

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

4031

2007 SENATE FINANCE AND TAXATION

SCR 4031

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SCR 4031

Senate Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: February 26, 2007

Recorder Job Number: # 3825

Committee Clerk Signature

Sharon Pennington

Minutes:

Sen. Urlacher called the committee to order and opened the hearing on SCR 4031.

Sen. Cook: Prime sponsor of the bill appeared in support stating this addresses the number 1 reason why ND property taxes are so high and that's because North Dakotan's have a tremendous appetite for local government. This brings this issue to the table, gets the people involved that are providing these services at that table have a good discussion of them and see if there is in some areas we might efficiencies and ways of lowering people's property taxes.

Sen. Urlacher: the interim committee took a hard look at all the property tax effects.

Sen. Horne: could this mean potentially combining counties for example? What other examples are you thinking of?

Sen. Cook: I look down underneath a lot of services that counties give for example. Maybe there are services that aren't being provided by the right level of government, maybe some services where the State has taken over certain services that used to be provided by the county. All of that reduces property taxes.

Rep. Weiler: co-sponsor appeared in support stating that the resolution speaks for itself, it could an issue with local governments just the same as it is with state governments.

Rep. Kasper: co-sponsor appeared in support stating one of the things that I believe is a problem is the formula, look at line 13 of the resolution where we talk about property taxes have increased faster than the increase in other taxes and inflation. It's my belief that the formula particularly in the residential side both calculate property taxes is wrong and needs to be corrected.

Sen. Tollefson: can you foresee a study of the taxation policy from the stand point that add valorum taxes, all property be taxed on an advalorum basis or some other basis?

Answer: that's a good question and it may also be of something to which you look at the scope of the bill. I think we need to look at all possibilities of where we should be going with out tax policy in the future.

Connie Spryncynatyk: ND League of Cities appeared in support wondering if it was broad enough and had concerns with line 11 with at least regard of cities. Handed out some pie charts. (See attached)

Bill Wocken: City of Bismarck appeared in support stating the City of Bismarck has accomplished a number of consolidations in government services.

Terry Traynor: Assoc. of Counties appeared in support and feels it's a good opportunity to share what counties are doing with the legislature and with other counties.

Sen. Cook: have you seen struggling with getting some counties to combine their jails that could be made easier or removed if we had some minor tweaking to the Century Code?

Answer: I've been involved but don't know if involved closely enough to say if that's a problem. Some the challenges are financial, structural and maybe this could be addressed as well.

Larry Syverson: Mayville farmer, appearing neutral with written testimony. (See attached)

Sen. Tollefson: made a **Motion for DO PASS** seconded by Sen. Triplett.

Roll call vote: 7-0-0 Sen. Cook to carry the bill.

Date: 2-26-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SCR 4031

Senate Finance & Tax Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DO Pass

Motion Made By Sen. Tollefson Seconded By Sen. Triplett

Senators	Yes	No	Senators	Yes	No
Sen. Urlacher	✓		Sen. Anderson	✓	
Sen. Tollefson	✓		Sen. Horne	✓	
Sen. Cook	✓		Sen. Triplett	✓	
Sen. Oehlke	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Cook

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

REPORT OF STANDING COMMITTEE

SCR 4031: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SCR 4031 was placed on the Eleventh order on the calendar.

2007 HOUSE FINANCE AND TAXATION

SCR 4031

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SCR 4031

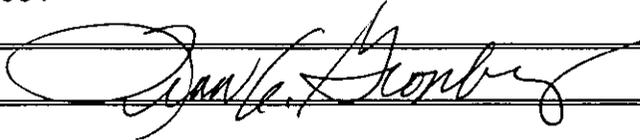
House Finance and Taxation Committee

Check here for Conference Committee

Hearing Date: 3-14-07

Recorder Job Number: 5031

Committee Clerk Signature



Minutes:

Chairman Belter opened the hearing on SCR 4031.

Senator Dwight Cook, Dist 34: It's a simple study resolution. One look will tell you why it's here. We've had many discussions about property tax this session. ND's have a lot of appetite for a lot of local government. If we're ever going to get the property tax down to a level where the citizens of this state say I can live with that, then this is an issue we need to discuss. The intent is to take a look at a service, see how it's delivered today, see how we might better deliver that service and maybe lower the tax.

