

FISCAL NOTE
Requested by Legislative Council
04/11/2017

Amendment to: SB 2273

- 1 A. **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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$879,688			
Expenditures						
Appropriations						

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties		\$(879,688)	
Cities			
School Districts			
Townships			

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

The House amendments to Engrossed Senate Bill 2273 place a cap on the annual senior services matching funds paid to the counties by the state.

- 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.*

Section 1 of the amended bill places an annual limit on the matching funds to be provided to counties at the lessor of 87.5% of the amount appropriated in dollars for senior citizen services (limited to the first one mill's worth) or the county's proportional share of the maximum state-wide amount of grants that may be awarded (set at \$3,500,000 per year).

According to taxable valuation estimates provided by the Tax Commissioner's Office, the \$3,500,000 cap would reduce the anticipated state expenditures for the senior services match program by \$439,844 in the first year of the 2017-2019 biennium. Assuming that these valuations remain constant into the second year of the biennium, the anticipated reduction in state expenditures for the second year of the biennium would stay at the same \$439,844. Combining these two amounts generates the total anticipated increase in the amount going to the general fund of \$879,688 as shown above.

Taking into account this cap, the counties would receive approximately \$879,688 less during the 2017-2019 biennium than what they would receive under current law.

Section 2 of the amended bill adjusts the continuing appropriation language in NDCC to appropriately account for the cap as discussed above.

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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Name: Ryan Skor

Agency: Office of State Treasurer

Telephone: 701-328-2643

Date Prepared: 04/12/2017

FISCAL NOTE
Requested by Legislative Council
03/29/2017

Revised
Amendment to: SB 2273

- 1 A. **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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
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Appropriations						

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Name: Ryan Skor

Agency: Office of State Treasurer

Telephone: 701-328-2643

Date Prepared: 03/30/2017

FISCAL NOTE
Requested by Legislative Council
03/29/2017

Amendment to: SB 2273

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Name: Ryan Skor

Agency: Office of State Treasurer

Telephone: 701-328-2643

Date Prepared: 03/30/2017

17.0941.02000

FISCAL NOTE STATEMENT

Senate Bill or Resolution No. SB 2273

This bill or resolution appears to affect revenues, expenditures, or fiscal liability of counties, cities, school districts, or townships. However, no state agency has primary responsibility for compiling and maintaining the information necessary for the proper preparation of a fiscal note regarding this bill or resolution. Pursuant to Joint Rule 502, this statement meets the fiscal note requirement.

Sheila Sandness
Senior Fiscal Analyst

17.0941.01000

FISCAL NOTE STATEMENT

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Sheila Sandness
Senior Fiscal Analyst

2017 SENATE FINANCE AND TAXATION

SB 2273

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2273
1/24/2017
Job #: 27267

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new subsection to section 11-10.1-05 of the North Dakota Century Code, relating to fees charged by the county director of tax equalization.

Minutes:

No Attachments

Chairman Cook: All senators present. Opened the public hearing on SB 2273.

(0:00:30-0:04:00) Senator Dotzenrod, District 26: This bill was put in because in our county and local government, we have provisions of law that allow the county register of deeds to charge for the services they provide. A schedule is setup in the century code that outlines the way a county recorder of deeds can charge for their services. The director of tax equalization has been required to have higher levels of training and the products supplied to tax payers are becoming more expensive. Most of the counties in his district are considering contracting with Vanguard or hiring a full or part time staff member. People, as real estate agents or hunters, come in to the office and want a bulk set of information from the public records. The property owner or their designated agent, would have access at no charge. The county would like to be able to recoup some of the costs associated with this practice. If the general public were to come in to request bulk information, sets up a fee schedule to charge up to \$25 per parcel. Some counties would be higher, some would be lower, but this gives the offices the capabilities to collect the fees.

Senator Meyer: Right now, how much are being charged by counties? Are we just looking for a flat number?

Senator Dotzenrod: it's open record, the main concept is how to allow the counties to recover the expenses they've had to gather the information.

Senator Meyer: A lot of information can be found online, would there be a charge for online information as well?

Senator Dotzenrod: Some counties aren't online. Some online records might be incomplete compared to the information available on the in house card.

(5:45-6:20) Senator Meyer: A lot of appraisers are going to go to the courthouse and it could be expensive for appraisers and realtors, would there be exemptions for businesses to get the information they need.

(6:20-6:50) Senator Dotzenrod: It's different county to county and I know some have a lot online. Not sure if a total record can be online. Someone from across.

(7:25-9:45) Donnell Preskey, Association of Counties: We support SB 2273. There are many companies requesting the information and then turn around and are selling it. The counties are doing all the work and someone else is making money from them. Last session, a bill was passed to increase the level of training required for assessors. As training requirements go into play, a lot of townships and cities are going to be relying on the county to help support the information. Primary reason for supporting this is there are other ways to gather creating fees and available to people at a cost. Question how should online or electronic information be viewed. The work and expense have been done to get the information online. It should be viewed the same way. Not all counties have the information online, mainly the larger counties, and some data is different that is available county by county. How should the online information gathered be charge is something of a concern also.

(9:45-14:35) It was discussed where property cards are held. If they are with the townships or cities, and not in the county courthouse, should the townships and cities also have the ability to charge information gathering fees. There is a provision of state law that cities over 5000 can keep their own property records, so they should be able to access the same fees.

(14:35) Closed the hearing on SB 2273.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2273
2/1/2017
Job #: 27747

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new subsection to section 11-10.1-05 of the North Dakota Century Code, relating to fees charged by the county director of tax equalization.

Minutes:

Attachment #1

Committee work on SB 2273.

Senator Dotzenrod handed out attachment #1, proposed amendments. Wondering about county recorder fee schedule is listed in the statute. It's hard to image if someone wanted 10 records, they would have to pay \$250. Is willing to continue as is, but requested more time to look into the information for recorder fees.

It's continuous between the people who need to charge for the fees and the people who are getting the paperwork. Many different people are in disagreement over fees, the recorders, the mortgage people, the title companies. It's straight forward and would allow them to create within their counties what they think is appropriate.

Senator Meyer: If going to get the information, will there be a charge. I've been on the different websites at least 3 times today. If that's something the realtor or appraiser would have to pay the \$25 fee every time, is where his concern is.

Chairman Cook: most of the information in a lot of counties is online. That's where we should move to. Deadline for getting bills out of committee is February 21st, in no hurry to get it out.

Vice Chairman Bekkedahl: What I don't understand, the online records that are available at no charge, can be looked up and printed on your own printer. He received an email that says he normally goes in and gets everything printed for him. What's the reason for asking for every record all the time?

Senator Dotzenrod: What's the different between the online record and the one that's kept in the office? I assume there are parts of an in-house record that are not accessible online.

Vice Chairman Bekkedahl: His mother worked in the recorder's office for 20 years, so he's aware of how the office functions. How would this impact for mineral information compared to parcels? Mineral deeds are another document tracking. Is there a parcel information charge compared to the mineral deed information?

Senator Dotzenrod: The cards have lots of time invested in the card files. Who owns it? If it's public access, some people might not want out there.

Worries about house layouts being online and people knowing when out of town, giving the opportunity for burglary.

Closed discussion on SB 2273

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2273
2/13/2017
Job #: 28268

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact a new subsection to section 11-10.1-05 of the North Dakota Century Code, relating to fees charged by the county director of tax equalization.

Minutes:

Attachment #: 1, 2,

Chairman Cook: All Senators present. Committee work on SB 2273.

(0:00:05-0:02:45) Senator Dotzenrod dispersed information regarding bordering states and the processes that they use. (Attachment #1)

(0:03:00-0:04:40) Proposed amendment (Attachment #2) would change the current fee to 50 cents.

(0:04:41-0:06:35) Montana has a central database for land assessments because they do not have local land assessors.

(0:06:36-0:11:40) Committee argued the merits of turning the bill into a study for more information.

Adjourned

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2273
2/14/2017
Job #: 28314

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Jana Bellemey

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 11-09.1-05 and 40-05.1-06 of the North Dakota Century Code, relating to the authority of home rule counties and cities to levy certain taxes.

Minutes:

Attachment #: 1, 1A

Chairman Cook called the committee to order. Vice Chairman Bekkedahl was absent, all other Senators were present.

(0:02:20-0:04:55) **Senator Dotzenrod** handed out proposed amendments labeled 17.0941.01003 (attachment #1) and a Christmas tree version of the amendments (attachment #1A) for committee approval.

Senator Dotzenrod moved to adopt amendment 17.0941.01003.

Senator Unruh seconded.

A voice vote was taken. Motion passed.

Senator Dotzenrod moved a do pass, as amended for SB 2273.

Senator Laffen seconded.

A Roll Call Vote was taken. 5 yeas, 0 nays, 1 absent/not voting.

Motion passed.

Senator Dotzenrod will carry the bill.

February 14, 2017

CR
2/14/17

PROPOSED AMENDMENTS TO SENATE BILL NO. 2273

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - FEES FOR RECORDS REQUESTED FROM THE COUNTY DIRECTOR OF TAX EQUALIZATION. During the 2017-18 interim, the legislative management shall consider studying application of a uniform statewide fee structure for requests for records retained by the office of the county director of tax equalization. The study must include consideration of the types of records retained by the office of the county director of tax equalization, the fees presently imposed in each county for records, the types of requests commonly received, and the average amount of time spent to compile and disseminate record requests. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly

Date: 2-14-17
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2273

Senate	Finance and Taxation	Committee
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☐ Subcommittee

Amendment LC# or Description: 17.0941.01003

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 Dotzenod Seconded By llaruh

[illegible]

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: 2-14-17
Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2273

Senate Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: 17.0941.01003 Title. 02000

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 Dotzenrod Seconded By Laffen

Senators	Yes	No	Senators	Yes	No
Chairman Dwight Cook	X		Senator Jim Dotzenrod	X	
Vice Chair Brad Bekkedahl	Absent				
Senator Lonnie J. Laffen	X				
Senator Jessica Unruh	X				
Senator Scott Meyer	X				

Total (Yes) 5 No 0

Absent 1

Floor Assignment Dotzenrod

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

REPORT OF STANDING COMMITTEE

SB 2273: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2273 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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Renumber accordingly

2017 HOUSE FINANCE AND TAXATION

SB 2273

2017 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2273
3/7/2017
28778

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

May Bruckner

Explanation or reason for introduction of bill/resolution:

A bill to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records.

Minutes:

No attachments

Chairman Headland: Opened hearing on SB 2273.

Senator Dotzenrod: Introduced bill. In the last session, the legislature increased their training requirements for township assessors. We have since lost a lot of township assessors due to this. The training requirements that were imposed on them were time consuming and expensive. We need to find out if the counties are able to recover in some way all this gathering of information. In the counties I represent, there are a number of people that come in and want the entire file. They are using it to put together hunting guides, real estate listings, etc. If the public is going to be put to the taxpayers in that taxing district, primarily counties are going to be footing the bill to pay for this. Is there some way they can offer that data at some fee or get reimbursed some way? Each individual property owner should always be entitled to their record at no cost. When there is a request for large quantities of data that were put together at the cost of the individual taxpayers in that district, we want to determine if there should be a fee schedule. Currently, the only fee the tax directors can ask for is a copying fee. Some of the data is online. States have found different ways to get this data organized and have it available. Lenders need to look at this data when doing loans. We don't seem to have a uniform way to get this data or making it available. The question was if we should have a study to look at how our system works and what the record says. There are some homeowners who don't want part of that record divulged. We thought we should ask the interim to take a look at this and gather information about what is going on in our state to try and find something that is more uniform than what we are doing.

Representative Steiner: Why don't we just let the counties charge what they want to charge? Why does the state need to be involved?

Senator Dotzenrod: When I introduced the bill I had a fee in there, a per record fee. We ended up changing that to a study because there was some objection to the idea. Some counties have no problem issuing certain types of records for free. We thought whatever

number we set would become the number. A lot of it was having to do with the volume. We thought we needed to spend more time understanding what was going on around the state before we imposed a fee.

Chairman Headland: Is there further testimony in support?

