

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1192

2007 HOUSE FINANCE AND TAXATION

HB 1192

# 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1192**

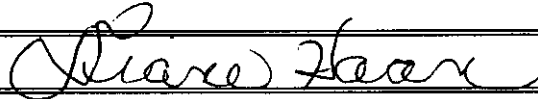
House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: 1-15-07

Recorder Job Number: 1053

Committee Clerk Signature



Minutes:

**Chairman Belter:** Opened the hearing on HB 1192.

**Rep Brandenburg, Dist 28:** Introduced HB 1192. In my district we have a number of volunteer firefighters and this bill would allow a tax credit of \$250 for volunteer firefighters that are out there. They would have to attend at least 10 training sessions in a calendar year and obtain this from the chief or secretary of the volunteer fire department and have this filed and then they'd have this back by April 15<sup>th</sup> to use as a tax credit. There is a fiscal note to this bill, but it would be a good way to say thank you for the work they do.

**Rep Weiler:** Will there be anybody else that will be testifying that may be able to answer questions, or can you answer? How many volunteer firefighters do we have in the state?

**Rep Brandenburg:** If you look at the fiscal note it would give you the numbers, 7500 firefighters could qualify for this kind of credit.

**Rep Grande:** I don't see where or if it says how many hours they have to work to get this credit and if you could also address the full training sessions conducted by the volunteer department, are these courses that fall under the North Dakota Firefighters Assoc, or not?

**Rep Brandenburg:** It says they have to have 10 training sessions and I don't know how long they last, because they have to set up with the volunteer fire department. The State Fire Marshall could answer those questions.

**Rep Grande:** Let me clarify, I'm asking how many hours they worked before they actually got a credit.

**Rep Brandenburg:** What this pertains to is that I don't they're looking at how many hours they worked because when you have a volunteer fire department is ... when a fire happens, you come and do it. Where it gets into credit they need to attend and participate and they have training sessions so they're trained up to understand going into the fires and be the best firefighter that they can. That's the criteria that they need to meet.

**Rep Grande:** I directed it toward that because we're looking at an income tax credit so I'm looking at work for income ... if you were looking at a rebate on their dollars for the cost of training, I could see what you were talking about there, but I'm trying to see how that relates to income credit.

**Rep Brandenburg:** With the volunteer fire department you're not paid, you're doing it on your own personal taxes, so we're trying to say thank you to the volunteer fire fighters/

**Rep Headland:** Is there a shortage of volunteer fire fighters in the state today?

**Rep Brandenburg:** I think that in some towns you have a lot of people participating and being part of the volunteer firefighters and I think in some towns there's a shortage. There's less and less people that are able to be a part of a volunteer fire department because they're getting too old and can't handle the stress and the younger people aren't there or able to. So yes, there are places that have a shortage.

**Rep Brandenburg:** I'm just trying to get a feel to find out if this is a tool to encourage people to volunteer or there are adequate volunteers today.

**Rep Brandenburg:** Absolutely, not only to encourage them to be a part of the volunteer fire department but mostly it's a way to say thank you for being a part of it.

**Rep Weiler:** If we do pass this bill and they are getting something, is it to consider volunteering again?

**Rep Brandenburg:** It's kind of in the middle there, maybe we might be getting a little because we're giving them an income tax credit, but it's a way to say thank you to the volunteer fire fighters who are not getting paid anything plus they need to get trained. This may be something we can get to work.

**Rep Drovdal:** I want to compliment you on bringing the bill forward, I don't think we do enough to thank our volunteers for the ambulance and fire department and any other volunteers ... this is certainly something we need to do. My concern is and it puts me kind of a delicate situation, because I have 35 years on the fire department and years as being secretary, is the definition of regular training to me I belong to a real small town one and we have training meetings and 95% of the volunteers sit there and play cards while the 5% go out there and do the training. Knowing that, I know all of them would get credit from their chief, do we have a way to make sure that we're going to accomplish what we want to accomplish?

**Rep Brandenburg:** That's the part on anything that you do when you try to give something back to the people, a tax credit, there's people out there that will do very good training programs and other fire departments are going to have poorer training. It's for their own benefit to train themselves up so they can handle the job and protect themselves. It's part of the nature of the beast, you'll have some that are very good and deserving and some that will use the system.

**Rep Drovdal:** But you don't have any *strings?* that you're going to put on to make any requirements on the training.

**Rep Brandenburg:** We could make amendments but I don't have that expertise to know how to do that, so I'd have to get some help.

**Rep Weiler:** The volunteer fire fighters do currently have to go through a process of education so the question that I have is, to be considered a volunteer fire fighter, if you have to attend these certain classes and you don't attend them and a fire happens, are you able to go out and help? The reason I bring that up is because in the bill it talks about all these classes and training situations that you have to go through, but don't you have to go through them anyway to be a volunteer fire fighter?

