

TESTIMONY ON HOUSE BILL 1192

Finance & Taxation Committee

January 21, 2021

Paul Houdek, City Assessor

City of Grand Forks, ND

Mr. Chairman and members of the committee, my name is Paul Houdek, and I am the City Assessor for the City of Grand Forks. I want to thank you for the opportunity to provide testimony and express my opposition to this legislation.

I am contacting you today in opposition of House Bill 1192. There are unintended consequences that come from passing such a bill. As I read this bill, it makes it impossible for a City Assessor to increase the value of any property based on the market conditions. The only increase allowable without an election under this legislation is if there are improvements made to the property from the prior year. This is in direct conflict with 57-02-27.1 which states:

57-02-27.1. Property to be valued at true and full value. All assessors and boards of equalization shall place the values of all items of taxable property at the true and full value of the property except as otherwise specifically provided by law, and the amount of taxes that may be levied on such property must be limited as provided in this chapter.

True and Full value is defined in NDCC 57-02-01(15) as follows:

57-02-01(15). "True and full value" means the value determined by considering the earning or productive capacity, if any, the market value, if any, and all other matters that affect the actual value of the property to be assessed.

Furthermore, this bill will not lower property tax for anyone. It will simply increase the mill rates across the state. The taxes are levied in dollars and are established with the budgets of each taxing entity. The valuation is simply a tool used to distribute the tax burden established by the adopted budgets in a fair and equitable manner.

The Grand Forks City Assessor and the City of Grand Forks Legislative Committee oppose this bill. I would also ask you to oppose this bill as well.

Thank you for your consideration.

