

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2233

2001 SENATE FINANCE AND TAXATION

SB 2233

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2233

Senate Finance and Taxation Committee

☐ Conference Committee

Hearing Date 1/22/01

Tape Number	Side A	Side B	Meter #
1	x		0-36
2	x		36.2-41.9
1/30/01 - 2	x		38.3
		x	0-21
2/5/01 - 2	x		34.6-end
		x	0-8
Committee Clerk Signature <i>Lynelle M. Kraft</i>			

Minutes:

Senator Urlacher: Opened the hearing on SB 2233, relating to township levies for airport purposes.

Senator Duane Mutch: Co-sponsored the bill, testified in support. Bill gives townships the option of designating to one or more airport or airport authorities the levy that they are allowed to levy by law. Through meter number 4.4.

Representative Glen Froseth: Testified in support of the bill and the amendment.

Senator David Drovdal: Testified in support.

Bryan Hoime: President of the ND Townships Officers Assoc., testified in favor of the bill.

Written testimony attached.

Senator Urlacher: We're talking about the ability to go up to 6 mills?

Bryan Hoime: Yes.

Senator Stenehjem and Bryan Hoime discuss mills. Meter number 9.9-11.7.

Senator Christmann: Who are the township electors?

Bryan Hoime: Voting persons in the township.

Senator Christmann: Why don't you have that on a general election?

Bryan Hoime: Townships are becoming so less populated.

Senator Christmann: Are people, in communities that are within the township, electors of the township or is it just rural people?

Bryan Hoime: Just rural.

Senator Wardner: Are there any home-rule townships in ND?

Bryan Hoime: No.

Senator Kroeplin: Do the electors have to own property?

Bryan Hoime: They have to be residents and property owners.

Senator Kroeplin: Would that exclude a renter?

Bryan Hoime: I don't know.

Ken Yantes: Works with townships, Township Officers Assoc. voted unanimously to have this bill introduced.

Senator Duane Mutch: Reappeared to clarify some things. Meter number 17.4-18.8.

Gary Ness: Director of Aeronautics Commission, testified in opposition. Written testimony attached.

Senator Wardner: Under current law, if there was 4 mills, and they were applying 4 mills to a municipal airport and they decided they wanted part of that to go to another airport in their township?

Gary Ness: That's correct.

Absentee Testimony introduced by Steve Johnson.

Senator Stenehjem: Are the aerial applicators going through the control tower at the airport?

Gary Ness: Yes.

Senator Christmann: Where do crop sprayers get their money for maintenance or upgrades?

Gary Ness: Provides list-attached.

Senator Kroeplin: Do the small planes contact the Grand Forks tower?

Gary Ness: Not if they're outside a 5 mile area.

Senator Wardner: When these townships go into a contractual agreement with the airport authority, is it forever?

Gary Ness: They can negotiate their way out.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held 1/22/01. Meter number 36.2-41.9.

Bryan Hoime: Appeared to explain amendments.

Discussion held 1/30/01. Meter number 38.3-end, Side A & 0-21, Side B.

Bryan Hoime: Appeared to propose new amendments.

Senator Stenehjem: In the beginning, did the township board vote to get into the airport authority?

Bryan Hoime: Yes, there has to be a vote for the authority to be granted and again when the airport authority is going to be bonded. Explains levies and bonds and answers questions from Senator Christmann & Senator Kroeplin.

Gary Ness: Appeared to explain his handout on the mill levies. Answers questions from Senator Stenehjem, Senator Christmann, & Senator Kroeplin. Discussion continued.

Page 4  
Senate Finance and Taxation Committee  
Bill/Resolution Number 2233  
Hearing Date 1/22/01

Discussion held 2/5/01. Meter number 34.6-end, Side A & 0-8, Side B.

Bryan Hoime: Appeared to explain amendment.

Senator Stenehjem: Has concern about townships getting out of an airport authority.

Gary Ness: Believes there are negotiations to get out. If a township is committed to 4 mills right now, can they, under that language, designate a second airport and split the mills? I'm not sure what the amendment says.

Senator Wardner: I would like to see some negotiations with the Grand Forks Airport before we would pass legislation that would affect two townships.

Senator Urlacher: Those negotiations have never taken place?

Gary Ness: No, they haven't.

Ken Yantes: Makes a comment.

COMMITTEE ACTION: 2/5/01

Motion made by Senator Wardner for a DO NOT PASS, Seconded by Senator

Christmann. Vote was 5 yeas, 1 nay, 0 absent and not voting. Bill carrier was Senator Wardner.

## PROPOSED AMENDMENTS TO SENATE BILL NO. 2233

Page 1, line 12, after the period insert "if a township has obligated the maximum limitation allowed in subsection 6 of section 57-15-20.2 to a airport authority, the electors may vote to levy an additional two mills at the annual or special meeting of the township dedicated to support other airports. Any airport authority or airport shall in writing notify a township when the bonding has been fulfilled. When a township has been released of its obligation to an airport authority, the additional two mills shall be removed and the township may continue supporting the airport authority or other airports or both in compliance with this section not exceeding the limitation in subsection 6 of section 57-15-20.2.

Renumber accordingly

Date: 2/5/01  
Roll Call Vote #: 1

**2001 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 2233**

Senate Finance and Taxation Committee

☐ Subcommittee on \_\_\_\_\_

or

☐ Conference Committee

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

Action Taken Do Not Pass

Motion Made By Wardner Seconded By Christmann

Senators	Yes	No	Senators	Yes	No
Senator Urlacher-Chairman	✓				
Senator Wardner-Vice Chairman	✓				
Senator Christmann	✓				
Senator Stenehjem	✓				
Senator Kroeplin		✓			
Senator Nichols	✓				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Wardner

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



**REPORT OF STANDING COMMITTEE (410)**  
**February 6, 2001 1:13 p.m.**

**Module No: SR-21-2484**  
**Carrier: Wardner**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2233: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO NOT PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2233 was placed on the Eleventh order on the calendar.**

2001 TESTIMONY

SB 2233

TESTIMONY FOR SENATE BILL NO. 2233  
SENATE FINANCE AND TAXATION

PREPARED BY  
BRYAN HOIME  
NORTH DAKOTA TOWNSHIP OFFICERS ASSOCIATION

Good morning Mr. Chairman, members of the committee, I'm before you this morning to testify in favor of SB 2233. This bill addresses a problem which is limited in scope, first let me say i'm not an expert in airport authority or financing for them. When an airport authority is established they set out their taxing district. Both counties and townships can levy for airport authorities, in a township's case that is 4 mills. This situation primarily comes from the Grand Forks area, but I know that several other airport authorities exist across this state. 18-19 yrs ago townships signed on to be a part of the Grand Forks regional airport authority and levied 4 mills to support the regional. I don't know if the pledge was contractual or not or by other means. I do know that the airport authority has control over the mill rate up to 4 mills.

