2023 HOUSE FINANCE AND TAXATION

HB 1176

2023 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Room JW327E, State Capitol

HB 1176
1/17/2023

A bill relating to an adoption tax credit and a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

Chairman Headland opened the hearing at 9:00am.

Members present: Chairman Headland, Vice Chairman Hagert, Representative Anderson, Representative Bosch, Representative Dockter, Representative Fisher, Representative Grueneich, Representative Hatlestad, Representative Motschenbacher, Representative Olson, Representative Steiner, Representative Toman, Representative Finley-DeVille, and Representative Ista. No members absent.

Discussion Topics:

- Adoption tax credits
- Income limits
- Contributions

Representative Olson verbally introduced bill in support.

Additional written testimony:

Christopher Dobson, Executive Director with North Dakota Catholic Conference, testimony in support #13676.

Sierra Heitkamp, Legislative Director with North Dakota Right to Life, testimony in support #13762.

Doug Sharbono, testimony in support #13775.

Chairman Headland closed the hearing at 9:13am.

Mary Brucker, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Room JW327E, State Capitol

HB 1176
1/18/2023

A bill relating to an adoption tax credit and a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

Chairman Headland opened the meeting at 2:46PM.

Members present: Chairman Headland, Vice Chairman Hagert, Representative Anderson, Representative Bosch, Representative Dockter, Representative Fisher, Representative Hatlestad, Representative Motschenbacher, Representative Olson, Representative Steiner, Representative Toman, and Representative Ista. Members absent: Representative Grueneich, Representative Finley-DeVille.

Discussion Topics:

- Tax relief for adoptions
- Committee vote

Representative Olson moved a Do Not Pass.

Representative Dockter seconded the motion.

Committee discussion.

Roll call vote:

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	N
Representative Jason Dockter	Y
Representative Lisa Finley-DeVille	AB
Representative Jay Fisher	N
Representative Jim Grueneich	AB
Representative Patrick Hatlestad	N
Representative Zachary Ista	N
Representative Mike Motschenbacher	N
Representative Jeremy Olson	Y
Representative Vicky Steiner	N
Representative Nathan Toman	N

Motion failed 5-7-2

Representative Fisher moved a Do Pass.

Representative Hatlestad seconded the motion.

Roll call vote:

Representatives	Vote
Representative Craig Headland	N
Representative Jared Hagert	N
Representative Dick Anderson	N
Representative Glenn Bosch	Y
Representative Jason Dockter	N
Representative Lisa Finley-DeVille	AB
Representative Jay Fisher	Y
Representative Jim Grueneich	AB
Representative Patrick Hatlestad	Y
Representative Zachary Ista	Y
Representative Mike Motschenbacher	Y
Representative Jeremy Olson	N
Representative Vicky Steiner	Y
Representative Nathan Toman	Y

Motion carried 7-5-2

Representative Fisher is the bill carrier.

Chairman Headland adjourned at 2:57PM.

Mary Brucker, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1176: Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO PASS** (7 YEAS, 5 NAYS, 2 ABSENT AND NOT VOTING). HB 1176 was placed on the Eleventh order on the calendar.

2023 SENATE FINANCE AND TAXATION

HB 1176

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

HB 1176
3/7/2023

Relating to an adoption tax credit and a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

10:15 AM Chairman Kannianen opens hearing.

Senator Present: **Kannianen, Weber, Patten, Rummel, Piepkorn, Magrum.**

Discussion Topics:

- Help center distribution
- Yearly adoption
- Adoption cost
- Adoption timeline

10:15 AM Representative Olson introduced bill. #22475

10:20 AM Christopher Dodson, Executive Director for ND Catholic Conference, in favor. #22451

Additional written testimony:

Mark Jorritsma, #22422

10:30 AM Chairman Kannianen adjourns hearing.

