

**House Finance and Taxation
Chairman – Representative Craig Headland
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Testimony

**By: Harold Stewart
City Manager, City of Minot
harold.stewart@minotnd.org
701-857-4750**

HB 1300

Thank you for the opportunity to testify regarding HB 1300 on behalf of the City of Minot, which would like the record to show that Minot is opposed to the changes proposed in this bill.

The City of Minot has the following concerns regarding HB 1300:

1. Many properties owners in a special assessment district prepay the balance of the special assessments, while other chose to make annual payments. If this bill in enacted it will create an inequity in that some property owners will pay 100% of the special assessment while those making annual payments will pay less than the full amount due. The City of Minot believes this to be unfair and inappropriate.
2. Interest rates vary through time and cities cannot always pay off bonds early. If this bill were to proceed it is likely that after the principle is paid off with special assessment revenues on hand, there may not be enough to pay off the interest over the remaining life of the debt. This would become a financial obligation of the political subdivision to pay without any special assessment revenue remaining to do so.

In consideration of the above concerns, the City of Minot respectfully requests this bill receive a “do not pass” recommendation from this committee.