**Rep Brandenburg:** That's right; there are people that attend all of the meetings and training so they understand what they need to do to protect themselves as well as how to use the equipment. There's some that never go or they have a local program that they try implement back to the people. I don't think the fiscal note will be as high as it is because they have to have certificates and an explanation of how they went through some of the programs they attended. The explanation on this bill probably should be a lot more defined.

**Rep Weiler:** So anybody can be a volunteer fire fighter, you don't have to go out and take all these classes to be considered a volunteer firefighter and what happens when a fire happens and can anybody that signed up 3 days ago, go out and fight?

**Rep Brandenburg:** I think it depends on when you signed up, everybody has a training program. It could be that you just joined the volunteer fire department and they have a fire and you can be right out there.

**Rep Froseth:** We have a volunteer fire department and they meet the 1<sup>st</sup> Wednesday of every month for meeting and training and they do this 12 months a year, so 10 or those 12 months they'd have to attend that training session and maybe that training session deals more with checking equipment and checking the sirens and flushing the hoses ... I'm sure it would

qualify for a training session. A couple times a year the North Dakota Firefighters Assoc conducts fire training schools that we sent a delegation to every time and I think they bring back information for those who can't attend .... I suppose that qualifies. Also, we have an active and inactive membership ... the ones that don't want to take a real active roll in answering fire calls are inactive members, but they do things like cleaning equipment. They have to be certified, I think, through the Firefighters Assoc.

**Rep Brandenburg:** Some of these fire departments are very well organized and very efficient to make sure they take care of their equipment ... probably some of them could be better, but this income tax credit is a small way to reward them for giving their time, it's a volunteer program and they take their work very seriously.

**Rep Drovdal:** Thank you for your presentation, any other testimony in support ... opposition ... neutral?

**Rep Grande:** I'd still like to know if there's someone who could answer my question about the North Dakota Firefighter's Assoc ... if the courses that are in this bill are equal to the North Dakota Firefighter's Assoc or not?

**Rep Drovdal:** Is there anybody in here that represents the North Dakota Firefighter's Assoc or any other volunteer firefighter's assoc?

**Raymond Lambert, State Fire Marshall:** I don't intend to answer for the firefighter's assoc, but I have heard some questions that I think I can give some reasonable clarification on. Rep Grande, would you restate the question?

**Rep Grande:** In the bill it talks about regular training meeting, where they're qualifying these training meetings, in your voucher fire department. I just didn't know how that fell in line with the North Dakota Firefighter's Assoc training. We got the booklet on that last Friday and I'm curious as to how those courses compare to or work with this bill.

**Raymond Lambert:** The North Dakota Firefighter's Assoc training is certified training. What they have in their standards for a better clarification, they have firefighters 1 and firefighters 2 certification. The training courses they have and attend at the regional schools around the state or at the state fire school would meet that standard. The individual training meetings that are held at the departments, is frankly, and I'm not going to talk down to the fire service, a lot of those training sessions, depending on the departments, are very good quality training sessions. The particular department that is providing that training, documents that and files that on file for their firefighters. The times that they break out cards and clean some trucks and have a quick meal and they go home ... those training sessions, from what I've read in the bill, would not qualify for a training session. I also have some questions and problems on the bill myself ... I've read the bill many times and had it explained that the level of training that was required to meet the criteria for this tax credit, it would mean a lot of work in my view to meet the standard for that level of training. If I attended 10 training meetings in a years time there would have to be proper certification and specify what that training is to meet this criteria. I look at a tax break or an incentive for firefighters very seriously. We have very serious volunteer firefighters where as professional firefighters would be very much appreciative and very well earned credit.

**Rep Drovdal:** I just want to follow up on Rep Grande's question so I make sure that everyone understands your answer. So there's currently no language that says a volunteer fireman has to have firefighter 1 and firefighter 2 (*can't understand*) ?

**Raymond Lambert:** That is correct, in current law, to be a volunteer firefighter; the fire chief of that community has the word as to what level of training would be required. That could be simple as, I could get you to sign on the dotted line today and we could have fire this evening.



You're a volunteer firefighter and under all the laws of the state, to include workers comp (*can't understand*).

**Rep Drovdal:** Is it true that if a person shows up at a fire or at a grass fire and chief will say ... you're now a volunteer fireman?