Donnell Preskey, Association of Counties: We support this study. We have companies that come into the counties and request these files then sell them for a profit. During the Dakota Access Pipeline conflicts we had a lot of officers that had been targeted at their homes or their wives at their homes were harassed. This came up as to how accessible those addresses are of the officers. Some counties retracted that information from their records. That could be part of this study as well to determine what kind of information should be available to the public. Representative Steiner, in regards to your question, I just spoke with my organization and they said it's an open records issue. I can check on that a bit more for you if you wish.

Chairman Headland: How much money are the people who are selling the records getting?

Donnell Preskey: I don't have that right now.

Chairman Headland: Is there further testimony in support? Is there any opposition? Seeing none we will close the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2273
3/7/2017
28823

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Mary Bruckner

Explanation or reason for introduction of bill/resolution:

A bill to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records.

Minutes:

No attachments

Chairman Headland: This is Senator Dotzenrod's bill.

Representative B. Koppelman: I don't know if we need an entire legislative management study to figure out how to charge a fee. If the legislature wants to authorize the counties and others to charge a fee up to a certain amount or so much a page, then I think we should let them and do it in the section of law that deals with open meetings and requests. To request to commission a study is a bit of an overkill given the nature of the problem. **MADE A MOTION FOR A DO NOT PASS.**

Representative Ertelt: **SECONDED**

Chairman Headland: Is there any discussion?

Representative Hogan: I agree with you and it's a pretty easy thing but it might be an easy thing for an interim committee to do so that it gets prepared in a collaborative way. I'm going to resist your motion.

Chairman Headland: I question whether it's worth passing the bill or not. I doubt this would be a study chosen by legislative council. I'm going to support the do not pass.

Representative Trotter: Didn't you say counties should be able to charge whatever they want on these? Can't they charge whatever they want on these now?

Committee: No

Representative B. Koppelman: I believe they would be able to charge whatever an agency could charge in an open meeting request. If the desire is to update those costs, then that's

what the bill should do. This bill may have attempted to do that before it was turned into a study, I'm not sure.

Chairman Headland: Is there any other discussion?

ROLL CALL VOTE: 11 YES 2 NO 1 ABSENT

MOTION CARRIED

Representative Ertelt will carry this bill.

2017 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2273
3/20/2017
29462

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Mary Buckner

Explanation or reason for introduction of bill/resolution:

A bill to provide for legislative management study relating to fees charged by county directors of tax equalization for property records.

Minutes:

Attachment #1

Chairman Headland: I would like a motion to reconsider SB 2273 for purposes of an amendment.

Representative Toman: MADE A MOTION TO RECONSIDER

Representative Olson: SECONDED

VOICE VOTE: MOTION CARRIED

Chairman Headland: Distributed proposed amendment 17.0941.02001. Explained the amendment. See attachment #1. This is a hog house of the study to a bill much closer to what it was as it was first introduced which was to allow a fee for record requests. It added language that would also include requesting an electronic version which the original bill did not have but seemed necessary. We accomplished that in section A. Section 2, the new section of the bill, is in regards to senior mills and the match. It was brought to my attention last week that the increase, just through inflation of taxable value to this particular grant, is almost \$1.2 million over and above what they got this past session without any type of an increase. We are in a situation where we're making reductions all over this budget. This amendment would cap the number at \$7 million per biennium. I believe this biennium this number was \$6.8 million. We are allowing for a little bit of an increase but fully knowing that they'll be held to that number into the future regardless if there's inflation in taxable value. Section 3 is where it changes it in the area where there's the appropriation. I'd like to have a discussion now.

Representative B. Koppelman: In section 3 where it says "or \$3,500,000" is that per year equaling \$7 million?

Chairman Headland: Yes.

Representative B. Koppelman: We've had this in committee before and Representative Ertelt was going to take the previous version of this to the floor. Maybe we could discuss what our laws allow for charging a fee for record requests currently before we grant anymore authority.

Chairman Headland: I think that would be a worthwhile discussion because some of us don't understand why a home rule county would not have the authority to charge that fee. The feedback I received from the Association of Counties is that they don't. We have the Tax Department here so we can ask questions.

Representative Ertelt: The information I found regarding the ability to charge for copies are a \$.25 fee per impression of a paper copy and that is for any records that are paper copy records. Those that are not there is a reasonable fee that may be charged and that includes any cost to actually reproduce and deliver that record; labor, materials, equipment, or postage except for the first hour of obtaining that information. \$25 per hour is an acceptable charge for labor. I received some communication from a couple different counties in my district and the main thing they are trying to address with this bill is out of state companies or perhaps any company that is benefitting from the public record. In regards to electronic records, there may not be much time in preparing and distributing them. They are asking for some compensation for supplying public records. This amendment is placing somewhat of a burden on any tax payer would also be subject to that fee as well. While I sympathize with the request of having some outside entity profit from the public information I don't want there to be an additional burden on the tax payer.

Chairman Headland: I completely understand your point. It says they may require a fee; it doesn't say they have to require a fee. I imagine there will be cases that is what they are going to charge, so the \$25 fee would be troublesome. Maybe some further work needs to be done on the amendment.

Representative B. Koppelman: I was under the assumption that some of the county auditors didn't think they could charge a fee at all. If so, maybe we want to say "pursuant to chapter x you may charge x amount." It would be clear that we're also applying that to the political subdivision for public records. I'm not sympathetic to if people profit, we should be able to charge a fee. I don't know if we necessarily want to have a carve out and say because these people profit we're going to charge. I don't mind the exemption for the owner of the parcel but I think the fee piece could be tied to the state law we already have.

Representative Hogan: The sections of this amendment that worry me the most are sections two and three regarding the mill levy. We have such an aging population and the demand on senior centers has gone up particularly in rural areas. I don't know the implications of putting this cap in but we should have some understanding of what it means in your local jurisdiction and county because it has some significant implications.

Chairman Headland: We're saying there needs to be a limiter. They've gotten that every session on top of an increase in the amount of percent. When I first started dealing with senior mills in this committee I think it was .67% of a mill we matched and now we're at .87 percent. They've gotten the increase in our match on top of what the automatic inflation is

that happens through taxable value. Also, there is a direct appropriation in human services that was not reduced this session. They're getting more money.

Representative Hogan: My concern is that the demand for services is going up. I think this is really a core service. Seeing all those pieces it's hard to support something because I can't explain what it's going to do in my communities. It makes me nervous to do it at this point in the session. Originally, I think the senior mill was a dollar for dollar match and it went down in the 90s and the early 2000s when we were so short of money.

Chairman Headland: At a time there was no state match. In the 80s when there was control in other areas...

Representative Hogan: I'm worried about this one. Can we get a county by county spreadsheet of what this would mean so we'd know?

Chairman Headland: I suppose you can, I believe I have it. I have an example of some of the counties where I live. The match in dollars has gone from \$32,200 in 2006 to \$89,575.

Representative Hogan: Can we see what the implications of that would have on this bill?

Chairman Headland: Yes, I'm sure we could get that number for you. This amendment is not quite ready. Is there a majority of opposition to get back to some kind of fee allowed for the request of information, or would the majority of the committee like to stay with the study?

Representative Steiner: Why would you pay \$25 for someone to push a button to send it electronically?

Chairman Headland: I think that number could be anything we want. I just decided we would go back to the original version and have the discussion, then the committee can decide if they are agreeable to set that number at anything they want.

Representative Olson: If we allow other agencies of government or other subdivisions to have a fee under the other chapters in law then I favor the idea. Representative B. Koppelman's idea is worth looking into in order to make it the same.

Representative Ertelt: I don't believe the section of law, chapter 44 section 04-18, precludes any public office. I think all public entities are subject to that same section. I then don't think the amendment is necessary.

Representative B. Koppelman: I would be fine to change it so it specifically references 44-04-18. That may not be necessary to list here unless there's confusion as to whether political subdivisions can use that the same as state agencies can. I don't know if I have an opinion on the second piece regarding how much to cap per parcel, or if you don't want to charge the owner. I think a lot of them are just going to charge the \$25 for a record and that could be a big jump from zero. I know it can be whatever number we want it to be, but I don't think we want in state law to have a bunch of different amounts.

Chairman Headland: If you go to the recorder and request information there is a fee of \$1 a page. Is that going to change in the bill? Maybe \$1 a page is fair across the board then.

Representative B. Koppelman: I think it will mostly be electronic data that is requested in most counties, so I don't know if \$1 a page is a good way to go. If you're going to write a per page amount you'd almost have to make some partner language for electronic data. Their chapter already says \$.25 a page and if it's over an hour's time they could charge \$25 an hour.

Chairman Headland: It would be nice to have an idea of what they were getting when they sell it. We'll put a request in for the information of the impact of the \$7 million cap on senior mills. One thing we could do that would keep them in a time of taxable value decreases, keeping them up closer to where they are today, is we could change the language where it refers to 87.5% match, change it to match up to a full percent and still have it capped at the \$7 million.

Representative Hogan: It would change the distribution among senior groups?

Chairman Headland: I don't think it would. If it would have an impact it would be nice to know. That is something that I asked for in the amendment but it didn't come that way. If we don't address the senior mills on this bill it will pop on another one; it needs to be done. Back to the first part on the fee.

Vice Chairman Dockter: Either way I know Representative Olson is going to look into it. I just want to make sure the senior mills portion gets put on the bill.

Representative Olson: I've already begun to look into it. In 44-04-18 it states that an entity may impose a fee not exceeding \$25 per hour per request. I'm not sure why there's confusion.

Chairman Headland: Could somebody from the counties come up here? We're trying to figure out why would need to do this at all because there's already a section of code that allows for some cost recovery. It was indicated earlier that they weren't charging a fee, but that section of code indicates they could, so why aren't they doing it?

Terry Traynor, Association of Counties: They could. That section applies to all open records. The first hour free is what comes into play. If you or I come in and want our tax statement they would print it out and charge you \$.25 a copy, if they charge at all. Usually, if it's your statement they will just give it to you. The issue they are trying to address is the national companies ask them for a flat file of all their tax documents, so they send it off electronically which takes about two minutes and so the first hour is free. In Burleigh County's case 60,000 tax records were sent to someone for free then they turn around post it on the web and start selling access to it. That's where they are frustrated.

Representative Mitskog: If this is a national issue then what are other states doing to address this? Are they imposing a fee?

Terry Traynor: I don't know. This isn't unique to tax directors. You mentioned the recorders which may be a model, their statute says \$1 per page. They have Attorney General's opinion that suggest they can charge \$1 for an electronic image of a page, but they recognize that is ridiculous so I think now they charge \$.04 per image. I think the issue is bigger than tax directors. I think there are a lot of data sets that are out there that electronically, we as a state, just give away and maybe that's a good public policy.

Representative Mitskog: Is there a way through a national association to track down what is being done in other states?

Terry Traynor: I will ask.

Representative B. Koppelman: Technically, the state and the county are a warehouse of all of our data. It's interesting to me that the county auditor or the tax director is offended by the fact that someone is able to get that information and profit by it, but by today's age made it so easy for the individual in that office. If it's really problematic for them, why don't they just have a link on their website where they can download the entire pdf and be done?

Terry Traynor: It's about time we talk about what they can charge. Even in the smallest county the tax director spends the whole year developing that data. It's \$100,000 worth of the taxpayers in Sargent County spent to develop that data base and \$100,000 every year after. The taxpayers spent that money and invested that money to create that data base for their use for taxing their county and for their data, so now a company from Transamerica, New Jersey, comes in and takes it all for free. That's the public policy issue; there's a company somewhere profiting from that \$100,000 investment that the Sargent County taxpayers made.

Representative Olson: I see what you're saying; it's valuable information. I don't know that would solve your problem with the valuable information getting out and being used. If you adopted a policy like this someone, like myself, could get that information, pay your initial fee, then make it available to all these others at a reduced rate so I could make \$5 per request compared to your \$25 undercutting you. I don't think it would make the state very much money because it would take just one middle man between the various counties. Unless you restricted the information and made it some type of intellectual property that had to be licensed or had royalties. Once it's out it could be spread and used by anyone without a license.

Terry Traynor: I agree.