Rep Weiler moved a Do Pass and Put on the Consent Calendar

Rep Grande seconded the motion

The motion passed on a voice vote

Date: 3-14-07
Roll Call Vote #: 4031

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 Pass + Put on Consent Calendar

Motion Made By Rep. Weiler Seconded By Rep. Grande

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) 14 No 0

Absent 0

Floor Assignment Rep. Weiler

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

* Voice Vote

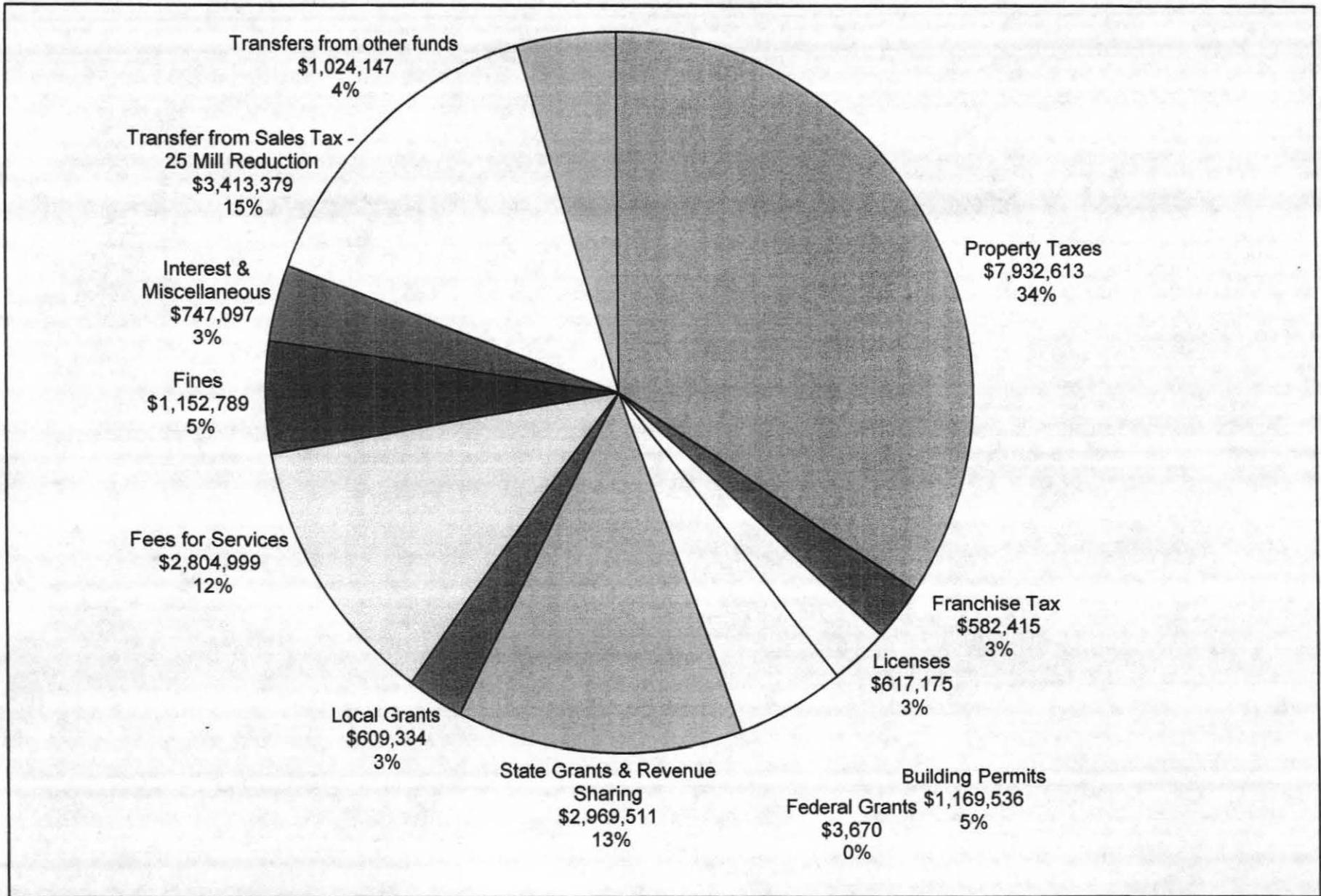
REPORT OF STANDING COMMITTEE

SCR 4031: Finance and Taxation Committee (Rep. Belter, Chairman) recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SCR 4031 was placed on the Tenth order on the calendar.

