



HOUSE BILL NO. 1575
SENATE FINANCE AND TAX COMMITTEE
MARK WEBER, CHAIR
TESTIMONY IN SUPPORT OF ENGROSSED HOUSE BILL 1575

Chairman Weber and members of the Senate Finance and Taxation Committee. My name is Parrell Grossman, and it is my privilege to be the Legislative Director for the North Dakota Soybean Growers Association. I appear in support of Engrossed House Bill 1575.

The Association advocates for more than 8,900 operations that raise soybeans in North Dakota. In 2024, North Dakota soybean farmers planted 6.6 million acres of soybeans, producing over 245 million bushels of soybeans in North Dakota.

The Committee is aware of the agricultural economic impact in North Dakota. NDSU's 2024 North Dakota Agriculture Industry Economic Contribution Analysis reported that the economic contribution to North Dakota is \$41.3 billion, including \$26 billion from direct output and \$15.3 billion from secondary output.

The House passed Engrossed Bill Nos. 1168, 1176, and 1575 believing all the Bills have some merit. The House wanted them to "stay alive," despite knowing that, in the end, the Senate could defeat some or all of the Bills, or possibly merge the best parts of each Bill. Respectfully, you have a daunting task with your decisions.

The Association and our agricultural commodity groups or friends certainly are aware that, with the recent defeat of Measure 4 in the rearview mirror, property owners are expecting property tax relief. Most, if not all, citizens with primary residences are expecting the primary residence property tax credit that the Governor and many legislators promised.

The Association appreciates that you will want to, and should, deliver this tax credit. Agricultural landowners, most of whom answer to the names of "farmers" or "ranchers," also would appreciate the same consideration with some property

tax relief. It's a matter of fairness. You probably know some of these people in your own neighborhoods or areas. You might call some of these Elmer, Martha, Betsy, Robert or Uncle Joe. You probably recognize some of these people as the hardest working people in North Dakota. Some of these landowners might have significant land and others might be facing huge debt because of their machinery, livestock costs, or low crop prices. Maybe it's a young couple who bought land from their parents or a neighbor. Maybe the exact circumstances or situations don't matter.

Maybe all that is important is that it is a matter of fairness, and these agricultural landowners are entitled to property tax relief just as the city dwellers with their primary residence credits.

It is terrific that legislators this session are working to provide monies for rural roads and bridges. Is it "either or?" It doesn't seem it should be so. These rural residents are entitled to good roads and bridges just as the residents of North Dakota cities, who likely are getting some property tax relief.

The Association supports House Bill 1575 because it provides relief to primary residential, agricultural, and commercial property owners and that seems fair and appropriate.

The Association also would be happy for the property tax relief provided in House Bill No. 1168, because it provides relief to all categories of property owners including residential, agricultural, commercial, and centrally-assessed. Further, House Bill 1168 would complement House Bill No. 1176 if it is enacted, possibly with some adjustments.

For the reasons stated, the Association respectfully asks the Senate Finance and Taxation Committee to give Engrossed House Bill 1575 a "Do Pass" recommendation.

Thank you for your consideration and I will try to answer any questions.