



North Dakota House of Representatives

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Good Morning Chairman Headland and members of the Finance and Tax Committee, thank you for the opportunity to present House Bill 1563 today. I am Jayme Davis, Representative from District 9 and I am honored to introduce this bill that came from a constituent.

House Bill 1563 calls for a legislative management study on tribal land taxation during the 2025-26 interim. This study is a necessary step to ensure we fully understand the complexities surrounding the taxation of land owned by enrolled tribal members residing within the boundaries of their respective reservations in North Dakota.

Why This Study is Needed? Taxation on tribal lands is a complicated and often misunderstood issue that sits at the intersection of federal law, state authority, and tribal sovereignty. Historically, land held in trust for tribes by the federal government has been exempt from state taxation. However, various judicial decisions, state policies, and administrative practices have created ambiguity in the taxation framework affecting Native Americans.

The intent of this study is to examine the current legal landscape and its implications for tribal members, tribal governments, and state tax policy. This will include:

- Reviewing federal laws and court decisions that have shaped taxation policies on tribal lands.
- Analyzing the scope of state property tax exemptions for land owned by Native Americans.
- Assessing how state tax policies interact with tribal sovereignty, ensuring that taxation policies do not infringe upon the rights of tribal nations.
- Identifying areas where North Dakota tax laws may need clarification or reform to better align with federal law and tribal governance structures.

Conducting this study, the Legislative Management Committee will be able to make well-informed recommendations to the next legislative assembly. This ensures that North Dakota is proactively addressing tribal land taxation concerns in a way that is fair, legally sound, and respectful of tribal sovereignty.

The study will also allow us to engage directly with tribal governments, legal experts, and tax policy analysts to develop a collaborative approach toward resolving any outstanding issues.

At the conclusion of the study, the findings and recommendations will be compiled, and if necessary, proposed legislation will be drafted for consideration by the Seventieth Legislative Assembly.

House Bill 1563 does not impose any new taxes or exemptions—it simply ensures that we take the time to fully study this issue, engage stakeholders, and make informed decisions that will benefit both the state and the tribal nations within North Dakota. I respectfully ask for your support in advancing HB 1563 to provide the necessary research and policy recommendations for this important issue.

Thank you, and I welcome any questions you may have.