2007 TESTIMONY

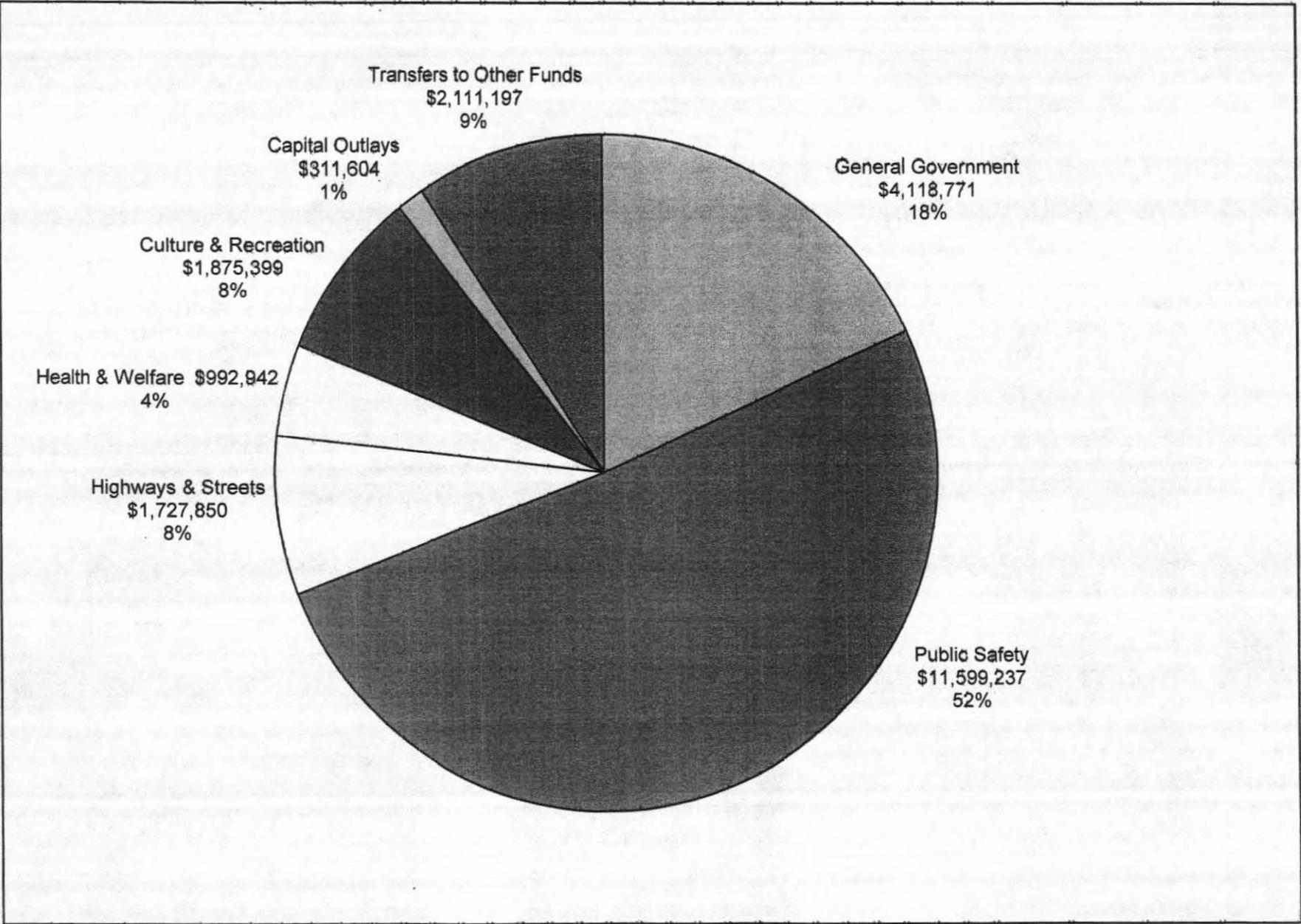
SCR 4031

CITY OF BISMARCK, ND
2005 ACTUAL GENERAL