

**HOUSE CONCURRENT RESOLUTION NO. 3061**

Introduced by

Representative Carlson

Senator Robinson

1 A concurrent resolution directing the Legislative Council to study the feasibility and desirability  
2 of enacting legislation to replace the existing electric utility property tax system with a fair and  
3 uniform replacement tax system for electric utility property.

4 **WHEREAS**, investor-owned electric utilities in North Dakota pay a public utility property  
5 tax on their transmission and distribution property while electric cooperatives pay land taxes  
6 and replacement property taxes including a two percent gross receipts tax and a high-voltage  
7 transmission line tax; and

8 **WHEREAS**, this nonuniform system of taxation results in disparities in property tax  
9 collections among political subdivisions and creates unfairness in tax burdens among electric  
10 utilities; and

11 **WHEREAS**, the Legislative Assembly established the Electric Industry Competition  
12 Committee in 1997 as a six-year statutory committee to study changes in the electric utility  
13 industry; and

14 **WHEREAS**, the Electric Industry Competition Committee focused much of its study on  
15 developing a fair and uniform property tax replacement system applicable to both  
16 investor-owned utilities and electric cooperatives; and

17 **WHEREAS**, the Electric Industry Competition Committee gathered industry statistics  
18 and worked extensively with representatives of the electric utility industry in fashioning property  
19 tax replacement plans; and

20 **WHEREAS**, the Electric Industry Competition Committee made great progress in  
21 formulating a comprehensive property tax replacement plan; and

22 **WHEREAS**, the statute creating the Electric Industry Competition Committee expires on  
23 August 1, 2003; and

1           **WHEREAS**, the important progress made on electric utility property tax reform by the  
2 Electric Industry Competition Committee may be lost if no further action is taken by the  
3 Legislative Assembly;

4           **NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES**  
5 **OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:**

6           That the Legislative Council study the feasibility and desirability of enacting legislation to  
7 replace the existing electric utility property tax system with a fair and uniform replacement tax  
8 system for electric utility property; and

9           **BE IT FURTHER RESOLVED**, that the Legislative Council report its findings and  
10 recommendations, together with any legislation required to implement the recommendations, to  
11 the Fifty-ninth Legislative Assembly.