Today, some of these townships would like to support airports in there home area because they are primarily rural and want these airports to remain open as they serve the agricultural sector. Because they've pledged to the airport authority they've asked through this bill, lines 10,11, and 12, to have the ability to divide the revenues and spread them among more than one airport or airport authority. And as I've been told, this procedure is probably not allowed under the law, depending on how the levies have been obligated to the airport authority.

I still believe that a township should have the authority when they're not under some obligation to the airport authority to divide their revenues among varying airports. Mr. Chairman, I've drawn up some amendments for this bill which i'd like to present at this time to address the townships concern. If they can't by law be allowed to divide their revenues when obligated by an airport authority, then these amendments will come into play.

The amendments are quite simple, i hope, if the township has obligated its maximum levy limitation, then the electors may vote to levy an additional 2 mills for supporting other airports. When the obligation to an airport authority has been removed the airport authority is to notify the township in writing. The township then removes the 2 mil' levy and reverts back to the basic 4 mills allowed, with the power to divide their revenues in any manner they see fit.

Mr. Chairman, I'm not sure that I've gotten all of the language right concerning the financial obligation a township might be under to a regional airport authority, i'm sure others are here who might have some better wordage, and I'd be happy to draft amendments accordingly. Mr. Chairman, I hope the committee adopts these amendments, and supports the bill.

SB - 2233

Testimony:  
Gary R. Ness, Director  
ND Aeronautics Commission  
January 22, 2001

Senate Finance and Taxation  
Committee  
Senator Herb Urlacher, Chair  
Senator Tim Flakoll, Vice-Chair

Committee members this is the third time, in my tenure as Director of the Aeronautics Commission, that this issue has been brought before this Legislative body.

The previous two times this issue as been voted down, primarily because it was looked upon as a local issue, not a statewide concern. This issue also generated an Attorney Generals Opinion back in 1991, which I will share with you. I see no difference today. Except, in the past this issue has started in the President of the Senates Committee on Political Subdivisions dealing with NDCC-2-06, this session we are in Finance and Taxation and the language in this rendition affecting NDCC-57-15-37.1 could be very destructive to the State's Airport Authority Act in 2-06.

The issue today is not the desire of a couple townships in wanting to support two airports; the issue is that the townships wish to NOT support the Grand Forks Regional Airport Authority, which they are a member. Prior to the creation of the Grand Forks Airport Authority there was no such desire to support the Larimore Airport from any other entity other than the city of Larimore. Thus it has been a puzzle because this action has been continuous, in my memory, for the last 9 years.

The change asked for in SB-2233 to 57-15-37.1 shall affect in a serious way the Airport Authority Act - 2-06. Specially sub-section 2-06-03, {Creation of regional airport authority}. What the language in 2233 does is to give a Township, which is a duly constituted member of a Regional Airport Authority, the opportunity to change it's collective mind at any juncture and divert financial support from one airport to another without consideration of the township responsibility to the financial viability of the Authority that they may be a member. This discretionary ability will put into jeopardy any Regional Airport Authority that is constituted with in the State.

Let me share with you the Attorney General's Opinion 91-5, issued March 13, 1991 at the request of James T. Odegard, Grand Forks County State's Attorney. There are two questions asked by Mr. Odegard. #1 - Can a township split mill levies levied for an airport authority between two different airport authorities? #2 - Can a township withdraw its financial support of the regional airport authority without the consent of the other municipalities included in the regional authority and the commissioners of the regional authority? The answer to both questions in 1991 was NO. Now in 2001 for the third time we have the same question before the Legislature. This is not a State wide nor an Airport Authority Act issue it is a local issue that can be remedied by the party that is so intent to change the North Dakota Century Code, by simply going to the Authority of which they are a member and asking for relief as outlined in that same Century Code they want to change.

I ask this Committee to recommend a DO-NOT pass to SB-2233. I am sure that there will be attempts to put amendments to this Bill to try to make it palatable. My opinion is that there is no palatable direction to go. Why, because all the remedies are already in place and the responsibility of all members of a Regional Authority are outlined in the Century Code.

I thank the Committee for listening to my testimony and I'll try to answer any questions that you may have.

STATE OF NORTH DAKOTA

ATTORNEY GENERAL'S OPINION 91-05

Date issued: March 13, 1991  
Requested by: James T. Odegard  
Grand Forks County State's Attorney

- QUESTIONS PRESENTED -

I.

Whether a township can split mill levies levied for an airport authority between two different airport authorities.

II.

Whether a township may withdraw its financial support of a regional airport authority without the consent of the other municipalities included in the regional authority and the commissioners of the regional authority.

- ATTORNEY GENERAL'S OPINION -

I.

It is my opinion that a township cannot split mill levies levied for an airport authority between two different airport authorities.

II.

It is my further opinion that a township may not withdraw its financial support of a regional airport authority without the consent of the other municipalities included in the regional authority and the commissioners of the regional authority.

- ANALYSIS -

I.

The Legislative Assembly enacted N.D.C.C. §§ 57-15-37.1 and 8-03-07(19) in 1979. 1979 N.D. Sess. Laws ch. 593. These provisions provide:

57-15-37.1. Township levy for airport purposes  
The electors of each township may vote at the annual meeting to levy a tax for the purpose of supporting an airport or an airport authority in an amount not

March 13, 1991

Page 2

exceeding the limitation in subsection 6 of section 57-15-20.2. The tax levy provided in this section shall not apply to any city, park district, or other taxing district that already has an airport levy.

58-03-07. Powers of electors. The electors of each township have the power at the annual township meeting:

19. To support an airport or to support or create an airport authority and to levy a tax for airport purposes within the limitations of section 57-15-37.1.

(Emphasis supplied.)