FUND REVENUES



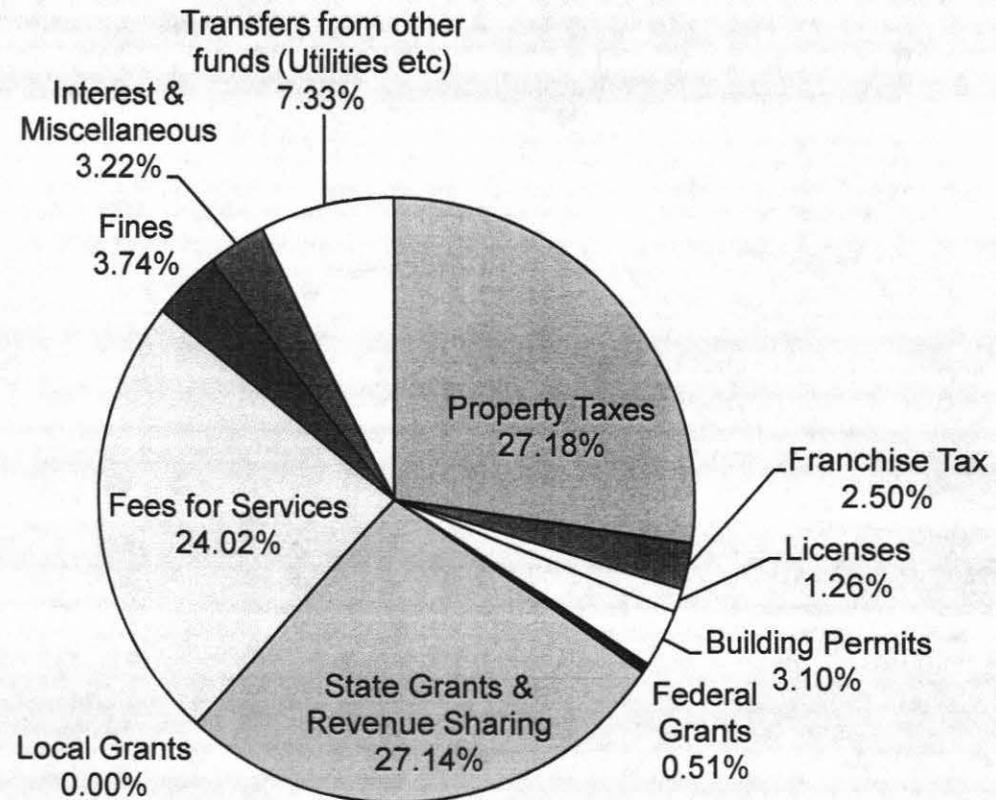
2005 General Fund Revenues total \$23,026,665