Nathan Liesen, Committee Clerk

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

HB 1176
3/8/2023

Relating to an adoption tax credit and a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

2:57 PM Chairman Kannianen opened the meeting.
Members present are Chairman Kannianen, Vice Chairman Weber, Senator Magrum, Senator Patten, Senator Rummel, and Senator Piepkorn.

Discussion Topics:

- Pregnancy centers
- Maternity home definition
- Committee Action

3:09 PM Senator Magrum moved Do Pass.

3:10 PM Senator Patten seconded.

3:12 PM Senator Magrum withdrew his motion.

3:12 PM Senator Patten withdrew his second.

3:14 PM Senator Magrum moved Amendment LC 23.0523.01001

3:15 PM Senator Weber seconded.

Roll Call Vote

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	N
Senator Dean Rummel	Y

Passed 5-1-0

3:16 PM Chairman Kannianen closed the meeting.

Nathan Liesen, Committee Clerk

Adopted by the Senate Finance and Taxation Committee

March 8, 2023

3-8-23

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1176

Page 2, line 15, replace "maternity home under chapter 50-19" with "nonprofit facility operating for the purpose of providing shelter and care to a pregnant woman or parent of a child twelve months of age or younger"

Renumber accordingly

2023 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Fort Totten Room, State Capitol

HB 1176
3/8/2023

Relating to an adoption tax credit and a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

3:31 PM Chairman Kannianen opened the meeting.
Members present are Chairman Kannianen, Vice Chairman Weber, Senator Magrum, Senator Patten, Senator Rummel, and Senator Piepkorn.

Discussion Topics:

- Committee Action
- Donations Tax Breaks

3:31 PM Matt Peryle, Office of State Commissioner, answered questions, neutral.

3:44 PM Senator Magrum moved Do Pass as Amended.

3:44 PM Senator Patten seconded.

Roll call vote

Senators	Vote
Senator Jordan Kannianen	Y
Senator Mark F. Weber	Y
Senator Jeffery J. Magrum	Y
Senator Dale Patten	Y
Senator Merrill Piepkorn	N
Senator Dean Rummel	Y

Passed 5-1-0
Senator Magrum will carry the bill.

3:45 PM Chairman Kannianen closed the meeting.
Nathan Liesen, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1176: Finance and Taxation Committee (Sen. Kannianen, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1176 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 2, line 15, replace "maternity home under chapter 50-19" with "nonprofit facility operating for the purpose of providing shelter and care to a pregnant woman or parent of a child twelve months of age or younger"

Renumber accordingly

2023 CONFERENCE COMMITTEE

HB 1176

2023 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Room JW327E, State Capitol

HB 1176
4/7/2023
Conference Committee

A bill relating to an adoption tax credit and a tax credit for contributions to a maternity home, child placing agency, or pregnancy help center.

Madam Chair Steiner opened the conference committee meeting at 9:30 AM.

Members present: Madam Chair Steiner, Representative Fisher, Representative Anderson, Chairman Magrum, Senator Patten, and Senator Piepkorn. Members absent: none.

Discussion Topics:

- Maternity home definition addition
- Committee vote

Chairman Magrum explained the Senate amendments.

Committee discussion.

Representative Fisher moved the House accede to Senate amendments.

Representative Anderson seconded the motion.

Roll call vote:
Motion carried 6-0-0

Madam Chair Steiner is the House carrier and Chairman Magrum is the Senate carrier.

Madam Chair Steiner adjourned at 9:34 AM.

Mary Brucker, Committee Clerk

Date: 4/7/2023
Roll Call Vote #:1

2023 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL NO. HB 1176

House Finance and Taxation Committee

Action Taken ☒ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☐ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Rep. Fisher Seconded by: Rep. D. Anderson

Representatives	4/7			Yes	No		Senators	4/7			Yes	No
Madam Chair Steiner	x			x			*Chairman Magrum*	x			x	
Rep. Fisher	x			x			*Senator Patten*	x			x	
Rep Anderson	x			x			*Senator Piepkorn*	x			x	
Total Rep. Vote				3			Total Senate Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Chair Steiner Senate Carrier Chairman Magrum

LC Number _____ . _____ of amendment

LC Number _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

REPORT OF CONFERENCE COMMITTEE

HB 1176: Your conference committee (Sens. Magrum, Patten, Piepkorn and Reps. Steiner, Fisher, D. Anderson) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1207 and place HB 1176 on the Seventh order.