**Raymond Lambert:** That is correct, if you show up you can be commandeered and too would meet the standard.

**Rep Drovdal:** If no further questions, we'll close the hearing on HB 1192.

# 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1192 B

## House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 15, 2007

Recorder Job Number: 1112 01min 01sec

Committee Clerk Signature

*Mickie Schmidt*

Minutes:

### Committee Work:

**Chairman Belter:** Let's look at HB 1192. This is dealing with income tax again. Rep.

Brandenburg, I'm sorry I didn't have the opportunity to hear your Bill

**Representative Brandenburg:** Mr. Chairman, you missed a good presentation.

**Chairman Belter:** Ok, we won't vote on this right now. Close the meeting on HB 1192.

# 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1192 C

## House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: January 15, 2007

Recorder Job Number: 1116 04min 12sec

Committee Clerk Signature *Mickie Schmidt*

Minutes:

### Committee Work:

**Chairman Belter:** Let's look at HB 1192. I would entertain a motion.

**Representative Grande:** I would like to make a motion of Do Not Pass.

**Representative Headland:** I second it.

**Chairman Belter:** Is there any discussion?

**Representative Wrangham:** I think this Bill is way ahead of it's time.

**Representative Brandenburg:** I just have to say that this is probably a very good Bill, but after listening to all the testimony and the questions that were asked, there is a lot of trouble in implementing this program, who's going to get it, who would qualify, how do you do it. And even myself, in looking at having a 3.7 million dollar fiscal note, this Bill's too much.

**Chairman Belter:** Any other discussion?

**Representative Schmidt:** I would just like to say that the volunteer fireman are the same as ambulance people. These people are putting in lots and lots of time. And I know this Bill's maybe too early, but eventually, we're going to have to do something for our volunteer people. In the rural areas, we're running out of volunteers. They're working them to death. The people in Rugby approached me and said he work at the John Deere. He said, I've given them all

these years as a rural volunteer. They're gone over half a day now. It's affecting our business. Those ambulances are at every event there is and these people are being worn out in the rural small areas. So someday we are going to have to address this.

**Chairman Belter:** Any other discussion? If not, will the Clerk read the roll for a Do Not Pass on HB1192? 12-y, 1-n, 1-absent. Rep. Froseth will carry the Bill. Close the meeting on HB1192.

# FISCAL NOTE

Requested by Legislative Council

01/08/2007

Bill/Resolution No.: HB 1192

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$3,750,000)			
Expenditures						
Appropriations						

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2A. Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1192 provides an individual income tax credit of up to \$250 per year for volunteer firefighters who meet the qualifying criteria provided in the bill.

**B. Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

It is not known precisely how many volunteer firefighters would meet the qualifying criteria. A reasonable estimate, according to information received from the ND Firefighters Association, is 7500 volunteer firefighters in the state would qualify for the tax credit. Based on these assumptions, HB 1192 could result in a reduction in state general fund revenues of \$3,750,000 in the 2007-09 biennium.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

<b>Name:</b>	Kathryn L. Strombeck	<b>Agency:</b>	Office of Tax Commissioner
<b>Phone Number:</b>	328-3402	<b>Date Prepared:</b>	01/12/2007

Date: 1-15-07  
Roll Call Vote #: 1192

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO.

House Finance & Tax Committee

Check here for Conference Committee

Legislative Council Amendment  
Number \_\_\_\_\_

Action Taken Do Not Pass

Motion Made By Rep. Grande Seconded By Rep. Headland

Representatives	Yes	No	Representatives	Yes	No
Chairman Belter	✓		Rep. Froelich		✓
Vice Chairman Drovdal	✓		Rep. Kelsh	✓	
Rep. Brandenburg	✓		Rep. Pinkerton	✓	
Rep. Froseth	✓		Rep. Schmidt	✓	
Rep. Grande	✓		Rep. Vig	✓	
Rep. Headland	✓				
Rep. Owens					
Rep. Weiler	✓				
Rep. Wrangham	✓				

Total (Yes) 12 No 1

Absent 0

Floor Assignment Rep. Froseth

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

**REPORT OF STANDING COMMITTEE (410)**  
January 15, 2007 3:19 p.m.

**Module No: HR-09-0595**  
**Carrier: Froseth**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1192: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO NOT PASS (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1192 was placed on the Eleventh order on the calendar.**

2007 TESTIMONY

HB 1192



1-1507

#1

HB 1192

**House Bill 1192**  
**Finance and Tax Committee**  
**January 15, 2007**

Chairman Belter and Members of the House Finance and Tax Committee,

My name is Tim Mathern. I am the Senator from District 11 in Fargo. I speak in support of HB 1192. While I live in our largest city I know without a rural North Dakota citizenry and economic activity there is no future for Fargo.

Volunteer fire fighters are essential to North Dakota. People and assets need to be safe, protected, and served in a crisis. This is the service provided by fire fighters. The minimum we can do to make sure volunteer fire fighters are available in our rural state is to give this minimal encouragement of an income tax credit. While the amount of money is small, the credit says "we appreciate your service to our state, our communities, and our individual citizens".

HB 1192 helps our volunteer fire fighter service stay in place. I encourage a do pass on this bill.

Thank you.