CITY OF BISMARCK, ND
GENERAL FUND EXPENDITURES BY FUNCTION - 2005 ACUTALS

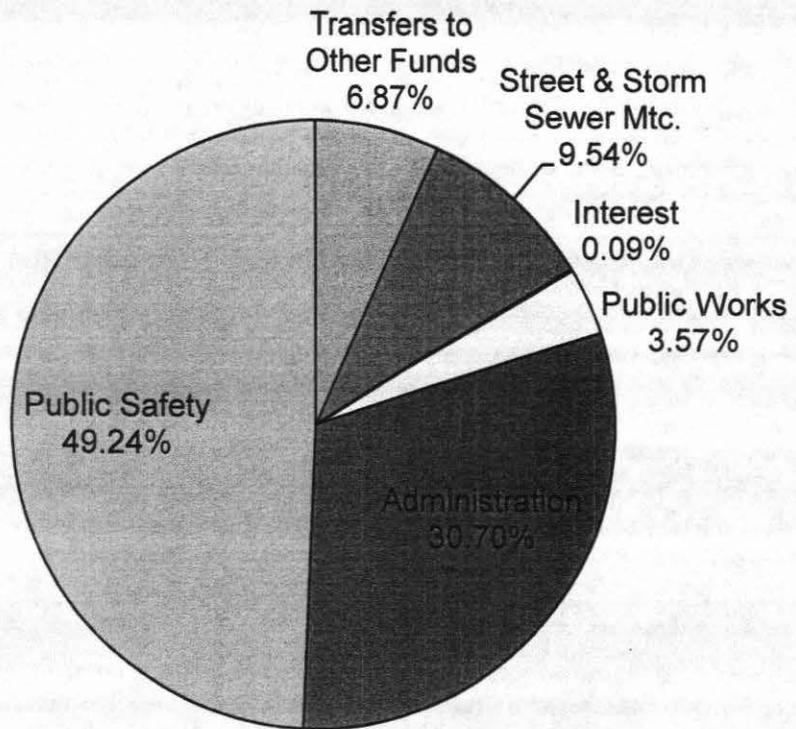


2005 General Fund Expenditures total \$22,737,000