HB 1176 was placed on the Seventh order of business on the calendar.

TESTIMONY

HB 1176

North Dakota Catholic Conference

Representing the Diocese of Fargo and the Diocese of Bismarck

103 South Third Street
Suite 10
Bismarck ND 58501
701-223-2519
ndcatholic.org
ndcatholic@ndcatholic.org

To: House Finance and Taxation
From: Christopher Dodson, Executive Director
Subject: House Bill 1176 - Tax Credit for Adoption and for Contributions to Adoption Agencies, Maternity Homes, and Pregnancy Resource Centers
Date: January 17, 2023

The North Dakota Catholic Conference supports House Bill 1176 as a way to help build a sanctuary for life in North Dakota.

The first part of HB 1176 is straightforward. It provides a tax credit for adoption expenses, using an already-established mechanism in the federal tax code.

The most common question I am asked in my position, especially after the *Dobbs* decision, is: "How can we make adoption more affordable?" The reasons for the cost of adoption are complex and there is no single solution to reduce cost. A tax credit for adopting parents, however, is one thing that the state is capable of doing which would provide some relief to adopting parents.

Years ago, the North Dakota tax code had provisions to help parents who adopt. That provision disappeared somewhere around 2009. Now we can restore some tax help to parents who adopt.

The second part of HB 1176 provides a tax credit for contributions to maternity homes, adoption agencies, and pregnancy resource centers. These entities are the backbone of a sanctuary for life. They accompany women during this difficult time. They hold their hands. They respond with love and provide help, resources, and direct assistance so mothers can choose life and families can have a strong start.

They already do this for hundreds of women. They will have to do this for hundreds more. Nearly 830 North Dakota women obtained abortions each year before the *Dobbs* decision. Our job as a state is to reach and help the next 830 before they cross the river. These agencies are at the frontline when it comes to this task. Let's help them by passing HB 1176.

Please give a "Do Pass" recommendation to HB 1176.

Nonprofit Adoption Agencies, Maternity Homes, and Pregnancy Resource Centers in North Dakota

PREGNANCY RESOURCE CENTERS

Women's Pregnancy Center – Grand Forks

Dakota Hope Clinic – Minot

Connect Medical Center – Dickinson

Women's Care Center – Bismarck

Women's Care Center – Fargo

Women's Care Center – Devils Lake

Pregnancy Help Center - Park River

MATERNITY HOMES

The Perry Center – West Fargo

St. Gianna Maternity Home – Minto

ADOPTION AGENCIES

Christian Adoption Services – West Fargo/Bismarck

Catholic Charities ND – Fargo/Grand Forks/Bismarck/Minot

The Village Family Service Center – Fargo/Grand Forks/Bismarck/Minot

North Dakota Right to LIFE

Chairman Craig Headland and Members of the House Finance and Taxation Committee –

My name is Sierra Heitkamp and I am the Legislative Director for North Dakota Right to Life. I am testifying today to represent the interests of our 3700 members across the state of North Dakota.

Since the overturn of Roe V. Wade on June 24, 2022, there have been many questions regarding what this means for women and families who find themselves in unplanned pregnancies in North Dakota. At North Dakota Right to Life, we questioned ourselves as to how our vision and goals may have to evolve moving forward to adequately protect those most vulnerable from conception to natural death.

After many conversations, the answer became clear – not only will we continue our work in protecting life at all stages, but we also want to back legislation that educates our citizens, encourages life, and provides aid or resources to those who qualify. A woman or family who finds themselves with an unexpected pregnancy should never feel that abortion is their only option to achieve a successful, happy life.

