

**Testimony Prepared for the
Senate Finance and Taxation Committee
March 7, 2023
By: Wendy Belgarde,
Rolette County Tax Equalization Director**

RE: House Bill 1359

Rolette County-County Aid distribution via 57-39.2-26.3

Good morning Chairman Kannianen and Committee Members, my name is Wendy Belgarde, Rolette County Tax Equalization Director. I offer support for HB 1359, which provides County Aid to Rolette County.

Impact of County Aid 2021-2023

The Rolette County Auditor has described how the distribution of County Impact Aid has aided Rolette County's debt obligations and how the support of the legislature is greatly appreciated. Rolette County has been able to function properly with this help.

Continued Need for County Aid

The majority of need for funds comes from increasing costs to operate the County Jail. These costs continually increase as crime increases throughout Rolette County as it does throughout the state of North Dakota. There are increasing costs for other county departments that need to be addressed as well. County departments, other than the Sheriff, have an elected official and one deputy. County employees not only do specific job duties for their department, but also cover duties to help other departments, with no compensation (time or money). The salary base for Rolette County is one of the lowest in North Dakota, and the county's revenue isn't sufficient for raises or for an adequate cost of living increase. Employees often leave Rolette County to work for higher paying jobs in other counties or seek jobs on the Turtle Mountain Reservation. For most counties, yearly tax revenue is sufficient to cover all costs including jail costs, road department costs, county services costs, courthouse costs, etc. Rolette County is distinctive from other counties as revenue gained cannot sustain these costs, which increase annually. Rolette County is limited to tax collection from a shrinking tax base. Many variables contribute to an already burdened small tax base. Factors include fewer people farming as it costs too much to run small family farms. Many young farmers relocate to urban areas where there are more jobs available. Rolette County relies on farmers for a major portion of tax revenue. If that population continues to shrink, so does our tax base. Basically, revenue decreases with each passing year whereas county needs increase, generating a continuous cycle.

Another reason that Rolette County tax base is small is the location of the Turtle Mountain Band of Chippewa Indians on a reservation that is within county boundaries. Rolette County is unable to tax any tribal land which has an exempt status or any trust (federal) land throughout the entire county. This covers most of the 2 most populated townships, Couture and Ingebretson. No taxation means no revenue but Rolette County is still required to provide services including representation to the entire county. I have a unique perspective of both the County and the Tribe, as I am an enrolled member of the TMBCI and I work for Rolette County. I do own property off the reservation and I pay taxes which is a miniscule amount as far as revenue. For the past few years there has been a "reclamation" movement

within the Tribe, which is federally connected to the US Department of the Interior. Since a new Secretary of the DOI was appointed, this movement has grown. Using federal funds, the TMBCI has purchased land within the boundaries of the reservation and throughout Rolette County and has claimed exemption from taxation. Again, shrinking the tax base and shrinking the areas able to be taxed. Rolette County doesn't have the fiscal foundation to handle all its obligations.

Rolette County continues to need support. In the last 10 years that I have worked as a county employee, I've experienced the issues (poverty, crime, lack of jobs, low wages) and effect on not only the reservation, but also the entire county. The difference is, and it's a major difference, members of the TMBCI receive federal aid (including ARPA) to combat these issues, whereas Rolette County does not receive federal aid (other than ARPA). Rolette County cannot sustain its existence without help. I, along with this county, request that the Senate Finance and Taxation Committee acknowledge Rolette County's situation and consider its escalation of need. Please consider removing the sunset clause and approve HB 1359 for County Aid payments to continue.