

2017 HOUSE POLITICAL SUBDIVISIONS

HB 1421

2017 HOUSE STANDING COMMITTEE MINUTES

Political Subdivision Committee Prairie Room, State Capitol

HB 1421
2/9/2017
28131

- ☐ Subcommittee
☐ Conference Committee

Donna Whetham

Explanation or reason for introduction of bill/resolution:

Relating to township assessors.

Minutes:

Attachment 1, .

Vice Chairman Rep. Hatlestad: Opened the hearing on HB1421.

Rep. Damschen, District 10: Introduced HB 1421. People who are elected township assessors have a fair amount of training and continuing education required. The result of that is that the townships cannot afford to pay for training. We levy the excess levy and it generates about \$8000 a year. I was the assessor and I was paid \$60 a year. It hardly pays for me to take training. We will probably have to pay the county to have someone come to do the assessment. \$500 to \$800 a year and it adds up because we have a small budget. I am trying to alleviate the problem of training an assessor and put in an alternative. If you are a township with annual property tax of \$50,000 or less per year you would be exempt from the training requirement. We used \$50,000 because it will cover most of the townships in Pembina county which has a higher land value than Cavalier county. I felt like I got paid well at \$60 a year, I got the books and we filled out the paperwork and took them to the meeting and they were reviewed by the committee and then approved and closed and returned them to the County Auditor. I would urge you consider this very seriously. I think it will be a relief to our small townships. I would urge you give this a do pass.

Rep K. Koppelman: I'm not sure how an assessment in a township works? Are the evaluations determined elsewhere either by the County Assessor and then you just put on the mills that there are for the township?

Rep. Damschen: Basically, it is done by the County Tax Director, the evaluation is done by the formula. There are some assessors that have to figure in the modifiers for the taxation. Years ago we looked at the evaluations of the township and the land that wasn't as good was taxed at a little lower rate.

Rep K. Koppelman: So if this bill passes how would you see it working if the requirement isn't there for the township assessors, if they needed help or had questions or didn't know how to perform the new functions that might be required, could they get help from the county?

Rep. Damschen: Yes, I think the Tax Director or the Auditor are very willing to help.

Vice Chairman Hatlestad: Are all of the assessors in your area as efficient as you are?

Rep. Damschen: I couldn't answer that without being biased but I am sure they are.

Larry Severson: In support to HB 1421. I am here to answer any questions you may have.

Rep. Beadle: Do you know more specifically how many of our townships would fall below the \$50,000 threshold?

Mr. Severson: I would say nearly all of them.

Vice Chairman Hatlestad: After last session did you find it difficult to keep assessors as we were requiring all of the education.

Mr. Severson: Yes, most of them quit. People across the state have taken it upon themselves to take the training and offering themselves to several townships to serve as the assessor. It will be a lot fewer assessors going forward and some are just having the county do it and it is all at a greater cost than before. That is why we are supporting this.

Vice Chairman Hatlestad: Would some of those come back if this was passed?

Mr. Severson: We are still in the grace period where the work can be done by an uncertified but it has to be cosigned by a certified assessor. Some of them are still possibly active and might continue.

Vice Chairman Hatlestad: Any further support to HB 1421? Seeing none. Any opposition?

Tyler Perleberg, Stutsman County Director of Tax Equalization: In opposition to HB 1421. (Testimony #1). (11:55-15:45).

Rep. Ertelt: Since your county has offered assessing for free and you feel the training is a valuable undertaking for the township assessors, would you be willing to pay for the training?

Mr. Perleberg: We have left it up to the townships that want to hire these assessors. They have the option with us to do the assessment work for free, if they want to hire their own township assessor we have left it up to those local jurisdictions to pay for that training for them.

Rep. Ertelt: Do townships have the same ability as county to raise their property tax levies when they have additional funding requirements?

Mr. Perleberg: I am not really familiar with that part of the taxing.