After discussing HB 1176 with our members and other partners in the pro-life committee, we believe that this is a wonderful step in the right direction for mothers and families in our state. The entities impacted by this bill (maternity homes, child placing agencies, or pregnancy help centers) operate on concise budgets that are sustained by donor dollars. These entities work tirelessly to provide resources for expecting mothers, options for adoption placement, and counseling services as these brave woman take the next steps in their journey. This legislation, if passed, would help encourage donors in our state to give monetary donations to these entities because of the proposed tax credit.

I ask this committee today for a **Do Pass recommendation on HB 1176** in order to protect mothers and families facing unplanned or crisis pregnancies as we continue to promote and encourage life at all stages.

Thank you for your time today and I am available by phone or email to answer any questions you may have.

Sincerely,

Sierra M Heitkamp

Sierra M Heitkamp
NDRL Legislative Director

(701) 955-8239 office@ndrl.org P.O. Box 1325, Williston, ND 58801

Do Pass Testimony
of Doug Sharbono, citizen of North Dakota
on HB1176
in the Sixty-seventh Legislative Assembly of North Dakota

Dear Chairman Headland and members of the House Finance and Taxation Committee,

I am writing as a citizen and believe HB1176 is great legislation. With the SCOTUS landmark case Dobbs vs. Jackson being the law of the land, Roe v. Wade has been found unconstitutional. This makes abortion illegal in North Dakota, whether one agrees with that or not. We are a prolife state where a significant portion of our population believe in the sanctity of life. Our US Government says life is an unalienable right given by our Creator.

This legislation provides incentive for support of maternity homes. We often hear the old saw for which the opponents to the prolife supporters deride them. They say we are good at bringing a baby into the world, but do a poor job of providing for that baby. Presumably, the opponent's solution is to destroy that life. We now have a solution that both sides of the abortion argument should be able to support if we take everyone's word at face value. HB1176 incentivizes the support of the babies brought into the world that lack the support of a traditional family home environment. This is a win-win.

I ask for your Do Pass on HB1176.

Thank you,

Douglas B. Sharbono

Doug Sharbono
1708 9th St S
Fargo, ND 58103

NORTH DAKOTA Family Alliance LEGISLATIVE ACTION

Faith · Family · Freedom

Testimony in Support of House Bill 1176

Mark Jorritsma, Executive Director
North Dakota Family Alliance Legislative Action
March 7, 2023

Chairman Kannianen and honorable members of the Senate Finance and Taxation Committee,

My name is Mark Jorritsma and I am the Executive Director of North Dakota Family Alliance Legislative Action. I am submitting testimony on behalf of our organization in support of House Bill 1176, and respectfully request that you render a "DO PASS" on this bill.

With the overturn of Roe v. Wade and the likely upholding of our state's "Trigger Law," it is important that we, as a state, come alongside pregnant women and new mothers and their families to help. One incredibly important way to do this is to financially help families seeking to adopt, and giving them a tax credit would be a tool toward this end. Adoption is a very expensive process and any way that we can help to mitigate these expenses would be deeply appreciated by the family and consistent with our state's support of family values.

Another important way that we can help pregnant women and new mothers and their families is to support maternity homes, child placing agencies, and pregnancy help centers. Many of these organizations rely heavily on contributions from people who donate to their cause. These organizations provide crucial resources to people in need at a very critical time in their lives, and providing incentives for taxpayers to donate to these entities would be another way to support the values we hold dear as North Dakotans.

This is a bill that helps people afford adoption and helps pregnant and new mothers and their families to get the support that they need at a critical time. Because of these reasons, North Dakota Family Alliance Legislative Action requests that you render a "DO PASS" on this bill.

Thank you for allowing us to testify and please feel free to contact me with any questions.