To resolve the issue of whether under these provisions a township can split the mill levies levied for an airport authority between two different airport authorities, it is necessary to resort to the rule of construction regarding the use of the disjunctive word "or." 1A N. Singer, Sutherland Statutory Construction § 21.14 (4th ed. 1985 rev.). This rule has been followed by the North Dakota Supreme Court in Heartview Foundation v. Glaser, 361 N.W.2d 232, 234 (N.D. 1985). The rule provides that although the "use of the disjunctive 'or' usually denotes the existence of alternatives [it] is not followed when the legislative intent is clearly contrary." (Citation omitted.)

In this case the legislative history does not reveal a "clearly contrary" intent to use the word "or" in a conjunctive manner. The testimony of the North Dakota State Aeronautics Commissioner, Harold Vavra, was typical of a preponderance of the testimony before the Political Subdivisions Committee.

Harold G. Vavre, (sic) Bismarck, North Dakota State Aeronautics -- I rise in support of the bill. I'd like to discuss a few things that came up on the senate floor. Basically townships have the authority by law to own and operate airports and the authority to create a township airport authority or combine a township with a city authority, and have a regional authority.

Rep. Kennelly (to Vavre) (sic) Would this have any effect on the Fargo airport? Also wasn't there an amendment to this bill?

Vayre (sic) No amendments. There would be no affect on Fargo from the bill in the present form.

Hearings on S. 2449 before the House Committee on Political Subdivisions, 46th Leg. (March 1, 1979).  
(Emphasis supplied.)

Because the word "or" appears in this legislation in its usual disjunctive usage, it is my opinion the electors of a township may choose to levy a tax to support either an airport authority, whether local or regional, or a local airport facility, but may not elect to split mill levies to support two different entities.

II.

A political subdivision "may speak and act only in the manner and on the matters prescribed by the Legislature in statutes enacted pursuant to constitutional authority." County of Stutsman v. State Historical Society, 371 N.W.2d 321, 329 (N.D. 1985); Dornacker v. Olson, 248 N.W.2d 844, 849-850 (N.D. 1976).

A regional airport authority exists and operates under the provisions of N.D.C.C. ch. 2-06. A township (which is defined as a municipality under N.D.C.C. ch. 2-06) may elect to participate as part of a regional airport authority. N.D.C.C. §§ 2-06-01(9), 2-06-03, 57-15-37.1, and 58-03-07(19).

If a township decides to withdraw from a regional airport authority, the requirements of N.D.C.C. § 2-06-03(3) must be met as follows:

A regional airport authority may be decreased if each of the municipalities then included in the regional authority and the commissioners of the regional authority consent to the decrease and make provisions for the retention or disposition of its assets and liabilities; provided that if the regional authority has any bonds outstanding no decrease may be effected unless the hundred per centum of the holders of the bonds consent thereto in writing.

N.D.C.C. § 2-06-03(3).

Under these provisions, a township may not withdraw its financial support of a regional airport authority without the consent of the other municipalities included in the regional authority and the commissioners of the regional authority.



ATTORNEY GENERAL'S OPINION 91-05  
March 13, 1991  
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- EFFECT -

This opinion is issued pursuant to N.D.C.C. § 54-12-01. It governs the actions of public officials until such time as the question presented is decided by the courts.

Nicholas J. Spaeth  
Attorney General

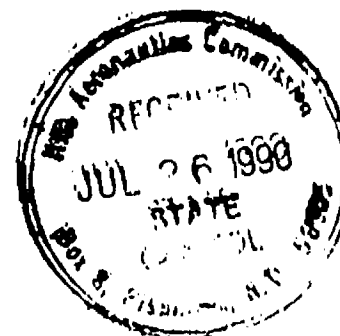
Assisted by: Robert W. Wirtz  
Assistant Attorney General

jfl

# ATTORNEY GENERAL

STATE OF NORTH DAKOTA  
600 E. Boulevard  
Bismarck, North Dakota 58505

701-224-2210



Nicholas J. Spaeth  
ATTORNEY GENERAL

July 25, 1990

Consumer Fraud  
and Arbitration  
701-224-3404  
800-472-2600  
Toll Free in ND

Fire Marshal  
701-224-2434

Gaming  
701-224-4848

Licensing  
701-224-2219

Bureau of Criminal  
Investigation  
P.O. Box 1054  
Bismarck, ND 58502  
701-224-6180

Racing Commission  
701-224-4290

Mr. Gary R. Ness  
Director  
Aeronautics Commission  
P.O. Box 5020  
Bismarck, ND 58502

Dear Mr. Ness:

Thank you for your July 13, 1990, letter concerning the relation between a municipal airport authority and a home rule city.

Your first question is whether any of the mill levy collected for airport purposes can be used for non-airport purposes. N.D.C.C. § 2-06-07 states that upon creation of a municipal airport authority, the authority has "the power to certify, annually to the governing bod[y] which creat[ed] it, the amount of tax to be levied by that governing body for airport purposes." N.D.C.C. § 2-06-14 elaborates on this provision and requires each municipality to levy the amount certified to it by the airport authority "pursuant to provisions of law authorizing cities and other political subdivisions of this state to levy taxes for airport purposes." The proceeds from these taxes are to be deposited in a special account in which other airport authority revenues are deposited and expended by the authority "as provided for in this chapter." N.D.C.C. § 2-06-14.

The tax levy created by the airport authority and levied by the municipality pursuant to the provisions of N.D.C.C. ch. 2-06 can only be used for airport purposes. It may not be used for non-airport purposes. What constitutes airport purposes is a question of fact to be determined by the appropriate body responsible for expending the money. That issue brings me to your second question.

Your second question is whether the airport authority tax levy provided for by N.D.C.C. ch. 2-06 may be expended by the airport authority or by a home rule city when permitted by the home rule charter.

Mr. Gary R. Ness  
July 25, 1990  
Page 2

N.D.C.C. § 2-06-02 allows any city to create an airport authority by resolution. Once created, that airport authority is a "public body corporate and politic to be known as a municipal airport authority." In the alternative, the city may decide by resolution to exercise any or all of the powers granted to airport authorities by N.D.C.C. ch. 2-06 itself. The airport authority has the power to determine the amount of tax to be levied for airport purposes and is required by law to certify that amount annually to the governing body creating the authority. N.D.C.C. § 2-06-07. Furthermore, as noted previously, the proceeds from the tax levies are deposited in a special account which are to "be expended by the authority as provided for in this chapter." N.D.C.C. § 2-06-14.