Rep. K. Koppelman: My understanding from the earlier testimony is that when the assessments are made in the township they come before the county and I assume the board

of equalization but does the assessor also see them and why were some of things not caught if there is oversight now?

Mr. Perleberg: Good question. A lot of it is just not having the interest in going out and doing the work or neglecting it. In our county we take care of the agricultural land but we leave it up to the assessors to do the residential and commercial. We have 64 townships and this bill would affect 62 if them. When it comes to the County Board of equalization we get back from the local assessors what they had done for work that year. We would not know if they missed a property unless we heard from someone else. Which we do find.

Rep K. Koppelman: You talked about some of the properties were completely missed and you added them and you said the tax burden were borne by those who were paying taxes, then did you lower taxes when you found additional revenues from properties you had not previously taxed?

Mr. Perleberg: You take that extra evaluation that we are getting from the property that was missed and that is adding to the total taxable value. Of course that would level it out as far as equality across the property tax payers.

Rep K. Koppelman: So other properties taxes were lowered in terms of the tax they had to pay?

Mr. Perleberg: If they were at market value, we did not change those, we changed the ones that we were doing market values on.

Rep K. Koppelman: So the mill levy didn't change? So it wasn't really true that others were paying the costs.

Mr. Perleberg: It depends on the taxing jurisdiction.

Mr. Traynor, Association of Counties: In opposition to HB 1421. It seems to be a misunderstanding because first of all it addresses section in title 11 which is the County Tax director chapter, and it says the County Director may not require the township assessor to get trained. The County Director does not require training. The State legislature requires training in 57.02.01.1. That is where the certification of assessors is established and yes it was changed last session. There are two classes of assessors, Class 1 and Class 2. Class 2 has to have 80 hours of training in order to do that. There is a recognition that we do need equalization across the state. From a township perspective yes, \$50,000 of tax collected in that township, it affects that. The assessment, the valuations that are established in that township doesn't just affect the township tax it affects the school, the county and the fire district tax also. I urge a do not pass. I would suggest getting some clarification of the training requirements from the tax department. 22:33

Rep K. Koppelman: As you said you can identify with the concern, is there another solution?

Mr. Traynor: We want professional assessments so values are equalized across the state and the way to do that is to have a standard that everyone must achieve. The problem is

finding someone that is willing to do it. Maybe one can get the training and do multiple townships. We feel training is a key to that.

Rep K. Koppelman: Would you think that in the 53 counties that you represent, are they all going to be as generous as Stutsman and say we will do this at no charge? Are they doing that now?

Mr. Traynor: Some are. I would say the majority are not. Some charge on a per parcel base, and some have a flat \$300 to \$500 a year to do it for them.

Rep. Ertelt: You mentioned the \$300 to \$500 would that cover the cost of the training?

Mr. Traynor: The Tax Department can answer what the training itself costs. A lot of it is on line now.

Rep. Zubke: Isn't what is happening here what we anticipated in the last session when we passed the bill? Isn't that because there are assessors out there so close to each other that property wasn't being assessed properly?

Mr. Traynor: Yes, it was testified to the fact that if the legislature implements the 80 hours of training we would lose a lot of small city and township assessors and to that extent it was anticipated and that is the case.

Vice Chairman Hatlestad: Any additional questions? Can you tell me how many counties are doing all of the assessing?

Mr. Traynor: I cannot, we could put out a survey. We did a survey prior to this law to see how many were out there and we should do it again. We are in a transition period and the tax department can tell you when it takes effect.

Vice Chairman Hatlestad: Any additional testimony in opposition? Any neutral testimony?

