



**2021 HB 1186**  
**Senate Political Subdivisions Committee**  
**Senator Randy Burckhard, Chairman**  
**March 19, 2021**

Chairman Burckhard and members of the Senate Political Subdivisions Committee, I am Melissa Hauer, General Counsel of the North Dakota Hospital Association. I testify in support of engrossed House Bill 1186 and ask that you give this bill a **Do Pass** recommendation.

As you may know, some hospitals in our state also operate ambulance services. House Bill 1186 seeks to reduce the burden on ambulance services that are trying to establish a rural ambulance taxing district and allow for easier annexation of territory when necessary. There are currently 120 ambulance services in North Dakota and each one has a pre-determined service area that is established by the quickest ambulance that can arrive to the scene. It is up to the district that has the service area to determine whether they want to become a taxing district to help fund their operation. Ambulance services are generally funded through a combination of fees for services, grants, and taxes.

When an ambulance service closes, a neighboring ambulance service must pick up that service area. This bill allows taxing districts to submit to voters more quickly the question of whether to approve annexation of that new territory and establish a tax to help fund it. If such a taxing district is to be established, it must be determined how many of the people who reside in the proposed territory voted in the last election in order to determine the number of signatures needed on the petition to place the issue on the ballot. Since ambulance service areas often cover multiple counties and do not necessarily follow voting precinct lines, it is very difficult and time consuming to determine the number of qualified electors for the service area. The process has resulted in ambulance services not making ballot deadlines and significantly delaying

potential funding, simply because they could not determine how many petition signatures were necessary.

Rather than requiring a percentage, the bill sets a flat number of qualified electors necessary to get the issues on the ballot. So, when an ambulance service closes and a neighboring ambulance services picks up that territory, the voters will be able to more quickly decide whether a tax district should be formed to include the new territory and what the appropriate amount of tax should be.

Being able to have the voters more quickly make this determination is also important because the Rural EMS Assistance Grant uses a distribution formula that bases the local match on the service area's property tax valuation. If the ambulance service cannot easily annex the new territory, it receives less grant funds relative to the larger area it now has to serve.

In summary, ambulance services in North Dakota face many challenges. This bill will help relieve the burden placed on ambulance services and its leaders when they seek to establish a taxing district to sustain ambulance service operations in rural North Dakota.

NDHA supports this bill and asks that you give it a Do Pass recommendation. Thank you.

Respectfully Submitted,

Melissa Hauer, General Counsel  
North Dakota Hospital Association