On May 14, 1982, this office issued a letter opinion to the Glen Ullin city authority concluding that an airport authority is a public body separate from the city. I agree with that conclusion based upon the provisions of N.D.C.C. ch. 2-06. Assuming that the governing body creating the municipal airport authority has not retained any powers unto itself and has instead authorized the airport authority to exercise those powers provided to it pursuant to N.D.C.C. ch. 2-06, an airport authority and a municipality are separate political entities.

The municipal airport authority is authorized to expend airport authority tax levy moneys for airport purposes. The statute does not provide for a city exercising this authority when an airport authority exists. Thus, it is my conclusion that a city cannot expend airport authority tax levy moneys.

The existence of a home rule charter does not affect my conclusion. N.D.C.C. § 40-05.1-06 lists the powers of a home rule city. N.D.C.C. § 40-05.1-06(2) allows a home rule city to control its own finances and fiscal affairs and to appropriate money for its own purposes. However, as noted previously, an airport authority is a separate entity and is not considered a department or agency of the city. Assuming that the creation of the airport authority was unlimited and that a home rule city has not reserved within it any of the airport authority powers found within N.D.C.C. ch. 2-06, the existence of a home rule charter does not allow a home rule city to expend the airport authority tax levy moneys. Instead, only the airport authority can expend these moneys.

Mr. Gary R. Ness  
July 25, 1990  
Page 3

I hope this discussion is helpful to you and to the  
Wahpeton airport authority members.

Sincerely,

*Nicholas J. Spaeth*  
Nicholas J. Spaeth

vkk



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701-795-6979 fax  
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In Absentia Testimony on SB - 2233  
Senate Finance and Taxation Committee  
Senator Herb Urlacher, Chair  
Senator Tim Flakoll, Vice-Chair

January 22, 2001

Committee members:

We regret that we are unable to ascertain, with certainty, the impact of the proposed Senate Bill on the Grand Forks Regional Airport Authority. We wish to comment on what we fear could be the direst outcome.

When the Grand Forks Regional Airport Authority was created in 1987, it was by joint resolution of the City of Grand Forks and Grand Forks County. Grand Forks County's commitment to the Authority subsequently obligated certain of its townships for financial support through mill levy. The Grand Forks Regional Airport Authority relies almost entirely on this levy to finance its long-term capital expansion and repair program for runways and other facilities. Revenue from township levies contributes significantly to the total. The Authority currently has \$3 million in general obligation bond debt secured ultimately by the taxing authority of its founding entities—the City of Grand Forks and Grand Forks County and its townships.

If Senate Bill 2233 in any way creates a vehicle for townships in Grand Forks County to unilaterally abandon their commitment of financial support of the Grand Forks Regional Airport Authority, the result would be chaotic and devastating. The Airport Authorities Act (2-06) provides a method for member entities to withdraw from the Authority with the consent of other members and the Authority's Board of Commissioners. To allow a township to divert or dilute its financial support of the Authority would be to allow constructive withdrawal.

If after hearing discussion on this Bill, the Committee determines it would indeed allow townships to withdraw financial support from the Grand Forks Regional Airport Authority and thus subvert the provisions of the Airport Authorities Act, I would ask the Committee to recommend a DO-NOT pass.

Sincerely,

Steve Johnson, A.A.E.  
Executive Director  
Grand Forks Regional Airport Authority  
2787 Airport Drive  
Grand Forks, ND 58203

*Make the Connection*

State of North Dakota  
Office of State Tax Commissioner

County, Township, City and City Park District Levies for Airports - 1999

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Adams County</b>			
County			
County Airport	6,504,056	2.78	18,081.28
<b>Barnes County</b>			
County			
Airport	24,045,093	3.00	72,135.28
City			
Wimbledon	241,258	4.14	999.86
<b>Benson County</b>			
County			
Airport	10,491,122	1.00	10,491.12
City			
Loeds	352,526	5.69	2,005.87
Maddock	347,248	5.33	1,850.83
<b>Bottineau County</b>			
City			
Bottineau	2,330,068	4.83	11,254.23
Westhope	312,558	6.40	2,000.37
<b>Bowman County</b>			
County			
Airport	7,895,787	3.46	27,319.43
City			
Bowmen	1,728,310	10.41	17,991.71
<b>Burke County</b>			
City			
Bowbells	438,255	2.51	1,100.02
Columbus	80,699	6.20	500.33

State of North Dakota  
Office of State Tax Commissioner

**County, Township, City and City Park District Levies for Airports - 1999**

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Cass County</b>			
Township			
Addison	632,577	0.69	436.54
Amenia	724,089	1.50	1,086.00
Bell	587,483	0.45	264.28
Buffalo	599,617	0.50	300.25
Casselton	764,122	1.49	1,138.75
Cornell	361,772	0.51	184.10
Davenport	673,475	0.69	464.50
Dows	407,733	0.50	203.89
Durbin	616,836	1.59	980.83
Empire	438,635	1.43	627.42
Everest	696,332	1.50	1,044.69
Gunkle	664,867	0.61	405.27
Harmony	800,337	1.49	1,192.27
Lake	352,216	0.46	161.98
Normanna	1,013,335	0.69	699.22
Page	396,695	0.51	202.56
Pleasant	1,182,540	0.69	815.94
Rich	460,773	0.48	220.80
Rochester	398,633	0.43	171.32
Rush River	802,537	1.50	1,203.81
Warren	696,528	0.69	480.74
City			
Arthur	324,379	0.61	197.88
Casselton	2,205,485	3.79	8,358.55
Davenport	218,086	0.69	150.47
Enderlin	4,036	9.99	40.31
Fargo	157,790,468	1.99	314,004.75
Hunter	373,332	1.04	388.36
Kindred	650,299	0.69	448.72
Oxbow	649,024	0.69	447.30
Page	214,655	0.40	85.82
West Fargo	20,930,890	1.97	41,233.47
<b>Cavalier County</b>			
City			
Langdon	2,668,268	5.82	15,529.32
<b>Dickey County</b>			
County			
Airport	10,191,273	1.00	10,191.27
City			
Ellendale	865,479	5.98	5,175.58
Oakes	1,796,521	4.46	7,994.52