Representative Trottier: I question why we're involved in setting fees for the county director of tax equalization when there are county commissioners and director themselves. If they charge too much the county commissioners are going to hear about it and they'll have to change that structure. I feel we should let the counties take care of it. Also, the small towns I checked with in my district said their senior centers are all doing really well. Since we've raised the matching funds fuel prices and the food costs have come down.

Representative Hogan: Thank you. I hadn't seen this until now. I'll do some checking to see if it's an urban or rural issue. I want to be conscious of what we're doing.

Terry Traynor: The reason the county commissioners can't engage in the billing issue is that these are viewed as open records and all open records are governed by title 44. They are essentially free with the exception of the cost to reproduce them, which when they're electronic that is very small.

Chairman Headland: After this discussion maybe we should move forward with the study, but I'm willing to look at some ideas. We need the increase in senior mills and capping to move forward. Would you be in favor of it if we allowed for the match to be increased at least to amount of percent will increase? We could go back to the full percent or we could go to something less than a full percent, but an increase from where it's at. This would allow them to keep more of the \$7 million should taxable value decrease enough to where it would take them back the other direction. The number is adequate in today's world. If something happens and ag property falls in half, a bigger match would help them out a little bit.

Representative Hogan: Can we look at the runs of numbers and then look at those options? I'm open to that.

Chairman Headland: How long will it take you to get the runs, tomorrow?

Linda Leadbetter will get this for the committee.

Chairman Headland: Build it off of 87.5% and cap it at \$7 million.

2017 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2273
3/21/2017
29488

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Mary Buckner

Explanation or reason for introduction of bill/resolution:

A bill to provide for legislative management study relating to fees charged by county directors of tax equalization for property records.

Minutes:

Attachment #1

Chairman Headland: I proposed an amendment yesterday and I would like to replace section 1 because we're finding out the difficulties in establishing a fee and determining what would be right and fair. It may merit taking a look at it during the interim when there is more time. I would like to propose us moving forward with this amendment but replace section 1 with the language in the bill that first came over to us with the study resolution language. Sections 2 and 3 would remain in the bill. I think we can do this by a motion passing the amendment .02001 with that change in it.

Vice Chairman Dockter: If we can put the study in and the cap on the senior mills, I think it is a good bill. We're still giving the \$200,000 increase in the senior mills. In this committee we've been cutting or not continuing anything so I think this is a good compromise to have the caps, and I think it will be a good bill to pass it out. The study might get picked or it might not but I think it's a good bill. **MADE A MOTION TO ADOPT THE AMENDMENT .02001 AND KEEPING SECTION 1 AS THE STUDY.**

Chairman Headland: Why don't you adopt the amendment .02001 and with the change that we talked about, replacing section 1 with the study. It will be a new section 1 where we'll have the study and section 2 and 3 will remain the same.

Representative Ertelt: This is keeping sections 2 and 3 of the amendment? Isn't the study what we have before us?

Vice Chairman Dockter: We're hog housing the bill. We're taking the amendment from yesterday, .02001, keeping sections 2 and 3, taking section 1 of that amendment out, and putting in the legislative study in that section one.

Chairman Headland: The reason we are trying to work on this resolution is so we don't have to go back to council with another amendment, and we can expedite it to get it passed

out. We can have further discussions on the mills portion but for purposes of getting this going we need a motion. We have a motion to adopt .02001 with the change in section 1, is there a second?

Representative B. Koppelman: **SECONDED**

Chairman Headland: We're now open for discussion.

Representative Steiner: Can you explain, is section 2 the cap where it says "equal to the lesser of"? How does that work, is one piece in one and the other piece in the other?

Vice Chairman Dockter: It's from the fiscal impact last session to be calculated out with the match going up to \$7 million and there's going to be a \$200,000 increase. It doesn't actually say that in the bill, but from the match that we passed last session if we keep it the same and put the cap at \$7 million the county will get an increase of \$200,000. If we didn't do this, they would get an increase of \$1.2 million.

Chairman Headland: The match of 87.5% of one mill generates \$8,008,925 which is \$1.2 million increase over this current biennium. When they talk about the lesser of each it would be the lesser of 87.5% or \$7 million per biennium.

Vice Chairman Dockter: As you see in the language at the end of section 2, "to not exceed \$3.5 million each year", that's where you get \$7 million per biennium.

Representative Steiner: It's really not a cap in the sense we meet every two years. It will be capped if we don't revisit it; it just moves forward at that same level?

Chairman Headland: Yes.

Representative Hogan: Distributed information on senior citizen services matching grant calculation, see attachment #1. I have major concerns. This is one of the programs that makes a huge difference in communities with growing aging populations. This program permanently provides Meals on Wheels and transportation services to keep people in their homes. Because of the aging population in the state I think the original vision of having an automatic inflator made sense. We're not calling it a cap but we're limiting the mill levy. This really impacts real people. Inflation does happen and I think this is a limitation of services for the aging population. I'm going to oppose the amendment.

Chairman Headland: What we should have asked for is another line with how much the increase would be with the limitation. There will still be an increase. This is an issue that this committee has addressed almost every session. In the past we've addressed the addition from the automatic inflation in taxable value to an increase in the percent of what we match. We've been very responsive to the needs. We have a tough budget and we have to look at ways to continue to care for the needy yet be responsible to everybody else. I think this bill does that. It's a good bill now and I think it should pass.

Representative B. Koppelman: In your amendment would we also need the title and remove 11-10.1-05?

Chairman Headland: Terry, is that understood?

Terry, Legal Intern: Yes.

ROLL CALL VOTE: 12 YES 2 NO 0 ABSENT

MOTION CARRIED

Chairman Headland: We have amended SB 2273 before us.

Vice Chairman Dockter: MADE A MOTION FOR A DO PASS AS AMENDED

Representative Trottier: SECONDED

Chairman Headland: Discussion?

Representative Mitskog: Statistics show the seniors are the fastest growing aspects of (inaudible) seniors and that's greatly attributable to the rising healthcare costs. Those over the age of 65 are accessing food programs at a greater level than any other sector.

Chairman Headland: Your argument is noted but we have budget problems. Here is a way that they are still receiving an increase. I think we really need to move it forward.

Representative Trottier: In the past I've supported raising the percentage the state gives to the program. In the last session I questioned how the government got into these programs; it should remain with the locals. I've talked to some folks in my area about putting on some private drives to make people aware that the centers are short of money. People are more than willing to donate to this project so I hope we can move that one.

Chairman Headland: It's a good point.

Representative Hogan: I think in counties where there are resources in very low income counties, that is the area where we need at least a tax base, particularly state tax base. There is such inequity between counties; between well off counties and poor counties. I think there is a function for public funding.

Chairman Headland: Philosophical differences.

Representative Hogan: And practical differences. In some counties if you ask 50-60% of the households are on some kind of public assistance because the income levels are so low, and to ask them to fund this isn't reasonable.

Chairman Headland: But I don't think we are because we are still increasing them.

Representative Hatlestad: In looking at the sheet Representative Hogan distributed it shows a negative number for virtually everybody; they're losing money. Am I reading that wrong?

Chairman Headland: Yes, you are reading it wrong because it's an automatic inflation that we'll be removing by capping them at \$7 million. That money is not in the bank for them but that is what they would automatically get if we didn't act on it. Technically what we're doing, we're still giving them an increase over the \$6.8 million that they are receiving in this biennium, we're going to \$7 million.

Vice Chairman Dockter: They assume everything was going to stay the same when they did the \$1.2 million increase and you can see the reductions. You could get another sheet showing with the cap where there will be a \$200,000 increase, so a lot of them will stay the same, most will increase a little bit, but they are not going to go backwards.

Chairman Headland: I need to remind the committee that we are still a long way under water and before we leave we're going to need to balance our budget. Anything we can do to take automatic inflation dollars off the table helps us get a little closer.

Representative Olson: The increase in home values is nowhere near the rate of inflation. The fact that we're continuing to give an increase to this program is more than generous. Here we're looking at a reduction of the proposed assumed increase, but nothing should be assumed. A few of these counties have maxed out their two mills that have been allowed; there's other counties that haven't, but if they have shortfalls they could do that. It's still an increase overall. I have no problem with this amendment.

ROLL CALL VOTE: 12 YES 2 NO 0 ABSENT

MOTION CARRIED for DO PASS AS AMENDED

Representative Trottier will carry this bill.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2273

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 11-10.1-05 of the North Dakota Century Code, relating to fees charged by the county director of tax equalization; to amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 11-10.1-05 of the North Dakota Century Code is created and enacted as follows:

The county director of tax equalization may charge a fee not to exceed twenty-five dollars per parcel for information retained by the office of the county director of tax equalization and provided to a requester in a paper or electronic format. The fee provided in this subsection does not apply to requests for information relating to a parcel made by the owner of the parcel or the owner's representative. The fees collected under this subsection must be placed in the county general fund to be used for expenses related to the functions of the office of the county director of tax equalization.

SECTION 2. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lessor of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but not an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching

grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 3. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lessor of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund.

SECTION 4. EFFECTIVE DATE. Section 2 of this Act is effective for taxable years beginning after December 31, 2016. Section 3 of this Act is effective for taxable events occurring after June 30, 2017."

Renumber accordingly

March 21, 2017

8/16/17
3/21/17
10/2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2273

Page 1, line 1, after the first "to" insert "amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to"

Page 1, line 2, after "records" insert "; and to provide an effective date"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lesser of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but not an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 2. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lesser of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under

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this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund."

Page 1, after line 13, insert:

"SECTION 4. EFFECTIVE DATE. Section 1 of this Act is effective for taxable years beginning after December 31, 2016. Section 2 of this Act is effective for taxable events occurring after June 30, 2017."

Renumber accordingly

Date: 3-7-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2273

House Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: _____

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. Koppelman Seconded By Rep. Ertelt

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland	✓		Representative Hogan		✓
Vice Chairman Dockter	✓		Representative Mitskog	✓	✓
Representative Ertelt	✓				
Representative Grueneich	✓				
Representative Hatlestad	✓				
Representative Howe	✓				
Representative Koppelman	✓				
Representative Olson	✓				
Representative Schobinger	✓				
Representative Steiner	AB				
Representative Toman	✓				
Representative Trotter	✓				

Total (Yes) 11 No 2

Absent 1

Floor Assignment Rep. Ertelt

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

Date: 3-20-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2273

House Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: _____

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. Toman Seconded By Rep. Olson

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland			Representative Hogan		
Vice Chairman Dockter			Representative Mitskog		
Representative Ertelt					
Representative Grueneich					
Representative Hatlestad					
Representative Howe					
Representative Koppelman					
Representative Olson					
Representative Schobinger					
Representative Steiner					
Representative Toman					
Representative Trottier					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Voice vote = Motion carried.

Date: 3-21-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2273

House Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: Keep section 1 + add amend. 02001.
with study

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. Dockter Seconded By Rep. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland	✓		Representative Hogan		✓
Vice Chairman Dockter	✓		Representative Mitskog		✓
Representative Ertelt	✓				
Representative Grueneich	✓				
Representative Hatlestad	✓				
Representative Howe	✓				
Representative Koppelman	✓				
Representative Olson	✓				
Representative Schobinger	✓				
Representative Steiner	✓				
Representative Toman	✓				
Representative Trottier	✓				

Total (Yes) 12 No 2

Absent 0

Floor Assignment _____

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

Motion carries.

Date: 3-21-17
Roll Call Vote #: 2

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2273

House Finance and Taxation Committee

☐ Subcommittee

Amendment LC# or Description: _____

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. Dockter Seconded By Rep. Trottier

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland	✓		Representative Hogan		✓
Vice Chairman Dockter	✓		Representative Mitskog		✓
Representative Ertelt	✓				
Representative Grueneich	✓				
Representative Hatlestad	✓				
Representative Howe	✓				
Representative Koppelman	✓				
Representative Olson	✓				
Representative Schobinger	✓				
Representative Steiner	✓				
Representative Toman	✓				
Representative Trottier	✓				

Total (Yes) 12 No 2

Absent 0

Floor Assignment Rep. Trottier

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

REPORT OF STANDING COMMITTEE

SB 2273, as engrossed: Finance and Taxation Committee (Rep. Headland, Chairman)
recommends **DO NOT PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING).
Engrossed SB 2273 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2273, as engrossed: Finance and Taxation Committee (Rep. Headland, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2273 was placed on the Sixth order on the calendar.

