

Written Testimony for the
House and Finance and Taxation Committee
January 16, 2023
Valerie McCloud, Rolette County Auditor

RE: OPPOSITION FOR HB 1245

Chairman Headland, and member of the House and Finance Taxation Committee, my name is Valerie McCloud, Rolette County Auditor. I am writing in opposition to HB 1245, as it stands today.

This bill relates to the communication of property tax levies to the public, financial reporting to the state auditor, and property tax statements.

Section 1 amendments which relate to taxing district expressing levies in terms of dollars rather than mills, is not a concern. Entities such as schools, already certify levies in terms of dollars rather than mills, and this effectively would not change our calculations. If it is felt that communicating to the public in dollars rather than mills, I would not oppose this.

The Section 2 amendments, dealing with Financial Reporting requirements for taxing entities. I am not opposed to this section, as it has been challenging for many entities to get audit reports completed on a timely basis. I am however concerned with the requirement that the County Auditor is responsible for collecting all of the submission for taxing entities within the county and timeframe for all entities to report to the County Auditor. It seems it would be much better to allow cities, schools, townships to report directly to the State Auditor. The County Auditor should not be responsible for collecting all of the information and trying to contact those entities that don't submit timely, so it can be uploaded. This submission can be done by each entity, with the County Auditor submitting for the county and other entities that the county levies for such as Airport, Ambulance, Public Health, Water Resource District, etc.

I am opposed to the Section 3 amendments, which relates to changes to the Real Estate Tax Statements. These amendments would require changes to the tax statements, to create a colored pie chart, is not something that our software programmer would be able to do. Our county utilizes, Governsoft for tax software, as do 16 counties in the state. Since this is not an option to complete with our software, we would have to try and find a separate vendor, to try to meet these requirements and add the pie chart to the statements. The cost on this is unknown, if we were able to find a vendor to complete this. Our statements are currently not printed in color, and I don't think we have that ability. If we were able to do this, this would be an additional cost also.

This certainly comes with a cost that Rolette County cannot afford. Rolette County's funds are so limited that trying to even meet our existing financial obligations for required services has been challenging.

I do not see this amendment as necessary for transparency of taxes to the public. We have not had taxpayers complain about how much tax percentage is going to one entity versus the other, and at the time the statements are sent out there is no ability to change budget, or tax levies. The contact information for budget hearing is already provided on the Estimated Tax Statements sent in August, which allows taxpayers to go directly to each entity if they want more information or contest taxes for that entity.

At this time, I recommend a DO NOT PASS on HB 1245.