State of North Dakota  
Office of State Tax Commissioner

**County, Township, City and City Park District Levies for Airports - 1999**

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Divide County</b>			
County			
Airport	7,765,584	0.73	5,668.94
City			
Crosby	786,989	9.97	7,846.28
<b>Dunn County</b>			
County			
Airport	10,704,607	1.17	12,524.39
<b>Eddy County</b>			
County			
Airport	5,460,876	1.04	5,679.33
<b>Emmons County</b>			
City			
Union	1,165,132	6.41	7,468.50
<b>Foster County</b>			
City			
Carrington	2,428,186	6.64	16,123.44
<b>Golden Valley County</b>			
County			
Airport	4,943,480	2.03	10,035.26
<b>Grand Forks County</b>			
County			
Airport	22,677,600	3.89	88,215.86
Township			
Avon	687,398	1.75	1,202.95
Gilby	675,931	0.44	297.41
Grace	496,109	2.00	992.22
Lind	412,080	0.61	251.37
Logan	355,968	1.00	355.97
Loretta	403,981	0.50	201.99
Northwood	734,301	1.82	1,336.43
Pleasant View	518,661	0.48	248.96
Union	544,858	0.92	501.27
Washington	657,595	2.00	1,315.19
City			
Emerado	293,429	0.68	199.53
Grand Forks	76,076,977	4.67	355,279.48
Larimore	1,237,459	4.16	5,147.83
Northwood	1,115,687	4.00	4,462.75
<b>Grant County</b>			
City			
Elgin	400,357	2.00	800.72



State of North Dakota  
Office of State Tax Commissioner

**County, Township, City and City Park District Levies for Airports - 1999**

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Griggs County</b>			
City			
Cooperstown	1,036,427	7.14	7,400.09
<b>Hettinger County</b>			
City			
Mott	502,075	10.95	5,497.73
<b>LaMoure County</b>			
County			
Airport	11,431,401	2.00	22,862.82
City			
Edgeley	661,458	5.66	3,743.85
Kulm	423,376	4.90	2,074.55
LaMoure	790,729	4.60	3,673.94
<b>Logan County</b>			
City			
Gackle	245,669	4.13	1,014.61
Napoleon	619,776	7.28	4,511.97
<b>McHenry County</b>			
City			
Towner	465,806	5.34	2,487.40
<b>McIntosh County</b>			
City			
Ashley	807,522	10.29	8,309.41
Wishek	881,989	4.56	4,021.87
<b>McKenzie County</b>			
City			
Watford City	1,336,568	6.16	8,233.26
<b>McLean County</b>			
City			
Garrison	1,340,951	2.95	3,955.80
Turtle Lake	403,545	4.58	1,848.23
Washburn	1,392,311	4.00	5,569.24
<b>Mercer County</b>			
County			
Airport	11,517,327	4.00	46,069.31
City			
Beulah	3,298,409	3.97	13,078.19

State of North Dakota  
Office of State Tax Commissioner

**County, Township, City and City Park District Levies for Airports - 1999**

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Morton County</b>			
City			
Glen Ullin	478,493	11.55	5,526.63
Hebron	490,857	4.47	2,179.41
Mandan	19,419,695	5.44	105,632.28
<b>Mountrail County</b>			
County			
Airport	11,103,755	1.50	16,655.64
City			
New Town	656,434	4.00	2,625.74
Parshall	492,717	4.26	2,098.97
Plaza	119,314	4.45	530.95
Stanley	1,019,815	5.76	5,872.98
<b>Nelson County</b>			
City			
Lakota	536,084	9.25	4,958.77
McVie	324,701	3.53	1,146.19
<b>Pembina County</b>			
County			
Airport	21,358,196	2.00	42,716.25
City			
Cavaller	1,826,919	4.00	7,307.71
Drayton	892,578	4.00	3,570.32
Pembina	843,782	4.08	3,442.63
St. Thomas	390,131	3.85	1,502.00
Wahalla	1,358,760	4.84	6,576.43
<b>Pierce County</b>			
City Park			
Rugby	3,152,007	7.85	24,743.25
<b>Ramsey County</b>			
County			
Airport	13,701,333	2.00	27,402.63
City			
Devils Lake	8,213,645	4.06	33,347.08
<b>Ransom County</b>			
City			
Enderlin	1,147,220	9.99	11,460.76
Lisbon	2,121,686	0.80	1,697.35
<b>Renville County</b>			
City			
Mohall	633,356	6.57	4,161.15

State of North Dakota  
Office of State Tax Commissioner

**County, Township, City and City Park District Levies for Airports - 1999**

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Richland County</b>			
City			
Lidgerwood	512,927	1.69	866.84
Wahpeton	9,207,342	4.00	36,829.37
<b>Rolette County</b>			
County			
Airport	6,850,564	1.87	12,810.54
City			
Rolette	425,942	5.57	2,372.50
Rolla	1,395,245	4.31	6,013.51
<b>Sargent County</b>			
County			
Airport	9,478,338	0.50	4,739.16
City			
Gwinner	997,436	4.89	4,877.46
Milnor	511,802	4.13	2,113.74
<b>Sheridan County</b>			
City			
McClusky	226,195	3.88	877.63
<b>Stark County</b>			
City			
Dickinson	17,956,641	3.56	63,925.69
Richardton	407,613	3.78	1,540.78
<b>Stutsman County</b>			
County			
Airport	23,095,106	1.00	23,094.84
City			
Jamestown	17,426,927	4.42	77,027.15
<b>Towner County</b>			
County			
County Airport	9,115,525	1.00	9,115.45
City			
Cando	1,225,148	3.43	4,202.26
<b>Traill County</b>			
Township			
Garfield	664,635	0.50	332.32
City			
Hillsboro	1,482,404	3.24	4,802.99

State of North Dakota  
Office of State Tax Commissioner

County, Township, City and City Park District Levies for Airports - 1999

Name of Taxing District	Taxable Value	Mills	Amount Levied
<b>Walsh County</b>			
City			
Grafton	4,870,771	4.74	23,087.01
Minto	491,901	4.84	2,380.12
Park River	1,454,668	1.31	1,905.36
<b>Ward County</b>			
City Park			
Kenmare	926,417	7.07	6,550.00
<b>Wells County</b>			
City			
Fessenden	508,781	5.90	3,001.75
Harvey	1,872,504	4.38	8,201.20
<b>Williams County</b>			
County			
Airport - Tioga	18,249,947	1.39	25,367.43
Airport - Williston	18,249,947	2.76	50,369.85
City			
Grenora	150,929	7.27	1,097.25
Tioga	879,181	8.44	7,420.29
Williston	13,110,493	3.79	49,688.77

