



North Dakota Native Vote
919 S 7th Street
Suite 603
Bismarck, ND 58504

January 27, 2025

Testimony of Nicole Donaghy, Executive Director of North Dakota Native vote
in Support of House Bill 1563

Chairman Headland and Members of the House Finance and Taxation Committee,

I am writing to express my strong support for House Bill 1563, which calls for a legislative study of tribal land taxation issues, particularly in relation to the taxation of land owned by enrolled tribal members living on reservations within the state. This bill is an essential step toward addressing the complexities of tribal land taxation and creating a framework that allows for meaningful improvements to the quality of life for Native American communities.

Tribes bear the primary responsibility for addressing the basic needs of their members and others who live or conduct business on their reservations. To effectively meet these needs, tribes require strong economies, and well-funded governments, programs, and services. A study into tribal taxation will play a vital role in understanding what necessary revenue is needed to support the operations of tribal governments and the delivery of essential tribal services.

Tribal sovereignty is a cornerstone of our nation's legal and governmental system, and it is critical that any discussion about land taxation respects that sovereignty. I believe House Bill 1563 provides the state with an opportunity to engage in a thoughtful study that examines the intricate relationship between federal law, state tax policy, and tribal self-governance. This study will allow for a deeper understanding of the unique challenges that Native American communities face when it comes to land ownership and taxation.

An important aspect of this bill is its potential to explore the creation of a tax base on reservations. Many tribal communities are working to build sustainable economies and improve the quality of life for their members. Having a reliable tax base on reservations is key to achieving those goals. Property taxes, when structured appropriately and in respect of tribal sovereignty, can provide tribes with a much-needed source of revenue to invest in essential services—such as healthcare, education, infrastructure, and public safety—that directly benefit the community.

Currently, many tribal communities lack sufficient funding for such investments, and the reliance on federal assistance or state support often leads to an unsustainable and reactive approach to meeting the needs of tribal members. By exploring a tribal tax base that is tailored to the unique legal and cultural context of each reservation, this study will open the door to more local control over economic development and the potential for self-sufficiency in improving living conditions.

House Bill 1563 offers a chance to build a balanced framework that recognizes the need for tribal communities to have the financial tools they require to thrive while ensuring the state's interests are also considered. The study will help clarify the legal landscape surrounding tribal taxation authority and will examine potential policies that foster both economic growth and the well-being of tribal members.



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I ask that you give a do pass recommendation to support the passage of House Bill 1563. Thank you for your time and consideration.