Linda Leadbetter, North Dakota State Tax Department: Very clearly I need to listen what was happening with this bill to understand what the purpose of it was. My understanding from the original reading was that the idea is the tax director would not be able to call an assessor into the meeting to share training which would be very specific to that county. Which Mr. Perleberg addressed with the idea of applying modifiers, looking at the specific market in that area. That is what this would specifically address. Listening to the testimony and information provided when the bill was introduced was assessor certification is not addressed under this chapter of the law, it is actually in 57.02.01.1. It specifically addresses the different levels of assessors. The class 2 is for cities with population of less than 5000 and the townships and that requires 80 hours of education all on line. We have an estimated cost of \$800- \$1000 for that certification. For a Class 1 assessor for cities over 5000 and for tax directors, they need 180 hours of education and a lot of those classes are able to be taken online. For that level of assessments some do prefer the class room with the opportunity to experience that with the other assessors. As I reviewed the bill initially, I looked into our abstract of tax information that is filed annually by the counties with the Office of State Commissioner, our property tax division receives an abstract of tax list which identifies

all the taxes for the various political subdivisions. In that record 1323 townships were reported and 75 of them actually had a levy of greater than \$50,000. So it will cover every township, if we are going to say they are exempt from the training. We do understand there are fewer assessors because of the training requirement. We want to have everyone trained on the same method and using the same methodology. One of our greatest concerns was the idea that someone could identify that their only job was that they had to pick up the book in February and return it in April. The process for assessments begins with the local assessor. The local assessor is the person who identifies all taxable property and applies a value to it. I would be concerned that the intent of this is to change the certification and again the education required is defined in statute and does not actually get changed by this simple addition to this sentence in this section. 27:28-33:08

Rep. Ertelt: You stated the estimated cost of training is \$800 to \$1000 and I assume that is for the initial 80 hours of training, there is a 10 hour requirement for recertification can I just extrapolate backward to get the cost for that?

Linda Leadbetter: The original cost is \$800 or \$1000 and would depend if they choose to take some of those courses at an onsite place. The 10 hours required every year again remain as education available online. I would estimate every 2 years they would have an expense of \$75 to \$125 a year.

Rep K. Koppelman: Others have talked about all of these assessors quitting and what happens in a township that doesn't have an assessor and don't hire one? Does the county pick it up and what is currently happening?

Linda Leadbetter: In the statute, I do not have that in front of me, there is a date that they are required to inform the county that they do not have an assessor, then the county will find an assessor for them or will do the job themselves. The county may charge that jurisdiction for that.

Rep K. Koppelman: The idea that the bill does not address the issue in the correct place, what do you think the effect of the bill as written would be?

Linda Leadbetter: I think this would be limited. I would still have concerns with this because as a certified assessor the individual has been educated how to apply assessment techniques and methodologies and how to keep records for those properties, but what is required at the county level when the County director of tax equalization is requiring those assessors to be present at a local meeting again they would be providing information about local modifiers. The market things that are changing and identifying certain practices that they want to use. So this again would take out equalization because the assessors would be using different techniques. So I believe adding this into law now is going to restrict equalization because there would not be that standardized supporting information provided to those assessors at that county level.

Vice Chairman Hatlestad: You mentioned you did not think the bill would change the required training?

Linda Leadbetter: This is only addressing the very specific annual meetings or the responsibility of the Tax Director to call upon them to make sure those assessors are acting appropriately at that level, the statutory requirement to have an individual certified to perform assessing in the state of North Dakota is in a separate chapter of law.

Vice Chairman Hatlestad: Any additional questions? Any other neutral testimony on HB 1421. Closed the hearing on HB 1421.

2017 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Prairie Room, State Capitol

HB 1421
2/9/2017
28150

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Donna Whelan

Explanation or reason for introduction of bill/resolution:

Relating to townships assessors

Minutes:

Attachment #1-2.

Chairman Klemin: Opened HB 1421 for committee work. Rep. Damschen had completed proposed amendments. Chairman Klemin handed out 1 and 2. Apparently the original bill was amending the wrong section of Century Code. The amendment is the same language and same intent but is put in the right section of the law. Section 57-02-01.1 deals with certification of assessors and this adds a new subsection. Explains amendment. (See Attachment # 1and 2).

Rep. Maragos: I move the amendment.