Prepared by Property Tax Division: 4/3/00

# 1999 County Airport Agreements

County - (Airport)	County Airport Authority (CAA)	1999 Mills	1999 Revenue
	County Support (CS) County Regional (CR)		
1. Adams - (Hettinger)	CAA	2.78	\$18,082
2. Barnes - (Valley City)	CAA	3.00	72,136
3. Benson - (Leeds, Maddock)	CS	1.00	10,491
4. Bowman - (Bowman)	CAA	3.46	27,319
5. Dickey - (Oakes, Ellendale)	CS	1.00	10,192
6. Divide - (Crosby)	CS	0.73	5,668
7. Dunn - (Killdeer)	CAA	1.17	12,525
8. Eddy - (New Rockford)	CS	1.04	5,679
9. Golden Valley - (Beach)	CAA	2.03	10,036
10. Grand Forks - (Grand Forks)	CR	3.89	88,216
11. LaMoure - (Edgeley, Kulm, LaMoure)	CS	2.00	22,862 (Est.)
12. Mercer - (Hazen)	CR	4.00	46,069
13. Mountrail - (New Town, Parshall, Plaza, Stanley)	CS	1.50	16,655
14. Pembina - (Cavaller, Drayton, St. Thomas, Walhalla)	CS	2.00	42,717
15. Ramsey - (Devils Lake)	CS	2.00	27,402
16. Rolette - (Rolla, Rolette)	CS	1.87	12,810
17. Sargent - (Gwinner)	CS	0.50	4,740
18. Stutsman - (Jamestown)	CS	1.00	23,094
19. Towner - (Cando)	CS	1.00	9,115
20. Williams - (Toga, Williston)	CS	4.15	75,738

## Highlights:

20 out of 53 counties have mills to support airports or 38% participating.  
 13 counties have county support contracts with 1.52 mill average.  
 5 counties are county with airport authorities with 2.49 mill average.  
 2 counties are regional airport authorities with local city's 3.95 mill average.

SOURCE: ND Tax Department Prepared By: ND Aeronautics Commission

county.wk1



January 31, 2001

To: Senate Finance and Taxation Committee

From: Gary R. Ness, Director  
ND Aeronautics Commission

Subject: **SB-2233**

Topic: Grand Forks Regional Airport Authority

GOVERNOR  
John Hoeven  
*State of North Dakota*

STAFF  
Gary R. Ness  
*Director*

Roger L. Pfeiffer  
*Assistant Director*

J. Holzer  
*Planner*

COMMISSIONERS  
Robert J. Miller  
*Chairman, Casselton*

Jay B. Lindquist  
*Vice Chair, Hettinger*

Maurice E. Cook  
*Bismarck*

Dianne L. Herr  
*Turtle Lake*

Cindy K. Schreiber-Beck  
*Wahpeton*

As requested by the Chairman, you will find a copy of the original documents creating the Grand Forks Regional Airport Authority. On page 7 there is the record of the hearing dates for discussion and publishing dates.

I'll be available for any questions on this issue at the pleasure of the committee.

April 20, 1987

ORDINANCE NO. 2792

AN ORDINANCE AND RESOLUTION CREATING A REGIONAL AIRPORT AUTHORITY TO OPERATE AND MAINTAIN AN AIRPORT, GRANTING CERTAIN RIGHTS, REAL AND PERSONAL PROPERTY, AND SETTING FORTH CONDITIONS, REGULATIONS AND LIMITATIONS THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND FORKS, NORTH DAKOTA, PURSUANT TO THE HOME RULE CHARTER OF THE CITY OF GRAND FORKS, NORTH DAKOTA, AND NORTH DAKOTA CENTURY CODE CHAPTER 2-06, THAT:

## SECTION 1 Preamble, Creation of Authority

WHEREAS, a public hearing on the matter of the creation of a Regional Airport Authority was held, pursuant to NDCC §2-06-03 on the 6th day of April and 20th day of April, 1987; and

WHEREAS, it is now necessary to determine and declare the public convenience and necessity of such an authority and to create such an authority;

BE IT NOW THEREFORE RESOLVED AND ORDAINED that the public convenience and necessity require the creation of a Regional Airport Authority; pursuant to the provision of the Home Rule Charter of the City of Grand Forks, North Dakota, and the provisions of North Dakota Century Code Chapter 2-306, there is hereby created an authority, being a public body, corporate and politic, to construct, reconstruct, improve, operate, manage, regulate and maintain a Regional Airport with the County of Grand Forks, North Dakota.

## SECTION 2 Intent and Purpose

It is the intent and purpose by adoption of this ordinance and resolution that the Regional Airport Authority is to accommodate the community and region at large with a cohesive governing body or Board of Commissioners that will provide the policy, structure, zoning, land acquisition, regulations and approval process necessary to oversee the development and management of an airport for the good of the communities and area which it serves. This purpose includes sound fiscal management functions, the adoption and approval of all operating maintenance budgets and capital improvement programs in addition to the appropriate staffing of a professional airport management team.

Post-It® Fax Note	7671	Date <u>4-30-87</u>	# of pages <u>7</u>
To <u>City Clerk</u>		From <u>Steve Johnson</u>	
Co/Dept		Co	
Phone #		Phone #	
Fax #		Fax #	

### **SECTION 3 Name**

Such Regional Airport Authority shall be designated and named by joint resolution of the City Council for the City of Grand Forks, North Dakota, and the County Commission for the County of Grand Forks, North Dakota.

### **SECTION 4 Powers**

Subject to any restrictions or limitations herein, the Regional Airport Authority created hereunder shall have such powers as granted by North Dakota Century Code Chapter 2-06.

### **SECTION 5 Incorporation**

The Regional Airport Authority created hereunder shall be a public body, corporate and politic. The chairman of the Commission, as established herein, shall file, in joint action with the Auditor for the City of Grand Forks and the Auditor for the County of Grand Forks, a certified copy of the ordinance and/or resolution adopted by the respective entities with the North Dakota Secretary of State for the issuance of a certificate of incorporation as provided for by NDCC Chapter 2-06.