Page 1, line 1, after the first "to" insert "amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to"

Page 1, line 2, after "records" insert "; and to provide an effective date"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lesser of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but the or an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 2. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lesser of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund."

Page 1, after line 13, insert:

"SECTION 4. EFFECTIVE DATE. Section 1 of this Act is effective for taxable years beginning after December 31, 2016. Section 2 of this Act is effective for taxable events occurring after June 30, 2017."

Renumber accordingly

2017 CONFERENCE COMMITTEE

SB 2273

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2273
4/7/2017
Job #: 29987

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records; and to provide an effective date.

Minutes:

Attachments #1, #2

Chairman Bekkedahl: Called the conference committee to order. All members were present. Attachments #1 and #2 had been handed out.

Representative Trottier: The amendment was added on to the original bill, it caps the senior program at \$7M. Big thing that was heard in committee (referenced attachment #1). Increases from 2007 to 2017. Amount of seniors that have become available is 12.45% in the 65+ population. In no way did we mean to harm the program, with the increases that have been there, starting in 2006 and up to 2011 the rate was 2/3 of a mill. In 2012 it was raised to 3/4 mill. Then in 2014, was raised to .85 mills and then in 2016 it was raised to .875 mills. I don't have a whole lot more. We've heard and gotten a lot of response that costs for senior programs have increased. There is state funding through social services and federal aid.

Representative Olson: This is an automatic continuing appropriation that is tied to property values. Property values have also increased significantly in the last few years. 2007 valuations were \$1.8 billion. The latest 2015 values are almost \$4.2 billion. We just have this automatic increase tied to that, when dealing with a fiscal situation, need to look at any appropriation, shouldn't be on autopilot. We've increased the percentage match; values are dragging it up. The goal was to cap at the amount of money that has been paid this year. Cap a little above that to keep it where it is to right our fiscal ship and keep things in order.

Senator Dotzenrod: Do we know what the valuations are headed. Are we still waiting in the year for finalized property taxes?

Representative Olson: I'm not sure about 2017 valuations. In 2016 was \$4.2 billion, \$4.146B in 2015. We've seen consistent increases of 16% or so over the last few years. The

increase was 8.5% from 2015 to 2016. We could probably estimate that it may follow 6-10% increase.

Senator Dotzenrod: Do we have those numbers? (referenced attachment #2)

(0:08:00) Representative Olson: I have documentation that shows property values, with the levies from each county. Each county has a different levy for this program too. Can levy up to 2 mills.

Chairman Bekkedahl: Could you get that to the committee clerk or the members if possible. Cite the sources.

(0:08:30) Representative Mitskog: Any way of obtaining information from the cuts at the federal level?

Senator Bekkedahl: will discuss that. Dually noted.

Representative Olson: Legislative council provided information showing the federal matching funds for the last biennium, as well as the anticipated. Federal appropriation for the most recent biennium was about \$7 million. Had been anticipating \$7.471 million for the upcoming biennium, not sure what it's being based on.

Senator Dotzenrod: One of the concerns that I had about the cap was how do we accommodate more people, most of our funding, is based on a per person. I assume that given the population bubble, over the next several biennia's, more seniors will be coming in, the number today versus two years ago.

Representative Olson: I do have historical population data, showing an increase in the last several years. We might want to consider adding some study language to this. It's tied to property values, mills to the county. Might be work looking at what's coming down the line with the oncoming need.

Chairman Bekkedahl: Don't think that's a bad idea. I have 2 questions, was there any consideration of setting a sunset date?

Representative Trottier: We thought it could be addressed in future sessions if it needs to be changed.

(0:13:07-0:15:06) Shared his thoughts on the programs.

Representative Mitskog: Local senior centers are very resourceful, with regard to local churches, they're stretched for volunteers. Good dollars invested to keep seniors at home.

Chairman Bekkedahl: Did the house ever discuss about a CPI adjustment, not needing the sunset, if did a CPI index

Representative Olson: No, we did not.

Senator Dotzenrod: In order to have some sort of understanding, what is an appropriate way to look at the dollars. Research the costs of meals and food served at the same time, compared to nursing home costs. Not just in food, prepared meals. Cost of putting the labor into the fixing of the meals. Large increases of both served. Element of numbers increased. Relative to the property costs.

Representative Trottier: Good thing to look at and compare. The costs of a nursing home will cost us in excess of what's now. Taking better care of our seniors.

Meeting adjourned. No action taken.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Lewis and Clark Room, State Capitol

Senate Bill 2273
4/10/2017
Job #: 30028

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the N.D.C.C, relating to the senior citizen services and programs fund; to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records; to provide an effective date; and to provide an expiration date.

Minutes:

Attachment #1

Chairman Bekkedahl: Called the conference committee on SB 2273 to order. All members present. Senator Meyer has an amendment to introduce to the committee. (**Attachment #1**)

Senator Meyer: We amended to change the sunset date.

Chairman Bekkedahl: The sunset date actually sunsets all of the provisions of the bill to the end of the next biennium, so it forces a discussion of the issue during the next legislative session.

Senator Meyer: Move that the House recede from their amendments, and further amend with #17.0941.02004.

Senator Dotzenrod: Seconded

Representative Olson: I do understand the intent of putting a sunset date on, what we've done here, but at the same time if we want to look at the issue when we come back we could also look at it without the sunset. Rather than having an automatic trigger that activates an automatic appropriation, to be tied to the taxable values at the time. It might be worth having a discussion on the whole concept of the program, next session, when they decide they want more funding.

Representative Trottier: As I read this, this would lock in the program in the bill, until after the 2019 session. This is saying we're going to live with this through next session and it will need to be addressed in 2021.

Chairman Bekkedahl: My understanding is that with the sunset, the sunset on the provisions of the bill, we need to deal with it again.

Representative Olson: Section 1 is effective for the first two taxable years beginning after December 31, 2016. I'm wondering if this is going to affect any of the amounts being appropriated currently into the program. The way that it's working is the payments are paid to the counties two years after the taxable valuations. In 17, we got the payment for 2015 valuations. I'm not clear how this would affect the actual payout for this biennium. I want to make sure it's staying capped at \$7M.

Chairman Bekkedahl: Would the committee prefer we meet again with Legislative Council here to explain that? I don't think that's the intent, but I understand what your concern is.

Representative Trottier: Could Linda from property tax be able to address that?

Linda Leadbetter, State Supervisor of Assessments, Office of the State Tax Commissioner: I can try to provide an understanding to this. As we talk about 2 years, everything as a taxable value is always a year different. Assessment cycle begins now, but does not become finalized until the end of the year. What will be paid after 2017. The 2016 figures are provided to the state treasurer's office and they make the payment after the first of next year. To understand which years we want this budget item to be in effect, which years are you wanting, what is the intent for the \$3.5M to be effective.

Representative Olson: The intent of the amendment was to insure that the payment made in 2017 isn't exceeding \$3.5 million either in 2017 or 2018. I'm curious about the section that's being added. Section 1 is effective for the first two taxable years beginning after December 31, 2016. Concerned it might result in a payment higher than \$3.5M going out for both years.

Linda Leadbetter: What I believe is that the payment to be paid in 2017, has already been paid in April. The payment to be made in 2018.

Chairman Bekkedahl: If you could give it a quick perusal, we'll stand at ease for a few minutes. Came back to order.

Linda Leadbetter: We believe the amendments with the effective date would apply the payments being made. The payment first being paid in 2018 will be limited to the \$3.5 million. And then that will hold true for the 2019 payment. These effective dates for the taxable for beginning after, have already been identified the way the policy is, is what years we are using when we do these calculations. The limiter of the taxable events for June 30th 2017, would allow for the April or March payment in 18, and then in 19.

Chairman Bekkedahl: Thank you Linda and the huddle.

A Roll Call vote was taken. 6 ayes, 0 nays, 0 absent.

(0:10:24-0:12:51) Committee discussed the possibility of adding a study to the bill.

Senator Bekkedahl and Representative Olson will carry the bill to their respective floors.

April 10, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2273

That the House recede from its amendments as printed on pages 1055 and 1056 of the Senate Journal and pages 1200 and 1201 of the House Journal and that Engrossed Senate Bill No. 2273 be amended as follows:

Page 1, line 1, after the first "to" insert "amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to"

Page 1, line 2, after "records" insert "; to provide an effective date; and to provide an expiration date"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lesser of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but not an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 2. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lesser of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in

21
4-11-17
p. 2 of 2

the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund."

Page 1, after line 13, insert:

"SECTION 4. EFFECTIVE DATE - EXPIRATION DATE. Section 1 of this Act is effective for the first two taxable years beginning after December 31, 2016, and is thereafter ineffective. Section 2 of this Act is effective for taxable events occurring after June 30, 2017, and before July 1, 2019."

Renumber accordingly

Date: 4-10-17
Roll Call Vote #: 1

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2273 as (re) engrossed

Senate Finance and Taxation Committee

- Action Taken ☐ SENATE accede to House Amendments
☐ SENATE accede to House Amendments and further amend
☐ HOUSE recede from House amendments
☒ HOUSE recede from House amendments and amend as follows
☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Meyer Seconded by: Dotzenrod

Senators	4-7	4-10		Yes	No		Representatives	4-7	4-10		Yes	No
Senator Bekkedahl (Chair)	P	P		X			Representative Trottier	P	P		X	
Senator Meyer	P	P		X			Representative Olson	P	P		X	
Senator Dotzenrod	P	P		X			Representative Mitskog	P	P		X	
Total Senate Vote							Total Rep. Vote					

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Senator Bekkedahl House Carrier Representative Olson

LC Number 17. 0941, 02004 . _____ of amendment

LC Number Title. 04000 . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 17.0941.02004
Senate Carrier: Bekkedahl
House Carrier: Olson

REPORT OF CONFERENCE COMMITTEE

SB 2273, as engrossed: Your conference committee (Sens. Bekkedahl, Meyer, Dotzenrod and Reps. Olson, Trottier, Mitskog) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1055-1056, adopt amendments as follows, and place SB 2273 on the Seventh order:

That the House recede from its amendments as printed on pages 1055 and 1056 of the Senate Journal and pages 1200 and 1201 of the House Journal and that Engrossed Senate Bill No. 2273 be amended as follows:

Page 1, line 1, after the first "to" insert "amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to"

Page 1, line 2, after "records" insert "; to provide an effective date; and to provide an expiration date"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lesser of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but not an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 2. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lesser of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use,

Insert LC: 17.0941.02004
Senate Carrier: Bekkedahl
House Carrier: Olson

and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund."

Page 1, after line 13, insert:

"SECTION 4. EFFECTIVE DATE - EXPIRATION DATE. Section 1 of this Act is effective for the first two taxable years beginning after December 31, 2016, and is thereafter ineffective. Section 2 of this Act is effective for taxable events occurring after June 30, 2017, and before July 1, 2019."

Renumber accordingly

Engrossed SB 2273 was placed on the Seventh order of business on the calendar.

2017 TESTIMONY

SB 2273

2-1-17

SB 2273

Attachment #1

Pg1

17.0941.01001
Title.

Prepared by the Legislative Council staff for
Senator Dotzenrod
January 31, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2273

Page 1, line 1, after "11-10.1-05" insert "and a new section to chapter 40-19"

Page 1, line 2, after "equalization" insert "or a city assessor for property records"

Page 1, after line 12, insert:

"**SECTION 2.** A new section to chapter 40-19 of the North Dakota Century Code is created and enacted as follows:

Office of city assessor - Fees permitted for property records.

A city assessor electing to maintain property records pursuant to section 57-02-11 may charge a fee not to exceed twenty-five dollars per parcel for information retained by the city assessor. The fees provided in this section do not apply to requests for information relating to a parcel made by the owner of the parcel or the owner's representative. The fees collected under this section must be placed in the city general fund to be used for expenses related to the functions of the city assessor."

Renumber accordingly

2/13/2017

SB 2273

Attachment #1

pg 1

Dotzenrod, Jim A.