Rep. Beadle: seconded the motion.

Chairman Klemin: Motion was made to adopt the proposed amendments from Rep. Damschen to HB 1421. Any discussion?

Voice vote taken. All ayes. Motion carried to amend HB 1421.

Chairman Klemin: We have the amended bill before us what is the wishes of the committee?

Rep. Longmuir: I have concerns about this the bill, the one that was passed in the last session was to bring up the professionalism of the assessors. I am aware it put a burden on the township assessors but a lot of them were doing it because no one else would do it. Their heart wasn't in it and it came out where the assessors had to assess his neighbor and that is not a good situation. I would come out not in favor of passing this bill. I think we are going backward instead of forward.

Chairman Klemin: Not have a township assessor at all is that what this says?

Rep. Longmuir: They would not have to take the education courses.

Chairman Klemin: They would not have to be certified and you think that is not a good idea?

Rep. Longmuir: No I don't think that is a good idea.

Rep. Johnson: I don't think this is the answer. I don't understand but maybe someone can explain, because they have the same pool of taxpayers why can't we direct the county where the township can't hire an assessor and that the county provides that service free for the township. Which isn't free to the county but it is the same taxpayers isn't it? I think there is a better way to do this.

Rep. Longmuir: I will use Mountrail county for an example, they have expanded their tax equalization office to three people and they charged back the township per parcel and I think it is about \$200. I think it is a better way to do it. Some townships say they don't agree with the evaluation. Some will do it for multiple townships. They counties do have the opportunity to charge the costs of an assessor back to the townships if they don't have an assessor.

Chairman Klemin: Stutsman county has offered the assessing services to the townships for free. What are other counties doing?

Rep. R. S. Becker: The individual from Jamestown, he didn't know for sure but he understood more counties provided than do not provide doing the task without charging for it.

Vice Chairman Hatlestad: The county would charge between \$300 to \$500 for the assessor.

Rep. Guggisberg: The sponsor said he just picked \$50,000 and how many townships are going to have \$49,999 in value per year so they don't have to go to the training.

Rep. Maragos: I move a Do Not Pass as amended on HB 1421.

Rep. Beadle: seconded.

Rep. R. S. Becker: Would a do not pass vote still be what we want to do if we addressed the two issues. One was the training and the other was the small pool of possible assessors? Now if this bill has the county doing it they do training already and they are a larger pool of assessors. If that was in this bill. I would vote for a do pass.

Chairman Klemin: Does it seem like the counties are working this out with the townships without any legislation?

Rep. Ertelt: They are for a cost. I asked if the county was willing to pay for the training for assessors. We didn't get an indication on how many counties are charging and how many are providing free of charge. It is in the positive financial interest in the county to have assessors go through the training or for the counties to do it themselves. In most instances the assessed value is going to rise. If the counties would be willing to do the training of the townships because the counties would benefit from it. If you look at the initial training 80

hours is a bit daunting. If we could do something to ease the burden a little I would be willing to work on an amendment to this bill.

Chairman Klemin: I'm not sure we want to completely rewrite the bill to do something that we didn't really hold a hearing on. If there is no township assessor, the county can either come in and do the assessing or pay for the training for the assessor. If no one wants to do it then the county has to do it and charge it back to the township. This whole section of the law that we are amending has only to do with certification of assessors. We would be making different changes to a statute that we are not even looking at right now.

Rep. Ertelt: When we pass law the message that I hear from townships and counties on a regular basis is the rising cost of administration within a county often comes from the state level. We are passing laws for greater certification and so on and that is an additional cost. That is where the main concern is coming from and why the bill is introduced.

Chairman Klemin: The bill as we amended it doesn't really do anything about the costs of certification, it just says it will not apply to certain townships. As I understand that is going to take care of most of the townships and the state wouldn't have to comply with this. Is that a good result, the counties are going to have to assess all those townships.

