

Opposition Testimony before House Finance and Tax  
Senate Bill 2217  
March 7, 2023  
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Bank of North Dakota

Mr. Chairman and members of the Committee. I am Kelvin Hullet, chief business development officer for the Bank of North Dakota which is overseen by the North Dakota Industrial Commission. I am here today in opposition to Senate Bill 2217. Others have already provided an overview and issues related to this proposed legislation. Specifically, the intent of my testimony is to provide insight into the impact to Bank of North Dakota.

Per NDCC 54-06-08.2, Bank of North Dakota is the administrator for the State of North Dakota's merchant services program. This program enables state agencies, boards, commissions, and higher education institutions to accept credit cards for payment at 486 physical locations and online channels across the State.

In 2022, these locations processed 2.1 million transactions for state government. As with all government and businesses, consumers and taxpayers rely on the convenience of secure electronic payments.

As systems do not exist to exclude sales tax from the amount on which an interchange fee is charged, BND cannot estimate costs for state agencies to implement a compliant system.

Today, our request is for a do not pass on SB2217. I will stand for any questions.