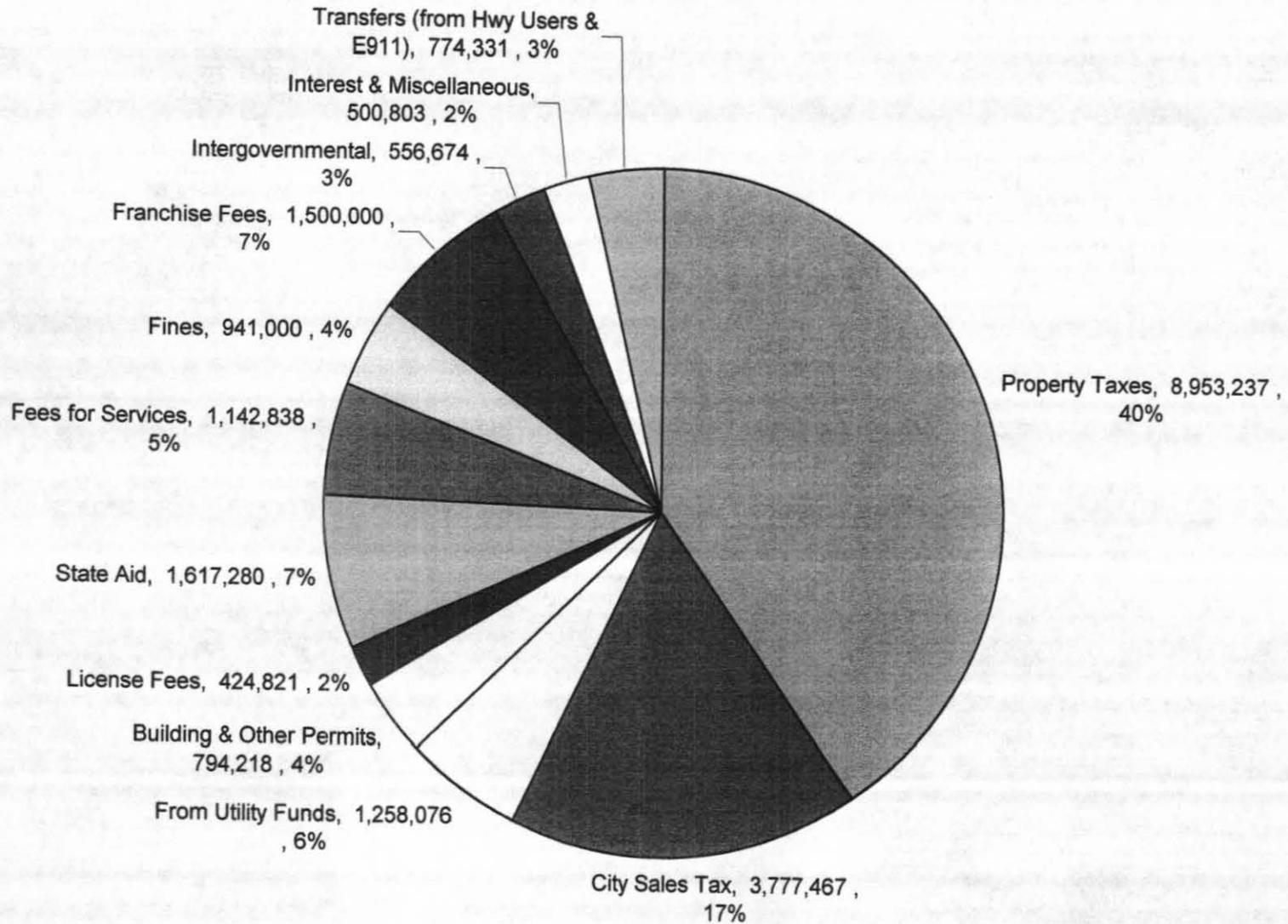
**CITY OF MINOT, ND
2005 ACUTAL GENERAL FUND REVENUES**



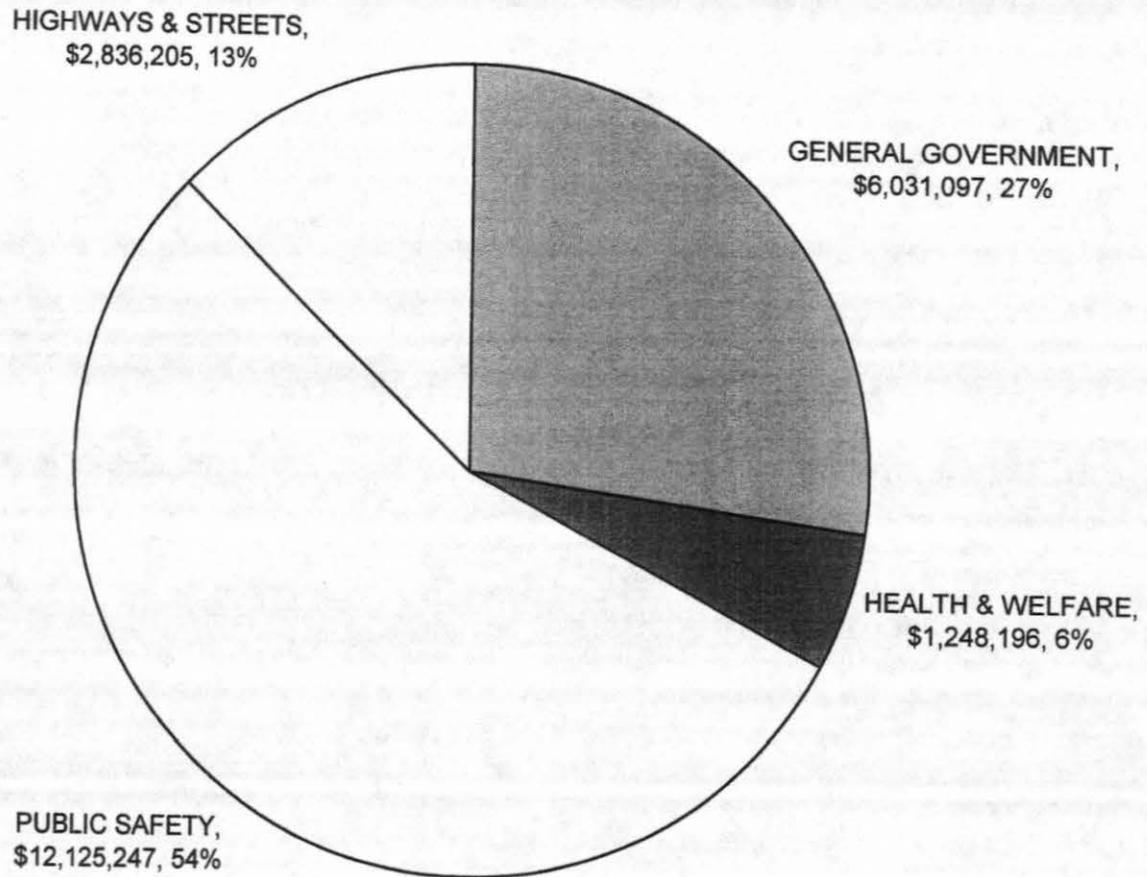
CITY OF MINOT, ND