### **SECTION 6 Members**

The powers and responsibilities of the Regional Airport Authority shall be vested in a Board of Commissioners consisting of five members; three of which shall be residents of the City of Grand Forks and appointed by the Mayor of the City of Grand Forks and confirmed by the City Council for the City of Grand Forks. Two members shall be appointed by the County Commission for the County of Grand Forks and shall be residents of either the City of Grand Forks and/or the County of Grand Forks. Commissioners first appointed shall be appointed for terms of one, two, three, four and five years, but thereafter, each Commissioner shall be appointed for a term of five years. The Commissioners first appointed by the County Commission for the County of Grand Forks shall serve the initial term of two and four years, respectively. The initial members to be appointed by the City of Grand Forks shall serve the initial term of one, three and five years, respectively.

### **SECTION 7 Qualifications**

Qualifications for the selection for Regional Airport Authority's Board of Commissioners by the participating cities and/or counties are as follows:

- a. A minimum of one Commissioner, appointed from any of



the classifications set forth hereinafter, shall hold a valid Airman Certificate issued by the FAA of at least a private rating. Student certificates shall not qualify.

b. Three Commissioners shall be selected and appointed from the following professions or areas of expertise:

(1) Persons licensed to practice law before the highest court in the State of North Dakota and having actively practiced his or her profession for the preceding five years.

(2) Persons from the field of banking, finance or investments and having actively practiced his or her profession for the preceding five years.

(3) Persons from the field of commercial insurance and shall having actively practiced his or her profession for the preceding five years.

(4) Persons from the fields of industry, commerce, engineering, accounting, planning, labor or agriculture, and having actively practiced his or her profession or vocation for the preceding five years.

c. The remaining Commissioners as well as Commissioners for additional participants shall be selected at large, being representative of the general public.

#### **SECTION 8 Chairperson**

There shall be elected a chairperson and vice chairperson from among the appointed Commissioners.

#### **SECTION 9 Additional Participants**

Additional counties and/or cities, whether in the State of Minnesota or North Dakota, may participate and become a member of said Regional Airport Authority upon resolution and agreement.

#### **SECTION 10 Additional Members of Board**

The number of Commissioners shall be expanded by one member for each newly participating city having a population in excess of 7,500. The number of Commissioners shall be expanded by one member for each newly participating county. Said Commissioners shall be appointed by the newly participating city and/or county for a term of five years. Such Commissioner may be appointed from any of the qualifications as set forth in Section 7 herein.

## **SECTION 11 Contribution by Additional Participants**

Additional counties participating in the Regional Airport Authority shall contribute an amount equal to the revenue generated by four mills levied upon all property within the county, including that property within cities, townships or park districts having an airport levy. Additional counties participating in a Regional Airport Authority shall contribute an amount equal to the revenue generated by four mills levied upon all property within the County, including that property within cities, townships or park districts having an airport levy. In the event contributions by the City of Grand Forks and the County of Grand Forks should decrease from levels existing after the initial participation of additional counties, such additional counties shall have a similar pro rata reduction in the required contribution.

## **SECTION 12 Vacancy**

Any vacancy by reason of non-residence, incapacity, resignation, removal or death shall be filled in the manner provided for the appointment of Commissioners herein for the unexpired term. A Commissioners term shall be continued until the appointment of a successor.

## **SECTION 13 Removal**

A Commissioner may be removed from office by two-thirds vote of the governing body for the appointing participant, but only after the service of notice stating such cause for removal is made upon the individual Commissioner or Commissioners and then upon the public hearing of such removal matter.

## **SECTION 14 Salary**

No salary shall be paid to the Commissioners but such Commissioner shall be entitled to reimbursement for actual, reasonable and necessary expenses incurred in the performance of their official duties.

## **SECTION 15 Regulations**

The Regional Airport Authority Board of Commissioners shall have the power to adopt such policies, procedures, rules and/or regulations as it may determine to be reasonably necessary and/or convenient.

## **SECTION 16 Records and Reports**

The Regional Airport Authority Board of Commissioners shall keep a full and complete record of all transactions of

the Authority. The Regional Airport Authority shall provide a detailed report on or before the first day of January of each year to the governing bodies for the participating entities.

#### **SECTION 17 Civil Service**

The Regional Airport Authority Board of Commissioners shall establish procedures, rules and regulations providing for the classification of employees, employment criteria, pay schedules, grievances and appeals for the employees of the Regional Airport Authority, except the Regional Airport Authority Commissioners.

#### **SECTION 18 Retirement and Pension Plan**

The Regional Airport Authority Board of Commissioners shall provide and establish a retirement and pension plan for benefit of all Authority employees, except the Regional Airport Authority Commissioners.

#### **SECTION 19 Conflict of Interest**

a. No person, while a member of the Regional Airport Authority Board of Commissioners, shall receive any income, other than dividends or other earnings from a mutual fund or trust if these earnings do not constitute a significant portion of a person's income, directly or indirectly from any association, firm, corporation, business or other organization doing business on any airport property under the Authority's jurisdiction.

b. No person, while a member of the Regional Airport Authority Board of Commissioners or an employee of the Regional Airport Authority, shall participate in any manner in any decision or action of the Board of Commissioners where that person has a direct or indirect financial interest. However, persons purchasing oil, fuel or other concessions, or leasing hangar space, real estate or having other minimal business contacts with the Regional Airport Authority shall not be excluded from participation.

c. No person is eligible to be appointed as a member of the Regional Airport Authority Board of Commissioners if the person has been employed with an entity, or an affiliated company of an entity, that has been doing business on any airport property under the Authority's jurisdiction within one year from the date when the person's term on the Commission will begin.

d. No two members of the Regional Airport Authority Board of Commissioners shall be appointed from the same public or private institution, organization, firm or business.

## **SECTION 20 Transfer Agreement**

The Mayor of the City of Grand Forks is hereby authorized and empowered to negotiate the terms, conditions and provisions of a transfer agreement with the Regional Airport Authority for the orderly transfer of real and personal property, indentures, indebtedness, financial obligations, contracts, agreements, personnel and all other matters incidental, necessary or convenient to the establishment and operation of the Regional Airport Authority created hereunder. However, said transfer agreement shall not be effective without the approval and concurrence of a majority of the City Council for the City of Grand Forks, North Dakota.