From: Thompson, Emily L.
Sent: Thursday, February 9, 2017 1:03 PM
To: Dotzenrod, Jim A.
Subject: Fees for property records

Hi Senator Dotzenrod:

My apologies for missing your call yesterday. I made some inquiries with the revenue departments and county assessor offices in each of the three surrounding states regarding the amounts charged for property records. The following provides the information pertaining to each state.

Minnesota:

- Field cards are kept in each of the county assessor's offices.
- The owner of a parcel may obtain a copy of the record at no charge. Any other requestor is charged 25 cents per page for copies.

South Dakota:

- Property records are kept on each parcel by the County Director of Tax Equalization.
- An individual may obtain copies of property records at a cost of 25 cents per page.

Montana:

Property records are kept in the local revenue offices in each county.

The owner of a parcel may obtain a copy of the record at no charge. Any other requestor is charged 50 cents per page for copies.

- Individuals can also obtain electronic copies of records at no charge by accessing the records online at:
 - property.mt.gov

I also included the North Dakota Century Code section that outlines the fees the county recorder may charge, below.

11-18-05. Fees of recorder.

The recorder shall charge and collect the following fees:

1. For recording an instrument affecting title to real estate:
 - a. Deeds, mortgages, and all other instruments not specifically provided for in this subsection, ten dollars for the first page and three dollars for each additional page. In addition, for all documents recorded under this section that list more than five sections of land, a fee of one dollar for each additional section listed which is to be recorded in the tract index. Three dollars of the fee collected for the first page of each instrument recorded under this subdivision must be placed in the document preservation fund.
 - i. Page means one side of a single legal size sheet of paper not exceeding eight and one-half inches [21.59 centimeters] in width and fourteen inches [35.56 centimeters] in length.
 - ii. The printed, written, or typed words must be considered legible by the recorder before the page will be accepted for recording.
 - iii. Each real estate instrument must have a legal description considered to be adequate by the recorder before such instrument will be accepted for recording.
 - iv. A space of at least four inches by three and one-half inches [10.16 by 8.89 centimeters] square must be provided on the first or last page of each instrument for the recorders recording information. If recording information can only be placed on the reverse side of an instrument, an additional page charge must be levied.

2/13/2017

SB 2273

Attachment #1 pg 2

- b. Instruments satisfying, releasing, assigning, subordinating, continuing, amending, or extending more than one instrument previously recorded in the county in which recording is requested, ten dollars for the first page and three dollars for each additional page plus three dollars for each such additional document number or book and page. In addition, for all documents recorded under this section which list more than five separate sections of land, a fee of one dollar for each additional section listed which is to be recorded in the tract index. Three dollars of the fee collected for the first page of each instrument recorded under this subdivision must be placed in the document preservation fund.
 - c. Plats, twenty dollars for twenty lots or fewer and fifty dollars for more than twenty lots.
 - d. All instruments presented for recording after June 30, 2001, must contain a one-inch [2.54-centimeter] top, bottom, or side margin on each page of the instrument for the placement of computerized recording labels. An instrument that does not conform to this margin requirement may be recorded upon payment of an additional fee of ten dollars.
2. For filing any instrument, ten dollars.
 3. For making certified copies of any recorded instrument or filed instrument, the charge is five dollars for the first page and two dollars for each additional page. For making a noncertified copy of any recorded instrument or filed instrument, a fee of not more than one dollar per instrument page. For providing any electronic data extracted from the recorded instrument, a fee of not more than fifty cents per instrument.
 4. The recorder may establish procedures for providing access for duplicating records under the recorders control. Such records include paper, photostat, microfilm, microfiche, and electronic or computer-generated instruments created by governmental employees.
 5. Duplicate recorders records stored offsite as a security measure are not accessible for reproduction.

If you would like any additional information, just let me know!

Thank you,

Emily Thompson

Legal Counsel

North Dakota Legislative Council

600 East Boulevard Ave

Bismarck, ND 58505

emilythompson@nd.gov

701.328.2916

2/13/2017

SB 2273

Attachment #2

pg 1

17.0941.01002
Title.

Prepared by the Legislative Council staff for
Senator Dotzenrod

February 13, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2273

Page 1, line 1, after "11-10.1-05" insert "and a new section to chapter 40-19"

Page 1, line 2, after "equalization" insert "or a city assessor for property records"

Page 1, line 6, remove "twenty-five"

Page 1, line 7, replace "dollars per parcel" with "fifty cents per page"

Page 1, after line 12, insert:

"**SECTION 2.** A new section to chapter 40-19 of the North Dakota Century Code is created and enacted as follows:

Office of city assessor - Fees permitted for property records.

A city assessor electing to maintain property records pursuant to section 57-02-11 may charge a fee not to exceed fifty cents per page for information retained by the city assessor. The fees provided in this section do not apply to requests for information relating to a parcel made by the owner of the parcel or the owner's representative. The fees collected under this section must be placed in the city general fund to be used for expenses related to the functions of the city assessor."

Renumber accordingly

2/14/2017

SB 2273

Attachment #1

pg 1

17.0941.01003
Title.

Prepared by the Legislative Council staff for
Senator Dotzenrod

February 13, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2273

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - FEES FOR RECORDS REQUESTED FROM THE COUNTY DIRECTOR OF TAX EQUALIZATION. During the 2017-18 interim, the legislative management shall consider studying application of a uniform statewide fee structure for requests for records retained by the office of the county director of tax equalization. The study must include consideration of the types of records retained by the office of the county director of tax equalization, the fees presently imposed in each county for records, the types of requests commonly received, and the average amount of time spent to compile and disseminate record requests. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly

2/14/17

SB 2273

Attachment #1A

pg 1

17.0941.01003

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2273

Introduced by

Senators Dotzenrod, Erbele

Representatives Magrum, P. Anderson, Guggisberg

1 A BILL ~~for an Act to create and enact a new subsection to section 11-10.1-05 of the North~~
2 ~~Dakota Century Code, relating to fees charged by the county director of tax equalization.~~ for an
3 Act to provide for a legislative management study relating to fees charged by county directors of
4 tax equalization for property records.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 ~~SECTION 1. A new subsection to section 11-10.1-05 of the North Dakota Century Code is~~
7 ~~created and enacted as follows:~~

8 ~~The county director of tax equalization may charge a fee not to exceed twenty five~~
9 ~~dollars per parcel for information retained by the office of the county director of tax~~
10 ~~equalization. The fees provided in this subsection do not apply to requests for~~
11 ~~information relating to a parcel made by the owner of the parcel or the owner's~~
12 ~~representative. The fees collected under this subsection must be placed in the county~~
13 ~~general fund to be used for expenses related to the functions of the office of the~~
14 ~~county director of tax equalization.~~

15 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - FEES FOR RECORDS**
16 **REQUESTED FROM THE COUNTY DIRECTOR OF TAX EQUALIZATION.** During the 2017-18
17 interim, the legislative management shall consider studying application of a uniform statewide
18 fee structure for requests for records retained by the office of the county director of tax
19 equalization. The study must include consideration of the types of records retained by the office
20 of the county director of tax equalization, the fees presently imposed in each county for records,
21 the types of requests commonly received, and the average amount of time spent to compile and
22 disseminate record requests. The legislative management shall report its findings and
23 recommendations, together with any legislation required to implement the recommendations, to
24 the sixty-sixth legislative assembly.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2273

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 11-10.1-05 of the North Dakota Century Code, relating to fees charged by the county director of tax equalization; to amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 11-10.1-05 of the North Dakota Century Code is created and enacted as follows:

The county director of tax equalization may charge a fee not to exceed twenty-five dollars per parcel for information retained by the office of the county director of tax equalization and provided to a requester in a paper or electronic format. The fee provided in this subsection does not apply to requests for information relating to a parcel made by the owner of the parcel or the owner's representative. The fees collected under this subsection must be placed in the county general fund to be used for expenses related to the functions of the office of the county director of tax equalization.

SECTION 2. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lessor of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but not an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching

grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 3. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lessor of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund.

SECTION 4. EFFECTIVE DATE. Section 2 of this Act is effective for taxable years beginning after December 31, 2016. Section 3 of this Act is effective for taxable events occurring after June 30, 2017."

Renumber accordingly

#1
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3-21-17

Senior Citizen Services Matching Grant Calculation

	2016	Levied for	Mills	Amount Generated by .875 mill for all	Amount reduced if limited to \$3.5 Million
County	Txbl. Value	No. 1221	Levied*	Counties	
Adams	15,677,783	15,207.45	0.97	13,718.06	1,531.48
Barnes	77,096,411	154,192.80	2.00	67,459.36	7,531.16
Benson	30,592,354	7,640.95	0.25	26,768.31	2,988.41
Billings	18,235,406	0.00	0.00	15,955.98	1,781.33
Bottineau	57,906,513	57,906.57	1.00	50,668.20	5,656.60
Bowman	26,841,575	25,499.49	0.95	23,486.38	2,622.02
Burke	30,014,057	57,026.71	1.90	26,262.30	2,931.92
Burleigh	471,126,855	471,134.18	1.00	412,236.00	46,022.02
Cass	755,904,626	755,904.63	1.00	661,416.55	73,840.53
Cavalier	49,297,661	98,595.32	2.00	43,135.45	4,815.64
Dickey	38,331,137	38,331.14	1.00	33,539.74	3,744.38
Divide	41,051,398	34,893.67	0.85	35,919.97	4,010.10
Dunn	57,808,596	0.00	0.00	50,582.52	5,647.03
Eddy	13,234,442	19,586.96	1.48	11,580.14	1,292.81
Emmons	30,641,069	30,641.08	1.00	26,810.94	2,993.17
Foster	24,460,433	48,920.87	2.00	21,402.88	2,389.42
Golden Valley	14,406,364	28,812.73	2.00	12,605.57	1,407.29
Grand Forks	284,299,223	284,295.22	1.00	248,761.82	27,771.76
Grant	19,579,820	17,426.04	0.89	17,132.34	1,912.65
Griggs	19,742,886	39,485.73	2.00	17,275.03	1,928.58
Hettinger	24,534,907	49,071.72	2.00	21,468.04	2,396.69
Kidder	16,925,350	16,925.35	1.00	14,809.68	1,653.35
LaMoure	39,435,677	78,871.37	2.00	34,506.22	3,852.27
Logan	15,090,992	30,181.98	2.00	13,204.62	1,474.16
McHenry	40,417,063	40,417.03	1.00	35,364.93	3,948.14
McIntosh	18,730,922	37,461.84	2.00	16,389.56	1,829.73
McKenzie	178,629,896	0.00	0.00	156,301.16	17,449.46
McLean	74,405,910	98,959.91	1.33	65,105.17	7,268.34
Mercer	44,645,691	53,574.83	1.20	39,064.98	4,361.21
Morton	144,276,095	151,489.94	1.05	126,241.58	14,093.61
Mountrail	124,800,094	124,800.12	1.00	109,200.08	12,191.09
Nelson	24,737,332	24,737.34	1.00	21,645.17	2,416.47
Oliver	14,332,601	0.00	0.00	12,541.03	1,400.08
Pembina	120,900,550	120,900.50	2.00	105,787.98	11,810.17
Pierce	30,635,963	30,635.96	1.00	26,806.47	2,992.67
Ramsey	53,260,033	0.00	0.00	46,602.53	5,202.71
Ransom	33,958,653	33,953.84	1.00	29,713.82	3,317.25
Renville	24,453,438	24,942.52	1.02	21,396.76	2,388.73
Richland	83,406,752	83,406.75	1.00	72,980.91	8,147.59
Rolette	19,748,400	19,748.39	1.00	17,279.85	1,929.12
Sargent	33,696,777	33,696.80	1.00	29,484.68	3,291.67
Sheridan	13,350,657	13,350.91	1.00	11,681.82	1,304.16
Sioux	4,358,528	8,717.06	2.00	3,813.71	425.76
Slope	11,351,259	11,351.60	1.00	9,932.35	1,108.85
Stark	221,107,018	221,107.18	1.00	193,468.64	21,598.83
Steele	28,347,603	28,347.64	1.00	24,804.15	2,769.13
Stutsman	106,884,843	112,233.01	1.05	93,524.24	10,441.04
Towner	25,928,680	25,926.94	1.00	22,687.60	2,532.84
Trail	49,984,193	49,984.19	1.00	43,736.17	4,882.70
Walsh	53,562,944	53,562.95	1.00	46,867.58	5,232.30
Ward	344,094,311	636,548.19	1.85	301,082.52	33,612.85
Wells	38,945,622	59,976.26	1.54	34,077.42	3,804.40
Williams	367,491,593	382,191.26	1.04	321,555.14	35,898.41
State	4,502,678,956	\$4,842,574.92		\$3,939,844.10	\$439,844.08

*Note: Counties shown in blue levied the maximum 2 mills.
Counties shown in red levied zero or less than one mill.