2005 ACUTAL GENERAL FUND EXPENDITURES BY FUNCTION



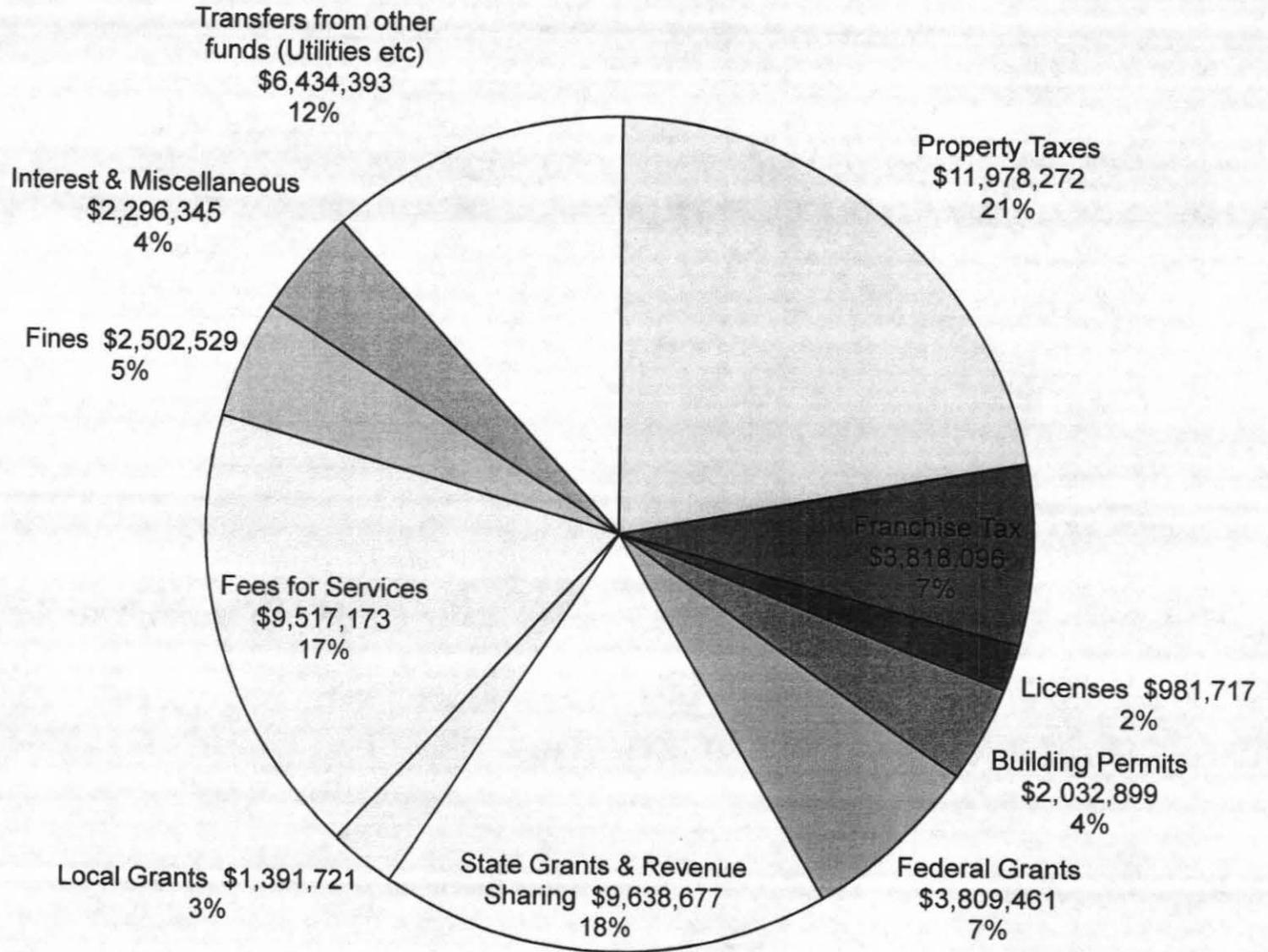
**City of Grand Forks, ND
2006 Budgeted General Fund Revenue**



