

1999 HOUSE FINANCE AND TAXATION

HB 1309

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1309

House Finance and Taxation Committee

Conference Committee

Hearing Date January 19, 1999

Tape Number	Side A	Side B	Meter #
2	x		0
Committee Clerk Signature <i>Jamie Stein</i>			

Minutes:

REP. BELTER Opened the hearing.

REP. ROBIN WEISZ, Introduced the bill as the prime sponsor. See written testimony.

REP. BELTER This limits it to 20 acres, what if someone owns a piece of rental property or a home?

REP. WEISZ My personal feeling on this bill is that it should not be exclusionary, it should include all property owners.

REP. FROELICH Clarify this, they wouldn't be able to vote in any city or school election?

REP. WEISZ They would have no ability to vote, only on property tax issues that affect their property.

REP. FROELICH Property taxes right now, commercial and residential, are completely different than agricultural, if you are going to agricultural property values, you are going to have a hard time getting twenty acres in under the agricultural property lines, I am lost on this.

REP. WEISZ This bill says that whenever there is a measure up before the voters, this only applies to bond issues, that you would have a right to vote. You would only vote on a measure that would impose a levy on your property.

REP. FROELICH Gave a scenerio of a farmer in his area who farms about 6000 acres, he could vote on this?

REP. WEISZ Stated, yes, he could vote on these measures.

REP. KROEBER Would a man and wife each vote on this?

REP. WEISZ Stated they would each have to have a minimum of twenty acres or jointly own forty acres.

REP. WINRICH Referred to the last sentence of the bill, if the tax levy election is held in conjunction with another election, the election officer in the jurisdiction shall insure that the nonresident voters can only vote on the tax measure, we don't have voter registration in North Dakota, and if someone wants to vote, they merely have to appear at the polls and declare that they have been a resident at the precinct for a certain amount of time, and they are allowed to vote. Do you envision someone being able to appear at the polls and declare they own twenty acres in this jurisdiction and being allowed to vote?

REP. WEISZ In reality, with the laws the way they are now, that is correct, I don't think it will be any different than when they vote on other issues.

TED JEWEL, PEMBINA COUNTY, Testified in support of the bill. Related to a recent experience he had in his county. In 1997, Pembina School District had a bond election issue to raise the taxes by 7.49 mills to add an addition to the school. This increased their taxes by \$1360 per year, or \$27,000 over the twenty year life of the bond issue. Because he lived one half mile outside of the district, he was unable to have any input into this bond issue. He is not unique to this problem. There are fifty five people who live in the district and have the right to vote, and one hundred fifty three live outside the district and are not allowed to vote. Not allowing someone to vote, because of how they would vote, is not a democracy. This is taxation without representation.

BRYAN HOIME, NORTH DAKOTA TOWNSHIP OFFICER'S ASSN., Testified in opposition of the bill. Stated they are against it, because they don't know how they would keep track of people who are nonresidents. At one meeting, we would have to separate out who can vote for which measures. We don't have that capability.

REP. BELTER Felt there would be very few people who are concerned about issues for a township, in my township, no one shows up for the annual meeting.

BRYAN HOIME We don't deal with bond issues, but this would be anything that would impose a new levy.

BEV NIELSON, NORTH DAKOTA SCHOOL BOARD ASSN., Testified in opposition of the bill. She stated the twenty acres appears to be arbitrary, why not fifteen or thirty or fifty. Why only include acreage. What if someone lives in Bismarck and owns three apartment buildings in Grand Forks, would they be able to go and vote on all of Grand Forks' taxes. This is very arbitrary. It could also be debated whether or not this is constitutional. It does make a difference

who votes in these elections. If you only own twenty acres, who gets to vote, the husband or the wife. You would have to have two different ballots, because you would only be voting on the levy. The whole thing is a little bazaar.

REP. GROSZ Stated, every school district is allowed 185 mills, these property owners could vote away education. How many school buildings do you see out there, that were voted in by a small number of people, that is a concern. I don't think this bill takes away the 185 mills.

BEV NIELSON Stated I don't know if there were school buildings built foolishly and are standing empty. I can't give you an answer. I think what is considerably larger, are schools out there that are sorely in need of repair, that need to be updated and haven't been. Whether or not nonresident people should make the choice for the residents there, is a question. In our opinion, people who live there and utilize the services, should be the ones who vote.

REP. WINRICH Under what conditions is a school board required to schedule a referendum for a levy increase?

BEV NIELSON Schools would have a tax levy for a building, they could have an election, they could have a levy for technology, those would be the things they would have a mill levy for. That would be for districts that don't have an unlimited mill levy. There are a few of those. Fargo has an unlimited mill levy by century code, Bismarck has elected to have one, Grand Forks has elected to have one, Jamestown had one and they voted and took it away. Everyone else is regulated by the cap.

REP. WINRICH Stated that this, under a number of conditions, this would still not give representation to nonresident property owners, the school board would be allowed to raise mill levies or taxes. This is not a bill that guarantees representation to these people.

BEV NIELSON There are some instances where boards can raise within legislative limits, but ot even in those districts, it could be referred.