Rep. Johnson: The goal of the county is to have equalization values of like properties. The problem as I understand it was that they can't get any township assessors because they are required to pay for the certification personally. Then they are making \$60 a year or so. So who wants to be a township assessor. Why if the goal is to have equalization of values shouldn't the county be assessing?

Chairman Klemin: It sounds like the problem is being solved by, nobody wants to do the job so the county has to do it. They either to it for free or they charge the township. \$300-\$500 doesn't sound like a lot.

Rep. Guggisberg: If I remember we worked on this in the interim and this was the compromise. Some people came in and had really strict requirements and others didn't want to do anything. This is what we got out of it.

Chairman Klemin: Any further discussion? Seeing none. There is a Do Not Pass as amended on HB 1421. The clerk will take the roll on that motion.

Roll Call Vote: Yes 11. No 1. Absent 3. Motion carried on a Do Not Pass on HB 1421 as amended.

Rep. Longmuir: Will carry the bill. Hearing adjourned.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1421

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subsection to section 57-02-01.1 of the North Dakota Century Code, relating to the certification of township assessors.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 57-02-01.1 of the North Dakota Century Code is created and enacted as follows:

The requirements under this section do not apply to an individual who is a township assessor for a township that has a total annual property tax income of fifty thousand dollars or less."

Renumber accordingly

Date: 2-9-17
Roll Call Vote: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1421

House Political Subdivisions Committee

☐ Subcommittee

Amendment LC# or Description: 17.0864.01001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep. Maragos Seconded By Rep. Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Klemin			Rep. Guggisberg		
Vice Chairman Hatlestad			Rep. Hanson		
Rep. Beadle					
Rep. Becker					
Rep. Ertelt					
Rep. Johnson					
Rep. Koppelman					
Rep. Longmuir					
Rep. Maragos					
Rep. Pyle					
Rep. Simons					
Rep. Toman					
Rep. Zubke					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Motion Carried

Date: 2-9-17
Roll Call Vote: 2

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1421

House Political Subdivisions Committee

☐ Subcommittee

Amendment LC# or Description: _____

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☐ Do Pass ☒ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep. Maragos Seconded By Rep. Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Klemin	✓		Rep. Guggisberg	✓	
Vice Chairman Hatlestad	✓		Rep. Hanson	✓	
Rep. Beadle	✓				
Rep. Becker	✓				
Rep. Ertelt	✓				
Rep. Johnson	✓				
Rep. Koppelman	AB				
Rep. Longmuir	✓				
Rep. Maragos	✓				
Rep. Pyle	AB				
Rep. Simons	AB				
Rep. Toman		✓			
Rep. Zubke	✓				

Total (Yes) 11 No 1

Absent 3

Floor Assignment Rep. Longmuir

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

REPORT OF STANDING COMMITTEE

HB 1421: Political Subdivisions Committee (Rep. Klemin, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (11 YEAS, 1 NAYS, 3 ABSENT AND NOT VOTING). HB 1421 was placed on the Sixth order on the calendar.

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Renumber accordingly

2017 TESTIMONY

HB 1421

HB 1421

#1

2-9-17

Testimony for
Political Subdivision Committee
February 9, 2017
Prepared by:
Tyler Perleberg, Stutsman County Director of Tax Equalization

HB 1421: Township Assessor training

Chairman Klemin and committee members, I want to thank you for the opportunity to testify against HB 1421 today. My name is Tyler Perleberg, Director of Tax Equalization for Stutsman County. One of the major duties of my job is to make sure properties are being assessed equally according to state law, which for residential & commercial properties, means the property's market value. I have great concerns for what this bill means for equalizing property values not only from township to township, but from county to county.

When HB 1054 was passed in the last legislative session, I notified all 19 of our local assessors of the new training requirements. Eleven of them immediately resigned and six others said they were not going to obtain the certification but would stay on until the new law would take effect. Some of the feedback I heard was that the training is a waste of time or, surprisingly, that they were happy that this requirement came up because it would enable them to get out of having to be the assessor for their jurisdiction. I even had one assessor say that he didn't understand why they need the training because all they have to do is be able to measure a house & take a picture. This type of thinking concerns me.

