

DWAINE HEINRICH, MAYOR  
102 THIRD AVENUE SOUTHEAST  
JAMESTOWN, ND 58401



701-252-5900 CITY HALL  
[dheinrich@JamestownND.gov](mailto:dheinrich@JamestownND.gov)  
[www.JamestownND.gov](http://www.JamestownND.gov)

Sen Mark Weber, Chairman  
ND Senate Tax and Finance Committee

March 16, 2025

Re: HB 1176

Dear Chairman Weber and Committee Members:

I am unable to be in Bismarck for the Hearing on House Bill 1176. I do however, want to take this opportunity to thank the members of the legislature for moving this Bill forward which will bring meaningful tax relief where it is needed most, to primary residence taxpayers.

It is difficult when you are asked to come up with one size fits all solutions to problems when there are no one size fits all answers. This requires wise leadership. No two cities or political sub-divisions are the same. For example of the 12 largest cities in North Dakota, Bismarck has the highest per capita taxable valuation of \$6,660 or taxable value \$66,600. Whapeton has the lowest with \$31,460 per capita value or \$3,146 per capita valuation.

So, in this example it would take twice as many Whapeton mills to generate the same number of tax dollars per capita as it would in Bismarck. The average per capita valuation of the 12 cities is \$4,785.84. Jamestown is at \$3,573. Please see the accompanying sheet.

In Jamestown the property tax revenue coming to our general fund is exhausted by public safety, Police, Fire and Municipal Court. With health insurance costs some years seeing 10% increases and this year we are being told perhaps 15% and other costs over which we have no control also going up it is easy to see that a 3% cap is problematic.

In a case such as ours where we are already using 100% of available funds if our increases are limited to 3% something needs to give. As a practical matter one thing it means is we will lose our public safety personnel to the state and political subdivisions that can afford to pay more.

We all know that property tax is high but, with that we should also acknowledge that depending on which statistics you look at overall North Dakota ranks near the bottom of overall per capita tax burden nationwide. I can't speak for the rest of the State but, I don't hear in Jamestown complaints that our property tax rate is due to rampant over spending by political sub-divisions but, more related to high costs and competition for a limited labor supply.

A short trip back in time demonstrates how bad ideas can be set aside when we all work together. Individuals from political sub-divisions, the state, private industry and others worked together to defeat Measure 4 which would have brought chaos to our state and its political sub-divisions. That lesson on working together was apparently lost on those who framed the 3% cap included in this bill which if passed will bring chaos to many if not most political sub-divisions.

Many of us have been in positions of leadership in business, the military as well as in elected or other positions in the government. In my experience punting is often an act of failed leadership. The 3% cap idea is punting because of failure of leadership taking the necessary time to properly evaluate their teammates, the issues and objectives at hand as well as the opposition to come up with a workable plan for the success of the Team As A Whole. Instead, it appears leadership chose to punt to temporarily get themselves out of a difficult spot for which they have no good or viable plan. There was I am told no evaluation of city budgets, no comparisons between the various political sub-division or for that matter with private industry but, rather just pulling a number out of the air. The number grabbed happened to be 3%. I am confident that this method is not taught in any school of leadership.

Here in Jamestown, I believe we have been very frugal. If you question that I invite you to poll our City employees. Our general fund budget has increased about 4.5% annually over the past 10 years. With what is now going on in Washington it is anyone's guess where we go from here. We cannot control the cost of goods, equipment and supplies we are required to purchase. We cannot wish the facts away. The cold hard truth is that now facing almost certain high inflation to hold the line where we have at 4.5% would be a major challenge.

I would ask that to make this Good Bill a Great Bill that a tie to CPI or some other formula be added. There is no sense doing something we all know is unworkable. We worked together to prevent chaos last year, let's do it again this year.

I know your jobs are difficult as they are for those of us in the political sub-divisions. Your efforts are truly appreciated. Thank you for your time and consideration.

Regards,



Dwaine Heinrich, Mayor  
City of Jamestown

Encl; Valuation Sheet

City	Population	2023 Taxable Value	Valuation Per Capita	Per Capita Rank
Wahpeton	8,014	\$25,209,370	3,146	1
Devils Lake	7,161	\$23,186,906	3,238	2
Valley City	6,563	\$22,469,981	3,424	3
Jamestown	15,754	\$56,290,551	3,573	4
Grand Forks	59,166	\$277,120,261	4,684	5
Minot	48,377	\$235,672,185	4,872	6
Williston	29,749	\$148,085,191	4,978	7
Mandan	24,654	\$124,190,171	5,037	8
Dickinson	25,679	\$133,244,581	5,189	9
Fargo (School District #1)	126,748	\$800,115,958	6,313	10
West Fargo	40,538	\$256,044,339	6,316	11
Bismarck	74,445	\$495,784,950	6,660	12