

1999 HOUSE EDUCATION

HCR 3060

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3060

House Education Committee

Conference Committee

Hearing Date 2-24-99

Tape Number	Side A	Side B	Meter #
Tape # 1	x		51.7 to end
Tape #1		x	0.1 to 16.1
Committee Clerk Signature <i>Joan Davis</i>			

Minutes:

Chairman R Kelsch , Vice Chair Drovdal , Rep Brandenburg , Rep Brusegaard , Rep Haas , Rep Johnson , Rep Nelson , Rep Nottestad , Rep L Thoreson , Rep Grumbo , Rep. Lundgren , Rep. Mueller , Rep. Nowatzki .

Chairman R Kelsch : Open the hearing on HCR 3060.

Rep Boucher: District 9, sponsor of HCR 3060. This would be a study to provide property tax relief and to equalize funding for political subdivisions that do not impose home rule sales tax.

End of side A tape #1 -- Begin side B tape #1

This would create a study during the interim to discuss and determine the feasibility that a portion of the state aid and distribution funds money that is turned back to the cities and the counties as a result of the apportionment state wide sales tax, the four tenths of one per cent, that

they would consider an enhancement fund or an equalization fund. A portion would go back to the cities and the counties would go to those cities and counties that don't levy a local sales tax.

Rep Nottestad : How would this work?

Boucher: This resolution has nothing to do with education. It should have gone to taxation. We have seventy plus cities that levy a local sales tax. That puts them at an advantage over all the others that can not or do not levy a local sales tax.

Rep Grumbo : How much money would the counties be getting in a lump sum?

Boucher: It will now generate somewhere seventy to seventy five million, so it looks like there will be an extra twenty million to be divided among the political subdivisions.

Rep Grumbo : Why not broaden the sales tax?

Boucher: As you know the state aid and distribution fund was at point six tenths of one cent and then reduced to point four tenths, but the cap was taken off. If it was taken back to the six tenths then that is where the enhancement money would come from.

Rep Nelson : That is when this issue would be getting into this committee, because sales tax revenue is a major part of how we fund foundation aid and if we increase to six tenths, I don't think it was ever funded at that amount. Aren't we taking money away from increased foundation funds if we increase it to that amount?

Boucher: Described tax concept back in the 1980's.

Rep Nelson : My point, if we would enhance and return the money to the counties, that money is part of the funding that increases education funding.

Boucher: You have to keep in mind, that the money that would flow back to the county and also impact upon the property tax.

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Vice Chair Drovdal : Are we sending a mixed message

Boucher: A lot of communities where it is not really practical to do it.

Rep. Nowatzki : Are we rewarding certain political subdivisions for not levying a local tax.

Boucher: We are not rewarding, it is a case where they are unable to do it.

Rep. Nottestad: IF something came out of this, would it be a way of stopping the small communities from imposing a sales tax?

Boucher: I don't know how much the small communities are collecting, very little I suppose.

Chairman R Kelsch : Anyone wishing to speak in opposition to HCR 3060. Hearing none, we will close the hearing on HCR 3060.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3060-3-4-99

House Education Committee

Conference Committee

Hearing Date 3-1-99

Tape Number	Side A	Side B	Meter #
Tape # 2	x		31.5 to 40.8
Committee Clerk Signature <i>Juan Davis</i>			

Minutes:

Chairman R Kelsch , Vice Chair Drovdal , Rep Brandenburg , Rep Brusegaard , Rep Haas , Rep Johnson , Rep Nelson , Rep Nottestad , Rep L Thoreson , Rep Grumbo , Rep. Hanson , Rep. Lundgren , Rep. Mueller , Rep. Nowatzki , Rep. Solberg .

Chairman R Kelsch : We will take up HCR 3060. What are the wishes of the committee?

Rep Nelson : Move a DO PASS

Rep. Lundgren : Second.

Chairman R Kelsch : Discussion. Have the clerk call the roll on a DO PASS.

VOte 6 YES 9 NO 0 Absent motion failed

Vice Chair Drovdal : Move a DO NOT PASS

Rep L Thoreson : second.

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House Education Committee

Bill/Resolution Number HCR 3060-3-4-99

Hearing Date 3-1-99

Chairman R Kelsch : We now have a DO NOT PASS motion on HCR 3060, we will ask the

clerk to call the roll. The DO NOT PASS motion passes 9 YES 6 NO 0 Absent

Floor assignment Vice Chair Drovdal.

Date: 3-1-99

Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HCR 3060

House Education Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Nelson Seconded By Sundgren

Representatives	Yes	No	Representatives	Yes	No
Rep. ReaAnn Kelsch-Chairperson		✓	Rep. Dorvan Solberg	✓	
Rep. David Drovdal-Vice Chair		✓			
Rep. Michael D. Brandenburg		✓			
Rep. Thomas T. Brusegaard	✓				
Rep. C. B. Haas		✓			
Rep. Dennis E. Johnson		✓			
Rep. Jon O. Nelson	✓				
Rep. Darrell D. Nottestad		✓			
Rep. Laurel Thoreson		✓			
Rep. Howard Grumbo	✓				
Rep. Lyle Hanson		✓			
Rep. Deb Lundgren	✓				
Rep. Phillip Mueller	✓				
Rep. Robert E. Nowatzki		✓			

Total (Yes) 6 No 9

Absent 0

Floor Assignment _____

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

Date: 3-1-99
Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HCR 3060

House Education Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Drovdal Seconded By Thoreson

Representatives	Yes	No	Representatives	Yes	No
Rep. ReaAnn Kelsch-Chairperson	✓		Rep. Dorvan Solberg	✓	
Rep. David Drovdal-Vice Chair	✓				
Rep. Michael D. Brandenburg		✓			
Rep. Thomas T. Brusegaard		✓			
Rep. C. B. Haas	✓				
Rep. Dennis E. Johnson	✓				
Rep. Jon O. Nelson		✓			
Rep. Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				
Rep. Howard Grumbo		✓			
Rep. Lyle Hanson	✓				
Rep. Deb Lundgren		✓			
Rep. Phillip Mueller		✓			
Rep. Robert E. Nowatzki	✓				

Total (Yes) 9 No 6

Absent 0

Floor Assignment Drovdal

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

REPORT OF STANDING COMMITTEE (410)
March 1, 1999 4:20 p.m.

Module No: HR-36-3812
Carrier: Drovdal
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3060: Education Committee (Rep. R. Kelsch, Chairman) recommends **DO NOT PASS** (9 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). HCR 3060 was placed on the Eleventh order on the calendar.