tax proposals, HB 1168 is the only bill that actively sought and incorporated input from political subdivisions regarding the practical application of its provisions. The cap structure included in the bill was carefully crafted to be workable for all levels of government, ensuring that no entity faces undue hardship while still achieving meaningful tax reductions. This collaborative approach is a testament to the bill's sound policy design and commitment to practical governance. The other bills methods of addressing caps with schools specifically would unravel 7 years of work on the K12 funding formula not to mention not take into consideration or even collaborate with other political subs on what some of those caps look like in application. The sponsor of 1168 worked with school superintendents and leadership for the past 14-18 months ensuring the school side of the bill was done correctly.

Mitigating the Risk of Another Measure 4 Initiative

If enacted in conjunction with House Bill 1176, HB 1168 could significantly reduce the likelihood of another run at Measure 4. By addressing property tax relief comprehensively and equitably, these measures present a viable alternative to drastic or unsustainable tax reform initiatives. North Dakotans deserve a structured, predictable approach to tax relief, rather than the uncertainty of another ballot measure that may not address the complexities of our tax system.

NDCEL is the strongest unifying voice representing and supporting administrators and educational leaders in pursuit of quality education for all students in North Dakota.

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Conclusion

House Bill 1168 is a well-structured, fiscally responsible solution to property tax relief. It provides meaningful, long-term tax reductions for North Dakotans, respects the input of local governments, and builds on proven methods that have worked in the past. It is imperative that we seize this opportunity to enact effective tax relief while maintaining stability in public services.

I urge the committee to give HB 1168 its full support. Thank you for your time and consideration. I am happy to address any questions you may have.