What is more concerning to me is some of the major issues we are now finding after taking over the assessment responsibility of some of these jurisdictions. We've found many properties that have been missed or neglected for years. We had a house that was built in 2010 that we were told was farm exempt by the local assessor. After asking the owner to fill out a farm exemption application, we found out the couple has never farmed a day in their life. We've had properties with new additions or new outbuildings that were never re-assessed. Just last year we had a local assessor miss ten new properties, two of which were brand new houses. This is just a small amount of issues we've been finding. Because of issues like these, the tax burden falls on to all the taxpayers that are being assessed at market value. That is not fair for them.

The vibe I get from a fair amount of local assessors is that they are filling a vacant position, not because they want to be doing it. This bill would allow any person to fill the position, no matter what their knowledge of assessing is. Our office is doing our best at fixing the issues we've been finding, but I'm afraid that if this bill passes, many of these issues will continue.

I hope that township funding or the costs of assessing are not reasons enough to pass this bill. In Stutsman County, we did have some townships concerned about the costs of having the county do the assessing. We decided, with the full support from our commission, to not be a financial burden on the townships so we are now offering our assessing services to the

townships for free. We've received very positive feedback from the townships on the change & our decision to offer our services for free.

The state tax department has done a good job of compiling a variation of classes to address the training needs of assessors in this state. The current requirements for the Class 2 assessor certification requires 80 hours of training. Please keep in mind that 50 of those hours are done thru online courses or at home. It is not a waste of time as some have said. The training is needed & it will definitely help avoid some of the issues I previously mentioned.

Again, thank you for the opportunity to speak with you today. I highly recommend a do not pass recommendation because of the implications the bill would have in allowing anyone to be a township assessor without any training. Getting assessors the proper education & training is absolutely needed in order to achieve the goal of equality for all taxpayers.

17.0864.01001
Title.

Prepared by the Legislative Council staff for
Representative Damschen
February 9, 2017

H B 1421 #1
2-9-17

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1421

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Renumber accordingly

11. "Railroad property" means the operating property, including franchises, of each railroad operated in this state, including any electric or other street or interurban railway.
12. "Residential property" means all property, or portions of property, used by an individual or group of individuals as a dwelling, including property upon which a mobile home is located but not including hotel and motel accommodations required to be licensed under chapter 23-09 nor structures providing living accommodations for four or more separate family units nor any tract of land upon which four or more mobile homes are located.
13. "Taxable valuation" signifies the valuation remaining after deducting exemptions and making other reductions from the original assessed valuation, and is the valuation upon which the rate of levy finally is computed and against which the taxes finally are extended.
14. "Tract", "lot", "piece or parcel of real property", or "piece or parcel of land" means any contiguous quantity of land in the possession of, owned by or recorded as the property of, the same claimant, person, or company.
15. "True and full value" means the value determined by considering the earning or productive capacity, if any, the market value, if any, and all other matters that affect the actual value of the property to be assessed. This shall include, for purposes of arriving at the true and full value of property used for agricultural purposes, farm rentals, soil capability, soil productivity, and soils analysis.
16. "Unencumbered cash" means the total cash on hand in any fund, less the amount belonging to the fund in closed banks and less the amount of outstanding warrants, bills, accounts, and contracts which are chargeable against the fund.
17. There shall be a presumption that a unit of land is not a farm unless such unit contains a minimum of ten acres [4.05 hectares], and the taxing authority, in determining whether such presumption shall apply, shall consider such things as the present use, the adaptability to use, and how similar type properties in the immediate area are classified for tax purposes.

57-02-01.1. Certification of assessors.

The state supervisor of assessments shall certify assessors as provided in this section.

