



VIA ELECTRONIC SUBMISSION

March 17, 2025

Chair Mark Weber & Members of the Senate Finance & Tax Committee
600 E. Boulevard
Bismarck, ND 58505-0360

Chair Weber and Members of the Senate Finance & Tax Committee:

My name is Dr. Timothy J. Mahoney, and I have the privilege of serving as the Mayor of the City of Fargo. Please accept this written, neutral testimony with suggestions to improve HB 1176 in its current form. With this written testimony, I offer my constructive suggestions to improve this bill and make it one that the political subdivisions of North Dakota, and the City of Fargo, can ultimately support with the right amendments and change in approach.

The City of Fargo has been carefully considering and monitoring the various property tax reform and relief bills this Legislative Session. As the House and Senate leadership, together with the Governor's Office, moves towards a version of HB 1176 as its consensus bill, I believe now is the appropriate time to offer improvements to the bill that can make it a better, more sustainable bill for cities like Fargo and the elected officials who lead North Dakota's cities.

As the Mayor of one of the fastest growing metropolitan areas in the Upper Midwest, I see firsthand the needs and demands our new and existing residents, businesses, and visitors expect in services. At the same time, I also understand – and respect – the calls for property tax reform and relief in North Dakota.

I am of the opinion that as elected leaders we can – and should – provide property tax reform. But that reform must work in partnership with Fargo and the cities of North Dakota. This can be accomplished by providing a practical, reasonable alternative to the current language proposed in HB 1176. By moving to an inflationary measure to adjust the cap, such as the Consumer Price Index (CPI), we can create a better, and more meaningful property tax cap tool while respecting the Legislature's interest in providing tax relief to North Dakotans.

This is why I am writing in support of a proposed cap that utilizes the Consumer Price Index (CPI) plus 2% - not to exceed 6% or no less than 2%, and allow political subdivisions to also capture half of their percentage of annual growth in population from the previous year. This proposal, as suggested by Cass County, allows a growing Fargo, and its neighbors in West Fargo and Cass County, to meet the service expectations of our residents.

Please consider these suggested recommendations on HB 1176 to amend and improve the bill to better serve the City of Fargo and the political subdivisions of North Dakota.

Thank you for your consideration.

Sincerely,

Dr. Timothy J. Mahoney
Mayor
City of Fargo