



BUDGET SECTION - GOVERNMENT OPERATIONS DIVISION

Wednesday, September 24, 2025
Room 327B, State Capitol
Bismarck, North Dakota

Representative David Monson, Vice Chairman, called the meeting to order at 1:23 p.m.

Members present: Senators Randy A. Burckhard, Robert Erbele, Randy D. Lemm, Jonathan Sickler; Representatives Mike Brandenburg, Jay Fisher, Lisa Meier, David Monson, Brandy L. Pyle

Members absent: Senators Terry M. Wanzek, Michael Dwyer; Representatives Glenn Bosch, Keith Kempenich

Others present: Doug Goehring, Agriculture Commissioner
See [Appendix A](#) for additional persons present.

It was moved by Senator Erbele, seconded by Representative Fischer, and carried on a voice vote that the minutes of the June 25, 2025, meeting be approved as distributed.

AGRICULTURE COMMISSIONER

Mr. Doug Goehring, Agriculture Commissioner, presented information regarding recent North Dakota agriculture commodity prices, yield projections, and trends. He noted:

- Soybeans, corn, and wheat are selling below break-even prices for producers due to low commodity prices and increased costs of production.
- Geopolitical tensions and tariffs are restricting the ability of farmers to sell commodities to international buyers and increasing costs for producers.
- Livestock prices are historically high; however, market disruption may occur when livestock imports from Mexico resume, which were halted due to cases of New World screwworm fly.

In response to a question from a committee member, Mr. Goehring noted the department does not routinely measure program effectiveness. He noted the agency administers more than 250 programs with 81 full-time equivalent (FTE) positions.

Mr. Goehring presented an overview ([Appendix B](#)) of the department. He reviewed:

- The department's organizational chart.
- The department divisions and programs, including funding sources and amounts, and FTE positions.

In response to a question from a committee member, Mr. Goehring noted:

- Many townships and counties are not complying with livestock zoning laws.
- The department reviews cases and refers noncompliant cases to the Attorney General, who issues letters to offending entities.

- Because the department lacks statutory authority to enforce livestock zoning laws, the issue may need to be addressed by the Legislative Assembly.

Mr. Goehring presented information on the status of one-time funding items approved for the 2025-27 biennium. He noted the Legislative Assembly provided one-time funding for grassland grazing grants, food distribution grants, food facility grants, autonomous technology grants, the County Fair Resiliency Grant Program, and a \$15 million transfer from the General Fund to the Agriculture Diversification and Development Fund.

Mr. Goehring presented information regarding department program activity and funding. He noted:

- The North Dakota Trade Office continues to identify overseas markets for state export industries.
- The Agricultural Products Utilization Commission provides funding for various projects supporting agricultural research, technology, value-added businesses, and tourism.
- The Wildlife Services Program received funding during legislative session to provide for an additional aerial gunning team to enhance coyote control and feral swine detection.
- The department's postproduction Royalty Oversight Program contracts with two ombudsman to assist in resolving payment discrepancies, lease disputes, suspended royalties, and related issues.
- The department's Pipeline Restoration and Reclamation Oversight Program contracts with four ombudsman to aid in resolving issues relating to pipeline pathways, pipeline installation, soil impacts, vegetation restoration, and timelines.
- The Board of Animal Health is addressing emerging animal disease threats, including New World screwworm and avian influenza, as well as radio-frequency identification tag supply issues, and producer competitiveness concerns.
- \$3.6 million was transferred from the Bioscience Innovation Grant Fund to the General Fund on June 30, 2025, pursuant to House Bill No. 1009 (2025).

In response to a question from a committee member, Mr. Goehring noted the federal government provides funding for most federally mandated programs.

TAX COMMISSIONER

Mr. Brian Kroshus, Tax Commissioner, presented information ([Appendix C](#)) regarding the homestead property tax credit, disabled veterans' property tax credit, and primary residence property tax credit. He noted:

- Homestead property tax credit applications increased from 8,687 in 2022 to 19,490 in 2024 and the annual credit amount increased from \$7.4 million to \$26.6 million. For the 2025-27 biennium, the Legislative Assembly provided \$60.6 million from the General Fund for the credit.
- House Bill No. 1176 (2025) increased the disabled veterans' property tax credit taxable value reduction from \$8,100 to \$9,000 beginning in taxable year 2025. From 2015 to 2024, applications for the disabled veterans' property tax credit increased from 3,111 to 6,767 and the annual credit amount increased from \$3.5 million to \$10.6 million. For the 2025-27 biennium, the Legislative Assembly provided \$29.4 million from the General Fund for the credit.
- House Bill No. 1176 (2025) increased the maximum primary residence credit amount from \$500 to \$1,600 beginning in taxable year 2025. There were 145,264 applicants that applied for the credit in 2025. For the 2025-27 biennium, the Legislative Assembly provided \$408.9 million from Legacy Fund earnings for the credit.

In response to a question from a committee member, Mr. Kroshus noted application deadline extensions are not permitted. He suggested the Legislative Assembly consider amending statutory language to allow for good cause deadline extensions.

No further business appearing, Vice Chairman Monson adjourned the meeting at 4:32 p.m.

Levi Kinnischtzke
Senior Fiscal Analyst

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Fiscal Analyst

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