

Chairman Headland and members of the House Finance & Taxation committee. My name is Mike Blessum. I am a Minot resident. I'm here today to testify in support of HB1502 and ask you for a do pass recommendation.

The ongoing property tax discussion you are having is incredibly complex. The decisions you will make will likely impact the lives of the residents of our great state in profound ways for many years to come. It appears that a package of increased buydowns coupled with caps on local subdivision levy authority will be the most likely outcome. My hope is that you continue to explore additional reform ideas that lead to increased transparency and lower spending levels.

House bill HB1502 gives legislators the opportunity to impose the same type of spending authority caps at the state level. The bill is designed to match the same general idea as HB1176 - a 3% cap on state general fund spending with 5 years of rolling savings allowed to be carried forward. The bill also allows for the spending authority cap to be waived for a session with a 2/3 vote in each chamber. The intent is to have this bill match the final version of the local subdivision caps, so I would encourage you to amend it to match before you send both bills to the floor.

There is one important distinction between this bill and the local subdivision caps you are contemplating. This bill asks you to self impose the caps. Your property tax caps impose the caps on other levels of government. This isn't without logic when coupled with the huge sum of money that will flow to the local subdivisions with the proposed plans.

The people of North Dakota foot the bill for everything we do at the federal, state, and local level. If we believe that caps are the right approach, they should apply to all levels of government. You have that opportunity with HB1502. I would respectfully ask you for a do pass recommendation.

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