## **SECTION 21 Grant of Usage of Real and Personal Property**

The conveyance, grant or usage of any and all real and/or personal property shall be in the manner set forth in the transfer agreement as provided for by Section 18 herein.

## **SECTION 22 Tax Levy Limitations**

The amount of any tax certified for collection by the Regional Airport Authority to the governing bodies of the participating entities shall not exceed the maximum levy permitted by NDCC §57-15-06.7(1) for counties and §57-15-15(18) for cities.

## **SECTION 23 Applicable Law**

Any and all actions by the Regional Airport Authority Board of Commissioners shall be undertaken pursuant to and in accordance with the provisions of North Dakota law.

## **SECTION 24 Repealing Clause**

Any resolutions, ordinances, orders, regulations or parts thereto in conflict herewith or, to the extent of such conflict, are hereby repealed.

## **SECTION 25 Effective Date**

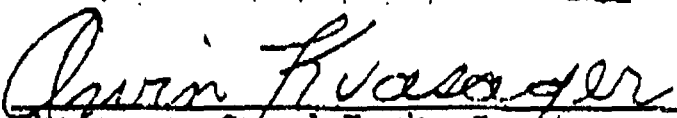
This ordinance and resolution shall be effective upon the adoption of a conforming resolution by the Grand Forks County Commission and upon the joint execution by the Mayor of and for the City of Grand Forks, North Dakota, and the chairman of and for the County Commission, County of Grand Forks, State of North Dakota.

  
H. C. Wessman, Mayor  
City of Grand Forks


ATTEST:

  
Donald O. Tingle, City Auditor  
City of Grand Forks

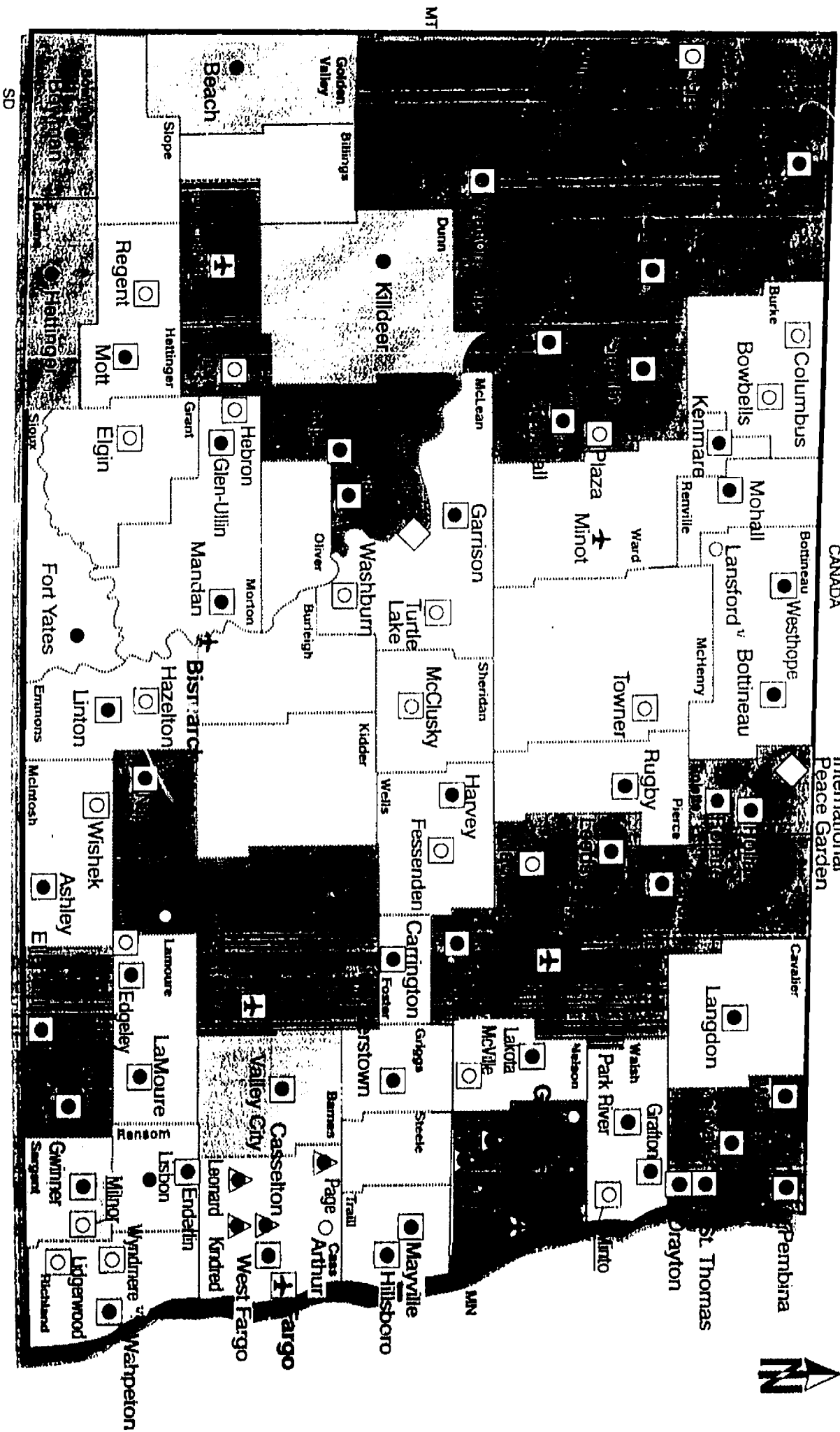
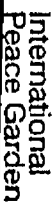
A resolution creating a Regional Airport Authority having been adopted on the 5th day of May, 1987, by the Grand Forks County Commission, State of North Dakota, —

  
Quinn Kuasager  
Chairman, Grand Forks County  
Commission

ATTEST:

  
E. Carson L. Smith  
County Auditor  
County of Grand Forks

Date of 1st Reading: March 16, 1987  
Date of 2nd Reading: April 20, 1987  
Date of Publication:



County support to airport authorities [17]

**Courty airport authorities** [15]

<sup>12</sup> Closed August 1996



## STATE AIRPORT SYSTEM PLAN

**GOVERNMENTAL CLASSIFICATION**