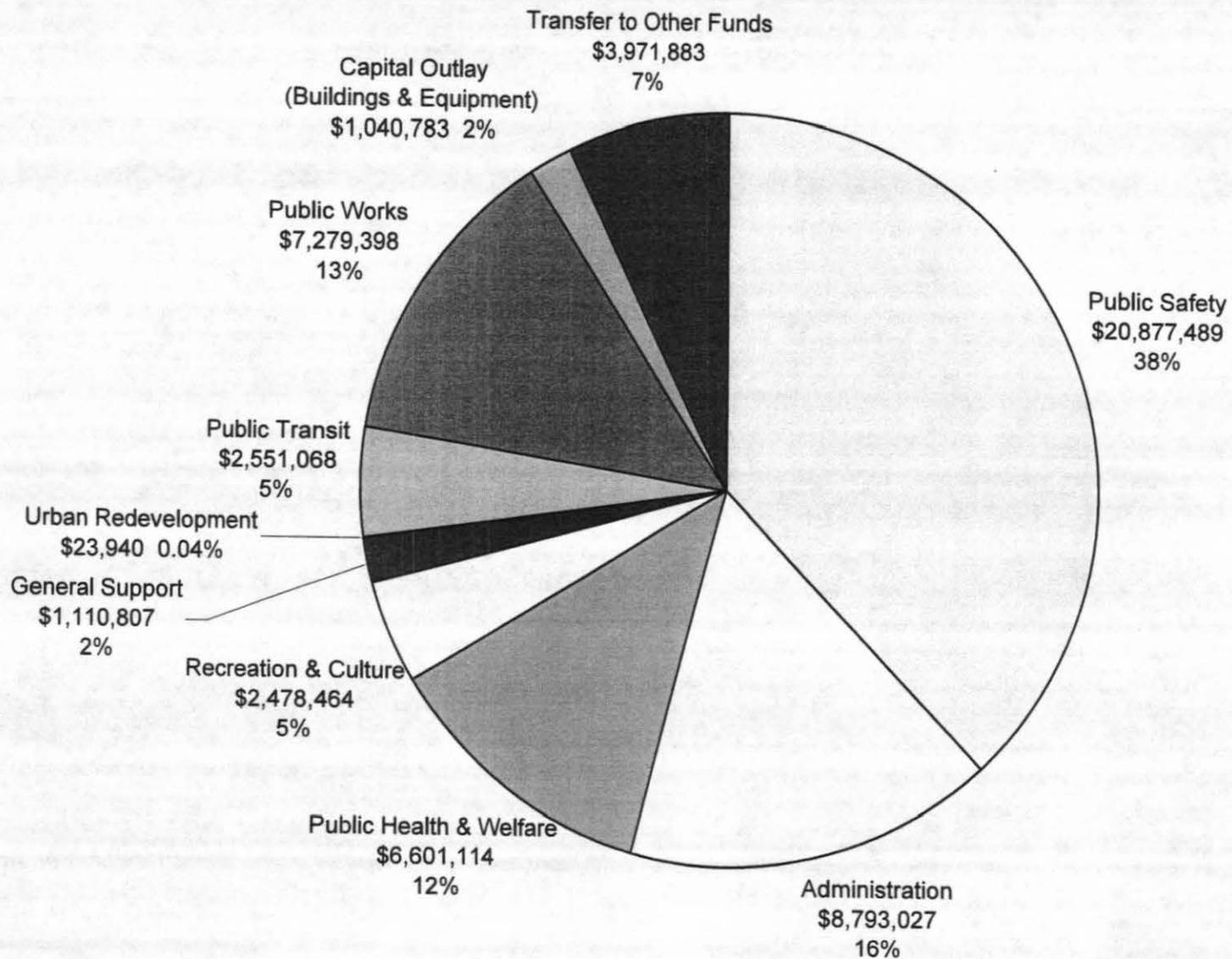
**City of Grand Forks, ND
2006 Budgeted General Fund
Expenditures**



CITY OF FARGO, ND
2005 ACTUAL GENERAL FUND REVENUES



CITY OF FARGO, ND
GENERAL FUND EXPENDITURES BY FUNCTION - 2005 ACTUALS



2005 General Fund Expenditures total \$54,727,973

Neutral testimony on SCR4031

Good morning Chairman Urlacher and Committee Members.

I am Larry Syverson a farmer from Mayville; I am the Chairman of Roseville Township of Traill County. I am also a District Director of the North Dakota Township Officers Association.

A couple of items in this resolution aroused my curiosity. First the whereas beginning on line 4 states that 21 percent of all workers are government employees. If I am not mistaken this percentage includes North Dakota's disproportionately high number of federal employees. If this is correct, including the number of federal employees in this statement is hardly germane to this study.

My second question about this resolution is; how many of these employees are working for little or no compensation? Would reducing the number of low pay employees really improve fiscal efficiency if any fully funded full time employees would have to be added?

There is nothing wrong with studying this situation; reducing taxes is a worthwhile goal, efficiency is too, so are local control, and a responsive government.

Chairman Urlacher and Committee Members that concludes my prepared testimony, I thank you for listening to my concerns and I will try to answer your questions.