1. To be certified as a class I assessor, an individual must:
 - a. Have a high school diploma or its equivalent.
 - b. Successfully complete one hundred eighty hours of assessment and appraisal instruction approved by the state supervisor of assessments. The number of hours of instruction determined necessary by the state supervisor of assessments for each of the following topics is required:
 - (1) Tax administration.
 - (2) Principles and theory of value.
 - (3) Residential property appraisal.
 - (4) Commercial property appraisal.
 - (5) Agricultural property valuation.
2. To be certified as a class II assessor, an individual must:
 - a. Have a high school diploma or its equivalent.
 - b. Successfully complete eighty hours of assessment and appraisal instruction approved by the state supervisor of assessments. The number of hours of instruction determined necessary by the state supervisor of assessments for each of the following topics is required:
 - (1) Tax administration.
 - (2) Principles and theory of value.
 - (3) Residential property appraisal.
 - (4) Commercial property appraisal.
 - (5) Agricultural property valuation.

3. The state supervisor of assessments may allow credit against required instruction in any topic under subdivision b of subsection 1 and subdivision b of subsection 2 upon receipt of documented training in this state or another state in the topic.
4. An individual appointed as an assessor must hold the required assessor certificate at the time of appointment or obtain that certificate within two years after initial appointment or by July 31, 2017, whichever is later. An assessor who does not obtain the required certificate within two years after initial appointment or by July 31, 2017, whichever is later, or who does not maintain that certificate in good standing is not eligible for re-appointment.
5. An assessor certificate is valid for a term of two years from the first day of the calendar year for which it becomes effective.
6. A class I assessor certificate may be renewed if the holder has completed twenty hours of approved classroom instruction or seminars during the term of the certificate. For purposes of this subsection, an assessor certificate holder is entitled to one and one-half hours of credit for each hour spent as an instructor of approved classroom instruction or seminars during the term of the certificate.
7. A class II assessor certificate may be renewed if the holder has completed ten hours of approved classroom instruction or seminars during the term of the certificate.
8. The state supervisor of assessments shall notify the holder of an assessor certificate of the time for application for renewal of the individual's certificate. The state supervisor of assessments shall notify the governing body of the taxing district employing an assessor whose certificate is not renewed or whose certificate is suspended or revoked.
9. Any person who is denied a certificate under this section may appeal to the tax commissioner for a hearing under chapter 28-32.
10. The tax commissioner may adopt rules under chapter 28-32 for the administration of this section.

57-02-02. Abbreviations used in land descriptions.

Abbreviations used in describing real estate may be as follows:

1. In all proceedings, lists, advertisements, records, notices, and documents relative to assessing, advertising, or selling real estate for taxes or special assessments, it is sufficient to describe such real estate by the use of initial letters, abbreviations, and figures to designate the township, range, section, or part of section, and the number of a lot or block.
2. Whenever the letters N., E., S., or W. are used, they must be construed to mean north, east, south, and west, respectively.
3. Whenever there are used the initial letters N.W., S.W., N.E., or S.E., whether in capital letters or small letters, and whether each letter is followed by a period or the two are written connectedly without a period to signify the same to be an abbreviation of two words, and whenever said letters are used in connection with section numbers to designate land descriptions, and in the absence of proof to the contrary, it must be presumed that the same are abbreviations for and mean "northwest", "southwest", "northeast", and "southeast", respectively.
4. When two or more sets of such abbreviations are used connectedly, as for example N.E. S.E., the same must be presumed to mean the "northeast quarter of the southeast quarter".
5. When any such initial letters are followed with a numeral placed in the position of an algebraic exponent, as N.W.⁴, S.W.⁴, N.E.⁴, or S.E.⁴, with the figure placed on or above the line, the description must be taken to mean the "northwest quarter", "southwest quarter", "northeast quarter", or "southeast quarter", respectively. The abbreviation N.², S.², E.², or W.² must be presumed to mean the "north half", "south half", "east half", or "west half", respectively, of the section or quarter or other portion of land designated immediately following it.