Sincerely,

Mark Jorritsma
Executive Director

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mark@NDfamilyalliance.org
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North Dakota Catholic Conference

Representing the Diocese of Fargo and the Diocese of Bismarck

103 South Third Street
Suite 10
Bismarck ND 58501
701-223-2519
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ndcatholic@ndcatholic.org

To: Senate Finance and Taxation
From: Christopher Dodson, Executive Director
Subject: House Bill 1176 - Tax Credit for Adoption and for Contributions to Adoption Agencies, Maternity Homes, and Pregnancy Resource Centers
Date: March 7, 2023

The North Dakota Catholic Conference supports House Bill 1176 as a way to help build a sanctuary for life in North Dakota.

The first part of HB 1176 is straightforward. It provides a tax credit for adoption expenses, using an already-established mechanism in the federal tax code.

The most common question I am asked in my position, especially after the *Dobbs* decision, is: "How can we make adoption more affordable?" The reasons for the cost of adoption are complex and there is no single solution to reduce cost. A tax credit for adopting parents, however, is one thing that the state is capable of doing which would provide some relief to adopting parents.

The second part of HB 1176 provides a tax credit for contributions to maternity homes, adoption agencies, and pregnancy resource centers. These entities are the backbone of a sanctuary for life. They accompany women during this difficult time. They hold their hands. They respond with love and provide help, resources, and direct assistance so mothers can choose life and families can have a strong start.

They already do this for hundreds of women. They will have to do this for hundreds more. Nearly 830 North Dakota women obtained abortions each year before the *Dobbs* decision. Our job as a state is to reach and help the next 830 before they cross the river. These agencies are at the frontline when it comes to this task. Let's help them by passing HB 1176.

Before doing so, however, this committee ought to consider a small amendment to the bill. On page 2, line 15, the bill provides a definition of "maternity home." It states that "'Maternity home' means a maternity home under chapter 50-19." The Senate, however, passed Senate Bill 2081, which repeals Chapter 50-19, and the House will probably do the same. Therefore, HB 1176 needs a definition of "maternity home."

The definition SB 2081 repeals was passed decades ago and does not truly reflect today's maternity home. We suggest that HB 1176 use the following definition: "'Maternity home' means a facility operating for the purpose of providing shelter and care to pregnant women or parents of a child twelve months of age or younger."

Please give a **Do Pass** recommendation to HB 1176.

Legislative Assembly

North Dakota House of Representatives

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360

Representative SuAnn Olson
District 8
17763 Highway 83
Baldwin, ND 58521-9724
solson@ndlegis.gov

COMMITTEES:
Judiciary
Agriculture

HB 1176

A bill to create income tax credits for adoption and contributions to maternity homes, adoption agencies and pregnancy centers.

Thank you Chairman Kannianen and members of the committee. I am Rep. SuAnn Olson, representing District 8.
North Dakota and our Legislature has been and is very family friendly. We have stood up for Life by rejecting abortion and we have many programs that support families and children. HB 1176 is another step in supporting families.

Section 1 of this bill creates a ND adoption tax credit equivalent to 10% of the federal credit for adoption expenses. I like this approach because we can piggyback off the federal credit without creating lots of administrative rules. The bill also allows a carry forward of any unused credit for a period of 3 years which is similar to many other credits in state law. The credit will generally not be more than $1,489 since $14,890 is the maximum per child federal credit that is allowed.
The federal credit also phases out for incomes over $263,410 so it is also inapplicable for high income taxpayers.

Section 2 of the bill creates a tax credit for contributions to maternity homes, child placing agencies, and pregnancy help centers. Again, this action helps ensure that we have agencies that help women with unplanned pregnancies. It is the right thing to do for mom's and babies.

The credit may not exceed 50% of the ND tax for the year, limited to $2,500. There are no carryover provisions.

For so many reasons, this bill is good for children and good for ND. We have made it clear that we value children. We want children to get off to a good start. We want and need them to grow up in ND and to stay in ND. We need them here!

Please support HB 1176. Thank you.