AL JAEGER, SECRETARY OF STATE, Testified in a neutral position. Presented some of his concerns with the bill. He stated the constitutionality of the bill might be a little suspect, or at least raise some questions. He referred to line 8, talking about a qualified elector and line 15, where it talks about a nonresident voter. This could include out of state people. There is some burden on those election workers, as to what type of proof you would provide under the criteria of twenty acres as to whether or not they qualify. If there are two owners and twenty acres, which on of the two voters could vote. Another question it raises, if you have a property on five acres worth \$250,000, and own twenty acres only worth \$50,000, this is where the constitutional questions come in. Excluding an out of state person, who owns land in that area, versus one who lives within the state and owns land in that area, this is a concern. It would be a tremendous challenge for the election workers.

REP. BELTER Asked whether Mr. Jaeger had seen the California bill relating to this.

AL JAEGER Stated he was not aware of that proposition until this morning, and did not have time to research it.

REP. HERBEL Gave an example, stated he lives in the northeast part of the state and owns property in the southwest corner of the state, if there is an election being held in the southwest corner of the state, am I going to be notified of this issue so that I can vote on it?

AL JAEGER Stated he didn't think the bill addresses that.

CONNIE SPRYNCYNATYK, LEAGUE OF CITIES, Testified in opposition of the bill.

She stated this could affect people who own twenty acres in a city with an industry on it. She felt this would create some administrative nightmares.

With no further testimony, the hearing was closed.

COMMITTEE ACTION 1-19-99 Tape #2, Side A, Meter #30

REP. GROSZ Made a motion for a DO PASS.

REP. GRANDE Second the motion.

In discussion committee members felt the bill was probably well intended, but the administration of it would be too difficult. Some committee members felt in the townships, the landowners outnumbered the residents three to one, they could easily outnumber the residential votes on any issue. MOTION FOR A DO PASS FAILED.

REP. WARNER Made a motion for a DO NOT PASS.

REP. WINRICH Second the motion. MOTION CARRIED.

11 Yes 3 No 1 Absent

REP. CLARK Was given the floor assignment.

Please type or use black pen to complete

Date 1-19-99

Roll call vote # 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1309

House HOUSE FINANCE & TAX Committee

- Subcommittee on _____
- Conference Committee

} Identify or check where appropriate

Legislative Council Amendment Number _____

Action Taken D P

Motion Made By Rep. Grosz Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
BELTER		✓	WINRICH		✓
RENNERFELDT		A	Failed		
CLARK		✓			
FROELICH		✓			
GRANDE	✓				
GROSZ	✓				
HERBEL		✓			
KROEBER		✓			
MICKELSON	✓				
NICHOLAS		✓			
RENNER		✓			
SCHMIDT		✓			
WARNER		✓			
WIKENHEISER		✓			

Total 3 11
(Yes) (No)

Absent 0

Floor Assignment Rep.

If the vote is on an amendment, briefly indicate intent:

DO NOT USE HIGHLIGHTER ON ANY FORMS

Please type or use black pen to complete

Date 1-19-99

Roll call vote # 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1309

House HOUSE FINANCE & TAX Committee

Subcommittee on _____

Conference Committee

} Identify or check where appropriate

Legislative Council Amendment Number _____

Action Taken Do Not pass

Motion Made By Rep. Warner Seconded By Rep. Wenrich

Representatives	Yes	No	Representatives	Yes	No
BELTER	✓		WINRICH	✓	
RENNERFELDT	A				
CLARK	✓				
FROELICH	✓				
GRANDE		✓			
GROSZ		✓			
HERBEL	✓				
KROEBER	✓				
MICKELSON		✓			
NICHOLAS	✓				
RENNER	✓				
SCHMIDT	✓				
WARNER	✓				
WIKENHEISER	✓				

Total 11 3
(Yes) (No)

Absent 1

Floor Assignment Rep. Clark

If the vote is on an amendment, briefly indicate intent:

DO NOT USE HIGHLIGHTER ON ANY FORMS

REPORT OF STANDING COMMITTEE (410)
January 19, 1999 4:02 p.m.

Module No: HR-11-0860
Carrier: Clark
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1309: Finance and Taxation Committee (Rep. Belter, Chairman) recommends **DO NOT PASS** (11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1309 was placed on the Eleventh order on the calendar.

1999 TESTIMONY

HB 1309

Representative Robin Weisz
House Bill 1309

Issues concerning HB1309

1. As a state and nation we believe in the premise that there is no taxation without representation. This bill will allow the citizens of this state the ability to have a voice in tax issues that affect them. We currently have a segment of our society that is being disenfranchised from the electoral process.

2. This bill will not require any special notification by the county auditor. Cost will be minimal for the political subdivision.

3. Currently at least one other state already has a similar law in place, allowing all property owners to vote on all property issues that affect them.

4. This bill allows only residents of North Dakota the right to vote.

5. North Dakota already allows irrigation districts and assessment districts to vote based on property ownership so there is precedence in this state for this type of legislation.

6. Language in the bill would prevent multiple owners from buying property for the purpose of trying to influence an election.

7. The success of our political process is dependent on the ability of all citizens to be involved in the decisions that affect their lives by being able to either elect persons to represent their views or be able to directly vote on an issue. We currently have a large segment of our citizenry who are being disenfranchised from the process.