Amounts in yellow calculate a maximum grant amt for counties that may qualify if funds not levied for are instead appropriated

State matching program for senior citizen services and programs

The state matching program for senior citizen services and programs is found in N.D.C.C. 57-15-56 which authorizes **counties** to levy up to 2 mills of property taxes to be levied for the purposes of establishing or maintaining services and programs for senior citizens. These services are then provided by private, non-profit corporations within the state. The programs are funded by a combination of private, voluntary giving, volunteer work and grants made from money raised by this tax.

Subsection 5 of this subchapter provides for state matching funds equal to 0.875 mills to also be paid to the counties to be used for this purpose.

According to data provided to the House Finance and Taxation Committee by the Office of the North Dakota Tax Commissioner, payments made to counties by the State under the Senior Services **have increased 227% from 2007 to 2017.**

As shown in Figure 1 below, the State made payments totaling \$1,067,693.95 to the counties in 2007, and made payments of \$3,493,688.12 to the same in 2017. (A breakdown of payments made per county since 2006 can be found here.)

Taken another way, these increases in state aid payments averaged 12.4% each year since 2006. *Yet during the same time period the US rate of inflation (CPI) **increased only an average of 1.4% each year.***

Figure 1

Senior Mill Levy Payment To Counties						
2006 - 2017 Actual						
Match %:	0.66667	0.66667	0.66667	0.66667	0.66667	0.66667
Increase Over Previous Year		0	0	0	0	0
County	Paid 2006	Paid 2007	Paid 2008	Paid 2009	Paid 2010	Paid 2011
Total	989,414.81	1,067,693.95	1,153,292.52	1,225,933.14	1,298,461.93	1,384,391.14
Increase Over Previous Year	NA	7.91%	8.02%	6.30%	5.92%	6.62%

2017 Compared To 2011					
31.2% Increase in Mill Match					
0.75	0.75	0.85	0.85	0.875	0.875
12.50%	0	13.33%	0	2.94%	0
Paid 2012	Paid 2013	Paid 2014	Paid 2015	Paid 2016	Paid 2017
1,687,149.46	1,789,363.10	2,290,963.42	2,650,724.80	3,154,839.49	3,493,688.12
21.87%	6.06%	28.03%	15.70%	19.02%	10.74%
227% Total Increase From 2007 to 2017					

In 2007 the population of individuals aged 65 years and older in North Dakota was approximately 99,778. In 2017 this population is estimated to be 112,204. **This equates to a**

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pg 1

Senior Citizen Services Matching Grant Calculation

A	B	C	D	E	F	G	H	I
County	2016 Txbl. Value	Levied for No. 1221	Mills Levied*	Amount Generated by .875 mill for all Counties	Amount reduced if limited to \$3.5 Million	Amount that would be distributed in February 2018 Column E-F	Amount that WAS distributed by Treas Office in February 2017	Difference Column G-H Negative Amounts in Red
Adams	15,677,783	15,207.45	0.97	13,718.06	1,531.48	12,186.58	12,616.86	430.28
Barnes	77,096,411	154,192.80	2.00	67,459.36	7,531.16	59,928.20	64,665.15	4,736.95
Benson	30,592,354	7,640.95	0.25	26,768.31	2,988.41	23,779.90	26,810.39	3,030.49
Billings	18,235,406	0.00	0.00	15,955.98	1,781.33	14,174.65	0.00	14,174.65
Bottineau	57,906,513	57,906.57	1.00	50,668.20	5,656.60	45,011.60	48,613.16	3,601.56
Bowman	26,841,575	25,499.49	0.95	23,486.38	2,622.02	20,864.36	24,563.14	3,698.78
Burke	30,014,057	57,026.71	1.90	26,262.30	2,931.92	23,330.38	24,652.76	1,322.38
Burleigh	471,126,855	471,134.18	1.00	412,236.00	46,022.02	366,213.98	383,253.77	17,039.79
Cass	755,904,626	755,904.63	1.00	661,416.55	73,840.53	587,576.02	584,689.01	2,887.01
Cavalier	49,297,661	98,595.32	2.00	43,135.45	4,815.64	38,319.81	40,633.36	2,313.55
Dickey	38,331,137	38,331.14	1.00	33,539.74	3,744.38	29,795.36	31,984.67	2,189.31
Divide	41,051,398	34,893.67	0.85	35,919.97	4,010.10	31,909.87	34,531.20	2,621.33
Dunn	57,808,596	0.00	0.00	50,582.52	5,647.03	44,935.49	22,080.63	22,854.86
Eddy	13,234,442	19,586.96	1.48	11,580.14	1,292.81	10,287.33	10,800.32	512.99
Emmons	30,641,069	30,641.08	1.00	26,810.94	2,993.17	23,817.77	25,294.51	1,476.74
Foster	24,460,433	48,920.87	2.00	21,402.88	2,389.42	19,013.46	20,227.57	1,214.11
Golden Valley	14,406,364	28,812.73	2.00	12,605.57	1,407.29	11,198.28	12,449.31	1,251.03
Grand Forks	284,299,223	284,295.22	1.00	248,761.82	27,771.76	220,990.06	231,681.60	10,691.54
Grant	19,579,820	17,426.04	0.89	17,132.34	1,912.65	15,219.69	16,288.40	1,068.71
Griggs	19,742,886	39,485.73	2.00	17,275.03	1,928.58	15,346.45	16,094.19	747.74
Hettinger	24,534,907	49,071.72	2.00	21,468.04	2,396.69	19,071.35	20,413.49	1,342.14
Kidder	16,925,350	16,925.35	1.00	14,809.68	1,653.35	13,156.33	14,196.27	1,039.94
LaMoure	39,435,677	78,871.37	2.00	34,506.22	3,852.27	30,653.95	32,706.85	2,052.90
Logan	15,090,992	30,181.98	2.00	13,204.62	1,474.16	11,730.46	12,497.99	767.53
McHenry	40,417,063	40,417.03	1.00	35,364.93	3,948.14	31,416.79	34,211.61	2,794.82
McIntosh	18,730,922	37,461.84	2.00	16,389.56	1,829.73	14,559.83	15,777.67	1,217.84
McKenzie	178,629,896	0.00	0.00	156,301.16	17,449.46	138,851.70	33,250.00	105,601.70
McLean	74,405,910	98,959.91	1.33	65,105.17	7,268.34	57,836.83	61,354.06	3,517.23
Mercer	44,645,691	53,574.83	1.20	39,064.98	4,361.21	34,703.77	34,971.50	267.73
Morton	144,276,095	151,489.94	1.05	126,241.58	14,093.61	112,147.97	113,729.88	1,581.91
Mountrail	124,800,094	124,800.12	1.00	109,200.08	12,191.09	97,008.99	103,711.17	6,702.18
Nelson	24,737,332	24,737.34	1.00	21,645.17	2,416.47	19,228.70	21,058.48	1,829.78
Oliver	14,332,601	0.00	0.00	12,541.03	1,400.08	11,140.95	11,776.63	635.68
Pembina	120,900,550	120,900.50	2.00	105,787.98	11,810.17	93,977.81	52,403.18	41,574.63
Pierce	30,635,963	30,635.96	1.00	26,806.47	2,992.67	23,813.80	24,470.27	656.47
Ramsey	53,260,033	0.00	0.00	46,602.53	5,202.71	41,399.82	44,126.53	2,726.71
Ransom	33,958,653	33,953.84	1.00	29,713.82	3,317.25	26,396.57	28,717.00	2,320.43
Renville	24,453,438	24,942.52	1.02	21,396.76	2,388.73	19,008.03	20,530.20	1,522.17
Richland	83,406,752	83,406.75	1.00	72,980.91	8,147.59	64,833.32	70,933.68	6,100.36
Rolette	19,748,400	19,748.39	1.00	17,279.85	1,929.12	15,350.73	16,797.59	1,446.86
Sargent	33,696,777	33,696.80	1.00	29,484.68	3,291.67	26,193.01	28,389.35	2,196.34
Sheridan	13,350,657	13,350.91	1.00	11,681.82	1,304.16	10,377.66	11,031.02	653.36
Sioux	4,358,528	8,717.06	2.00	3,813.71	425.76	3,387.95	3,381.47	6.48
Slope	11,351,259	11,351.60	1.00	9,932.35	1,108.85	8,823.50	9,765.25	941.75
Stark	221,107,018	221,107.18	1.00	193,468.64	21,598.83	171,869.81	182,238.37	10,368.56
Steele	28,347,603	28,347.64	1.00	24,804.15	2,769.13	22,035.02	25,099.74	3,064.72
Stutsman	106,884,843	112,233.01	1.05	93,524.24	10,441.04	83,083.20	89,575.64	6,492.44
Towner	25,928,680	25,926.94	1.00	22,687.60	2,532.84	20,154.76	22,405.25	2,250.49
Trail	49,984,193	49,984.19	1.00	43,736.17	4,882.70	38,853.47	41,618.07	2,764.60
Walsh	53,562,944	53,562.95	1.00	46,867.58	5,232.30	41,635.28	45,450.84	3,815.56
Ward	344,094,311	636,548.19	1.85	301,082.52	33,612.85	267,469.67	299,947.88	32,478.21
Wells	38,945,622	59,976.26	1.54	34,077.42	3,804.40	30,273.02	33,318.31	3,045.29
Williams	367,491,593	382,191.26	1.04	321,555.14	35,898.41	285,656.73	301,902.88	16,246.15
State	4,502,678,956	4,842,574.92		\$3,939,844.10	\$439,844.08	3,500,000.02	3,493,688.12	\$6,311.90

Notes from NDSSP: April 6, 2017

Columns G, H and I were added from previous Tax Dept Spreadsheet

In the past Billings county has not levied or appropriated

For Feb 2017 distributions, Dunn County appropriated less than a mill

For Feb 2017 distributions, McKenzie County appropriated less than a mill

Pembina Mill Valuation for on e mill from 2015 to 2016 has doubled

*Note: Counties shown in blue levied the maximum 2 mills.

Counties shown in red levied zero or less than one mill.

Amounts in yellow calculate a maximum grant amt for counties that may qualify if funds not levied for are instead appropriated

4/7/2017

SB 2273

Attachment # 2

pg 2

Senior Citizen Services Matching Grant Calculation

County	2016 Txbl. Value	Levied for No. 1221	Mills Levied*	Amount Generated by .875 mill for all Counties	Amount reduced if limited to \$3.5 Million
Adams	15,677,783	15,207.45	0.97	13,718.06	1,531.48
Barnes	77,096,411	154,192.80	2.00	67,459.36	7,531.16
Benson	30,592,354	7,640.95	0.25	26,768.31	2,988.41
Billings	18,235,406	0.00	0.00	15,955.98	1,781.33
Bottineau	57,906,513	57,906.57	1.00	50,668.20	5,656.60
Bowman	26,841,575	25,499.49	0.95	23,486.38	2,622.02
Burke	30,014,057	57,026.71	1.90	26,262.30	2,931.92
Burleigh	471,126,855	471,134.18	1.00	412,236.00	46,022.02
Cass	755,904,626	755,904.63	1.00	661,416.55	73,840.53
Cavalier	49,297,661	98,595.32	2.00	43,135.45	4,815.64
Dickey	38,331,137	38,331.14	1.00	33,539.74	3,744.38
Divide	41,051,398	34,893.67	0.85	35,919.97	4,010.10
Dunn	57,808,596	0.00	0.00	50,582.52	5,647.03
Eddy	13,234,442	19,586.96	1.48	11,580.14	1,292.81
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LaMoure	39,435,677	78,871.37	2.00	34,506.22	3,852.27
Logan	15,090,992	30,181.98	2.00	13,204.62	1,474.16
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McIntosh	18,730,922	37,461.84	2.00	16,389.56	1,829.73
McKenzie	178,629,896	0.00	0.00	156,301.16	17,449.46
McLean	74,405,910	98,959.91	1.33	65,105.17	7,268.34
Mercer	44,645,691	53,574.83	1.20	39,064.98	4,361.21
Morton	144,276,095	151,489.94	1.05	126,241.58	14,093.61
Mountrail	124,800,094	124,800.12	1.00	109,200.08	12,191.09
Nelson	24,737,332	24,737.34	1.00	21,645.17	2,416.47
Oliver	14,332,601	0.00	0.00	12,541.03	1,400.08
Pembina	120,900,550	120,900.50	2.00	105,787.98	11,810.17
Pierce	30,635,963	30,635.96	1.00	26,806.47	2,992.67
Ramsey	53,260,033	0.00	0.00	46,602.53	5,202.71
Ransom	33,958,653	33,953.84	1.00	29,713.82	3,317.25
Renville	24,453,438	24,942.52	1.02	21,396.76	2,388.73
Richland	83,406,752	83,406.75	1.00	72,980.91	8,147.59
Rolette	19,748,400	19,748.39	1.00	17,279.85	1,929.12
Sargent	33,696,777	33,696.80	1.00	29,484.68	3,291.67
Sheridan	13,350,657	13,350.91	1.00	11,681.82	1,304.16
Sioux	4,358,528	8,717.06	2.00	3,813.71	425.76
Slope	11,351,259	11,351.60	1.00	9,932.35	1,108.85
Stark	221,107,018	221,107.18	1.00	193,468.64	21,598.83
Steele	28,347,603	28,347.64	1.00	24,804.15	2,769.13
Stutsman	106,884,843	112,233.01	1.05	93,524.24	10,441.04
Towner	25,928,680	25,926.94	1.00	22,687.60	2,532.84
Traill	49,984,193	49,984.19	1.00	43,736.17	4,882.70
Walsh	53,562,944	53,562.95	1.00	46,867.58	5,232.30
Ward	344,094,311	636,548.19	1.85	301,082.52	33,612.85
Wells	38,945,622	59,976.26	1.54	34,077.42	3,804.40
Williams	367,491,593	382,191.26	1.04	321,555.14	35,898.41
State	4,502,678,956	\$4,842,574.92		\$3,939,844.10	\$439,844.08

*Note: Counties shown in blue levied the maximum 2 mills.
Counties shown in red levied zero or less than one mill.

Amounts in yellow calculate a maximum grant amt for counties that may qualify if funds not levied for are instead appropriated

**Senior Mill Levy Payment To Counties
2006 - 2017 Actual**

County	Paid 2006	Paid 2007	Paid 2008	Paid 2009	Paid 2010	Paid 2011	Paid 2012	Paid 2013	Paid 2014	Paid 2015	Paid 2016	Paid 2017	Dollar Change	Percentage Change
Adams	4,596.91	4,726.90	5,004.90	5,130.18	5,193.16	5,229.40	6,030.52	6,335.48	8,423.29	9,328.04	10,999.35	12,616.86	1,617.51	14.71%
Barnes	21,828.56	23,404.30	24,966.44	25,899.58	27,089.75	32,378.92	40,204.52	42,292.95	52,526.93	55,454.61	61,171.14	64,665.15	3,494.01	5.71%
Benson	8,242.23	8,590.75	9,196.14	9,389.91	9,563.88	10,369.63	12,890.75	14,023.64	19,427.54	22,124.05	25,082.71	26,810.39	1,727.68	6.89%
Billings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Bottineau	15,944.37	17,011.48	17,316.33	17,564.67	19,152.74	22,768.57	27,509.21	29,033.69	40,436.51	41,806.94	48,141.43	48,613.16	471.73	0.98%
Bowman	0.00	6,443.43	6,856.65	8,105.75	8,788.64	9,766.72	11,979.08	14,934.04	19,799.70	21,138.70	23,728.64	24,563.14	834.50	3.52%
Burke	5,736.71	5,747.64	5,783.25	5,877.15	5,957.00	6,273.68	8,101.66	9,089.32	14,218.58	17,247.43	22,648.88	24,652.76	2,003.88	8.85%
Burlingame	103,794.62	114,099.23	129,925.39	146,229.91	162,751.42	172,664.94	200,929.83	209,920.96	255,337.14	290,237.29	340,341.42	383,253.77	42,912.35	12.61%
Cass	216,762.92	238,517.28	263,848.90	285,608.85	297,987.55	309,575.55	360,825.96	372,544.64	442,880.35	466,605.08	519,770.38	584,689.01	64,918.63	12.49%
Cavalier	12,881.83	13,460.05	14,233.89	14,500.33	16,782.96	18,410.58	22,500.57	22,549.72	30,382.46	32,792.18	36,525.37	40,633.36	4,107.99	11.25%
Dickey	10,277.69	10,900.12	11,642.14	12,070.08	12,983.42	14,717.12	17,257.52	17,737.31	22,672.86	27,330.50	30,343.25	31,984.67	1,641.42	5.41%
Divide	5,963.13	6,105.70	0.00	6,455.01	6,544.85	6,848.69	9,135.20	10,181.24	16,579.39	16,933.53	27,815.02	34,531.20	6,916.18	25.04%
Dunn	8,504.18	8,481.61	8,584.40	8,442.53	8,855.76	2,170.74	11,159.22	13,664.94	7,586.61	30,455.38	36,607.99	22,080.63	(14,527.36)	(39.68%)
Eddy	4,228.88	4,204.10	4,320.82	4,402.58	4,433.05	4,660.40	5,067.97	6,130.51	8,706.72	9,150.39	9,989.63	10,800.32	810.69	8.12%
Emmons	4,518.04	4,550.56	4,767.90	4,866.35	4,868.68	4,895.22	5,974.48	6,426.23	10,238.84	19,315.21	22,009.41	25,294.51	3,285.10	14.93%
Foster	8,139.75	8,336.32	8,581.78	8,699.70	8,881.01	9,353.31	11,124.92	11,656.70	14,318.63	16,289.92	18,910.64	20,227.57	1,316.93	6.96%
Golden Valley	3,654.00	3,670.13	3,731.40	3,900.16	4,003.94	4,093.47	5,132.94	5,376.10	7,373.71	8,159.66	11,779.99	12,449.31	669.32	5.68%
Grand Forks	88,996.77	98,615.94	107,837.38	113,468.61	120,112.45	124,476.19	145,110.87	150,267.88	180,258.20	191,611.26	216,848.42	231,681.60	14,833.18	6.84%
Grant	5,134.41	5,310.42	5,947.67	6,102.65	5,917.56	6,175.63	7,487.78	8,250.85	11,516.47	12,789.51	14,749.33	16,288.40	1,539.07	10.43%
Griggs	5,569.97	5,841.90	6,253.29	6,375.18	6,400.23	6,683.78	8,959.59	9,545.94	12,767.03	13,812.05	15,250.99	16,094.19	843.20	5.53%
Hettinger	5,910.49	6,175.96	6,541.92	6,728.95	6,728.76	6,868.67	8,092.96	10,899.54	15,824.50	17,387.17	19,206.19	20,413.49	1,207.30	6.29%
Kidder	6,223.59	6,329.93	6,815.37	7,100.84	7,166.47	7,803.56	9,227.26	9,523.94	11,612.96	12,411.81	13,144.15	14,196.27	1,052.12	8.00%
LaMoure	10,948.85	11,710.69	12,438.07	12,588.90	12,567.07	13,347.97	16,333.09	17,071.90	23,153.80	26,685.16	30,025.70	32,706.85	2,681.15	8.93%
Logan	4,278.53	4,324.54	4,746.72	4,954.10	5,025.74	5,288.61	6,441.05	6,885.62	9,358.67	9,926.42	11,501.89	12,497.99	996.10	8.66%
McHenry	13,687.46	14,288.22	15,218.00	15,083.96	15,233.49	15,716.47	19,699.91	20,258.79	26,544.32	28,319.50	31,731.03	34,211.61	2,480.58	7.82%
McIntosh	6,348.08	6,470.27	6,788.30	6,955.19	7,002.54	7,189.88	8,684.02	9,515.03	11,703.23	13,368.08	15,051.71	15,777.67	725.96	4.82%
McKenzie	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	46,375.00	33,250.00	(13,125.00)	(28.30%)
McLean	16,535.70	17,635.79	19,049.47	19,913.45	20,858.74	23,385.98	28,275.01	31,448.99	42,115.22	47,250.03	55,917.62	61,354.06	5,436.44	9.72%
Mercer	4,285.02	4,410.10	12,596.80	12,994.93	13,531.88	14,050.57	16,660.15	18,701.86	23,575.09	26,736.98	31,654.57	34,971.50	3,316.93	10.48%
Morton	36,546.14	38,863.27	41,003.47	44,520.40	47,853.19	50,353.84	59,658.39	63,283.79	77,545.74	84,992.78	98,326.02	113,729.88	15,403.86	15.67%
Mountrail	9,793.28	10,073.38	10,872.53	11,048.13	11,474.89	13,749.72	26,906.14	33,157.05	49,417.65	62,616.58	87,733.23	103,711.17	15,977.94	18.21%
Nelson	7,086.36	7,326.99	7,489.23	7,548.39	7,574.01	8,956.79	12,347.89	13,752.73	16,894.00	18,759.43	20,125.16	21,058.48	933.32	4.64%
Oliver	2,726.95	3,635.29	2,766.15	3,989.65	4,452.08	5,589.58	6,363.02	6,456.59	8,515.27	9,225.09	10,920.88	11,776.63	855.75	7.84%
Pembina	18,641.98	19,888.33	20,783.75	20,875.21	20,987.04	22,597.30	29,673.09	30,677.48	39,468.70	44,006.53	50,447.50	52,403.18	1,955.68	3.88%
Pierce	8,976.42	9,052.09	9,670.58	9,550.18	9,545.72	9,824.63	13,245.70	13,460.87	18,842.47	21,580.55	23,706.88	24,470.27	763.39	3.22%
Ramsey	16,187.55	16,991.81	17,710.66	18,594.05	19,307.77	20,351.21	24,214.68	25,199.27	32,390.86	36,219.97	41,609.17	44,126.53	2,517.36	6.05%
Ransom	10,235.67	10,890.80	11,318.25	11,614.63	11,912.75	13,320.12	16,541.96	18,000.89	22,653.73	25,149.73	27,663.40	28,717.00	1,053.60	3.81%
Renville	6,571.38	6,668.88	6,913.26	6,933.20	6,948.18	7,348.29	9,759.86	10,813.40	15,611.72	17,037.18	19,641.54	20,530.20	888.66	4.52%
Richland	31,757.44	32,736.62	34,289.05	35,614.94	36,302.97	37,268.97	42,906.93	44,734.13	55,995.63	59,665.26	67,629.01	70,933.68	3,304.67	4.89%
Rolette	6,405.84	6,493.85	6,805.72	6,741.04	6,864.11	7,025.56	8,557.50	9,097.45	12,571.77	13,584.35	15,599.66	16,797.59	1,197.93	7.68%
Sargent	9,229.03	10,029.68	10,610.48	10,801.53	10,913.17	11,983.65	15,111.21	16,110.51	21,844.33	23,029.03	25,819.43	28,389.35	2,569.92	9.95%
Sheridan	4,047.49	4,155.41	4,388.32	4,478.32	4,488.36	4,626.09	5,601.00	6,046.31	8,173.81	9,324.41	10,328.53	11,031.02	702.49	6.80%
Sioux	1,373.45	1,367.24	1,371.02	1,431.00	1,454.04	1,556.11	1,879.76	1,922.30	2,712.24	2,943.66	3,379.74	3,381.47	1.73	0.05%
Slope	2,874.87	2,865.89	3,181.07	2,752.52	3,589.78	3,912.79	4,414.20	5,883.11	8,112.16	8,786.15	9,359.43	9,765.25	405.82	4.34%
Stark	25,156.79	26,836.04	29,709.11	32,509.12	38,070.42	41,534.89	50,032.95	56,697.32	78,816.61	114,562.21	144,824.86	182,238.37	37,413.51	25.83%
Steele	6,717.55	7,041.63	7,377.83	7,555.13	7,937.81	9,695.83	14,496.39	16,126.62	21,561.52	22,729.02	23,850.51	25,099.74	1,249.23	5.24%
Stutsman	32,214.27	33,926.44	35,804.39	36,670.34	38,059.54	40,257.57	47,496.76	50,057.27	61,791.78	68,298.18	78,720.26	89,575.64	10,855.38	13.79%
Towner	7,635.84	7,625.69	7,738.83	7,891.33	7,741.37	8,434.02	10,691.17	11,315.84	16,542.88	18,234.40	20,577.73	22,405.25	1,827.52	8.88%
Trail	16,374.60	17,181.49	17,961.39	18,416.97	18,907.36	19,909.00	24,122.69	24,330.90	31,914.04	34,154.20	38,976.30	41,618.07	2,641.77	6.78%
Walsh	20,394.46	20,840.37	21,757.71	22,117.17	22,269.31	23,371.55	28,015.91	30,070.16	36,411.71	40,100.91	43,906.62	45,450.84	1,544.22	3.52%
Ward	70,074.08	76,795.37	80,785.45	81,656.80	90,246.90	105,784.15	135,205.85	142,204.57	191,410.91	241,518.07	274,091.16	299,947.88	25,856.72	9.43%
Wells	11,205.61	11,701.09	12,566.63	12,846.92	12,802.41	13,236.32	16,158.00	17,153.81	23,449.08	25,728.54	30,664.60	33,318.31	2,653.71	8.65%
Williams	24,195.07	25,342.94	27,624.32	30,416.67	34,376.01	38,538.91	51,512.29	58,542.92	98,976.06	163,811.69	239,816.02	301,902.88	62,086.86	25.89%
Total	989,414.81	1,067,693.95	1,153,292.62	1,225,933.14	1,298,461.93	1,384,391.14	1,687,149.46	1,789,363.10	2,290,963.42	2,650,724.80	3,154,839.49	3,493,688.12	338,848.63	10.74%

Decreases 1.00
Increases 50.00
No Mills 2.00

Send to Faye Tschosik (ftschosik@nd.gov) DHS

Divide County chose not to levy in 2007; They were back in 2008

09 counties levied the Maximum 2 mills in 2008 up 4 from 2007

10 counties levied the Maximum 2 mills in 2009

12 counties levied the Maximum 2 mills in 2010

13 counties levied the Maximum 2 mills in 2011

15 counties levied the Maximum 2 mills in 2012

13 counties levied the Maximum 2 mills in 2013; 3 Counties levied zero or less than one mills

14 counties levied the Maximum 2 mills in 2014; 3 Counties levied zero or less than one mills

11 counties levied the Maximum 2 mills in 2015; 4 Counties levied zero or less than one mills

11 counties levied the Maximum 2 mills in 2016; 3 Counties levied zero or less than one mills

11 counties levied the Maximum 2 mills in 2017; 7 Counties levied zero or less than one mills

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SB 2273

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**Comments
Senate Bill 2273
Conference Committee
April 6, 2017**

Senator Bekkedahl and conference committee members, my name is Brian Arett. I am the Executive Director of Valley Senior Services and also a member of the North Dakota Senior Service Providers, an association of agencies that provide Older American Act Services to the senior population of this state. The following comments are with respect to proposed changes in the Senior Mill Levy Match included in SB 2273.

The Senior Mill Levy Match was established by the North Dakota Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the Senior Mill Levy Match program restricting the types of expenses that mill levy funds can be spent on to services designed to assist senior citizens in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, health related services and the maintenance of senior citizens centers where services are provided.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar for dollar match of what was being generated at the county or city level. The appropriation for the current biennium provides for a match of .875 cents for every dollar levied locally up to one mill.

SB 2273 reduces the Senior Mill Levy Match to the equivalent of .777 cents for every dollar levied locally for the 2017-19 biennium – a cut of 11.2% from the current match ratio. This decrease will make it more difficult for service providers to meet the growing needs of an increasingly aging population. For instance, in our region the

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SB 2273

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number of meals served through the Meals on Wheels program has grown by 47% in the last six years and the need for transportation services is up by 27% in this same time period.

Reducing the Senior Mill Levy Match from 87.5 cents to 77.7 cents will impact our ability to meet this growing need for services provided in an in-home setting which expands the continuum of care for the senior population. There are a number of studies that underscore the importance of providing services to assist seniors to continue living in their homes:

- In 2011 The U.S. Committee on Health, Education, Labor and Pensions: Subcommittee on Primary Health and Aging, conducted a study that determined that "The more successful we are at providing nutritious food to older adults in their own homes, where they want to be, the less money we will spend overall."
- An analysis by the Administration on Aging confirms that Older Americans Act Title III services play an important role in helping elderly adults remain living independently in the community. (Altschuler & Schimmel, 2010)
- Ninety-two percent of home delivered meals clients report that meals allow them to remain in their homes. (Meals on Wheels Association of America, 2015)

These preventive services are crucial for saving valuable health and long-term care dollars. The more successful we are at providing nutritious food to older adults in their homes, where they prefer to be, the less money we will spend overall. In 2013, 228 of the 5,215 home delivered meals clients in North Dakota scored as nursing home and Medicaid eligible. According to the 2015 Genworth Financial cost of care survey, the average cost of a year of North Dakota nursing home care is \$100,380. Consider the

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tremendous savings by keeping these seniors at home where they want to be. In 2015 the Meals on Wheels Association of America calculated that one year of Meals on Wheels service costs the same as six days in a nursing home or one day in a hospital.

It will also impact funding available to support the many senior centers throughout the state affecting their ability to be adequately maintained and available to provide services for the elderly. Many of the senior centers that exist across the state were originally opened thirty or even forty years ago and are in need of extensive repairs including new windows, flooring, cabinetry, heating and air conditioning equipment, meal preparation equipment and roofs.

I could list specific examples of renovations needed by senior centers throughout the state, but, the bottom line is these facilities are in need of repairs to help them to continue to serve as a major focal point for seniors in their respective communities. They are a place where seniors congregate and where services are provided that assist them in maintaining an active and independent lifestyle. In many towns the senior center is one of the last active facilities in town.

Our need to retain the current Senior Mill Levy Match level of 87.5 cents for every dollar levied locally is based on the growing demand for services for people age 85 and older and the increasing recognition of the need for more in-home services. We feel that adequately funding the continuum of care results in better government at less cost to the taxpayer. It also promotes independence in the rural communities of our state. Finally, it results in economic development from the employment we are able to provide throughout the state and through contracts we have with small restaurants in the most rural parts of our state.

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There has been much confusion on the issue of the State Mill Levy match for elders and the impact a cap on these funds will have on service providers and senior centers across the State. I can only speak to my service area which includes the counties of Barnes, LaMoure, Foster, Logan, McIntosh, Griggs and Emmons. During the most recent fiscal year which ended June 30, 2016, South Central Adult Services had to provide \$551,092 in local funds to zero out our budget (to pay all of our bills). The majority of these funds are provided by mill levies in the counties we serve, and by the State Mill Levy Match from the State of ND. This amount does not include the payments made to senior centers around the region that allow them to provide a place for services to be provided. The services provided include congregate and home delivered meals, outreach, transportation and in Barnes County it includes chore service. These services are critical in order to maintain seniors in their homes and local communities.

In the fiscal year which ended June 30, 2015, our State Aid for Public Transit was reduced from the prior year by \$102,145. The current year which will end June 30, 2017, saw an additional \$42,097 reduction. Between 50% and 60% of the transportation we provide is to elders. Many of these rides are for medical appointments including dialysis and cancer treatments which are not available without going to Fargo, Jamestown or Bismarck. We provided 124,203 rides last fiscal year.

The cost to provide meals and transportation increases every year. Many of our employees work for much less than they would receive in the private sector because they like what they are doing. South Central is a private non-profit organization so employees do not receive the benefits of government employees such as paid health insurance and retirement benefits. I am projecting at least a 3% increase in costs for the coming year.

While the amendment to SB 2273 is not a "cut" in funding, it is a freeze on the State Mill Levy Match which would have increased by \$20,501 for my counties, based on the percentage approved in the last legislative session. This amount would have at least made up a little bit of the loss we have suffered in the transportation area. Funding for the meals program has remained relatively stable for the past few years, thanks to some of our legislators who stepped up and added State dollars to help subsidize the meals. The transportation funding is based on the income from the Highway Tax Distribution fund which has decreased substantially in the past two years. Some of the legislators are looking for ways to shore up the transit program but with the reduced revenue across the board it does not look very promising.

It is sad to me that we will be forced to make reductions in the services which help our elderly live at home and remain vital parts of our communities. Statistics show that the funds to provide meals for a YEAR are equivalent to 6 DAYS in a nursing home and 1 DAY in the hospital. Last fiscal year we provided 84,245 meals in six counties.

Pat Hansen, Director

South Central Adult Services

4/7/2017

SB 2273

Attachment #2

pg 8



Minot Commission on Aging Inc.

21 First Avenue SE OFC
Parker Senior Center
Minot, ND 58701-3910

Phone: 701-852-0561
FAX: 701-852-0564
www.minotcoa.org

"There's No Place Like Home"

Mill Levy

Mill levy is very complex because it is used for many different programs that affect seniors. Unlike other mill levy requests, the senior mill levy has remained at 1-2 mills per county, for probably at least 20 years.

Mill levy and mill levy match is used to help off-set the cost of services for seniors. Those services include Meals on Wheels, Transit, Health/Foot Care Clinics, in home care and more.

Mill levy is also used for operating and maintenance expenses for senior centers throughout the region/state, many of these centers were built in the 1960s and some are reconditioned main street buildings in our small communities. In either case without proper maintenance or the ability to pay for up keep these buildings would become unsafe and uninhabitable and when that happens where do our seniors go?

This fiscal year ending in June 2017 we are looking at an 8 percent meal increase for our region. Our contract with the state calls for serving 116,716 meals and we are on track to serve 125,972 for us that means we will not get our \$4.60 per meal for 9,256 which equals \$42,577.00 of the total cost of preparing a meal (101.18 per meal) \$95783.00. That total cost has to be made up somewhere. We do have options of closing meal sites, putting seniors on waitlists and lying off staff.

One concern I've heard is there's no oversight on this program and that is simply not true. Each year reports have to be sent to the counties who in turn compile them and forward them to the state. This is very closely monitored by county commissioners, county auditors and by the state.



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pg 1

17.0941.02004
Title.

Prepared by the Legislative Council staff for
Senator Meyer

April 10, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2273

That the House recede from its amendments as printed on pages 1055 and 1056 of the Senate Journal and pages 1200 and 1201 of the House Journal and that Engrossed Senate Bill No. 2273 be amended as follows:

Page 1, line 1, after the first "to" insert "amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to"

Page 1, line 2, after "records" insert "; to provide an effective date; and to provide an expiration date"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to the lesser of eighty-seven and one-half percent of the amount appropriated in dollars in the county under this section for the taxable year, but the or an eligible county's proportional share of the maximum amount of grants that may be awarded under this subsection. The matching fund grant applies only to an amount equal to a levy of up to one mill under this section. The total amount of matching grants provided under this subsection may not exceed three million five hundred thousand dollars each year.

SECTION 2. AMENDMENT. Section 57-39.2-26.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation.

Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the lesser of the amount of revenue that would have been generated by a levy of eighty-seven and one-half percent of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in

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the previous taxable year, or three million five hundred thousand dollars, must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of any biennium must be transferred by the state treasurer to the state general fund."

Page 1, after line 13, insert:

"SECTION 4. EFFECTIVE DATE - EXPIRATION DATE. Section 1 of this Act is effective for the first two taxable years beginning after December 31, 2016, and is thereafter ineffective. Section 2 of this Act is effective for taxable events occurring after June 30, 2017, and before July 1, 2019."

Renumber accordingly