

**House Judiciary Committee**  
**Chairman – Representative Lawrence Klemin**  
**March 8, 2021**  
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**HCR No. 3041**

Thank you for the opportunity to testify regarding HCR 3041. We would like the record to show that the City of Minot is opposed to the House Concurrent Resolution 3041.

Under Section 5, subsection 3-Exclusions item (D) reads:

“Property classified as residential property and used as an individual’s legal residence.”

The proposed legislation would exempt all property identified as a primary residence in North Dakota leaving then only non-primary residences, rentals, undeveloped property and commercial property being taxed. The proposed change to the North Dakota Constitution would have a devastating impact to local community’s ability to provide necessary and essential services to its residents.

Local governments exist to provide core protections and services to their constituencies such as public safety, utilities, quality roads, a rich quality of life, and protection of rights. HCR 3041 undermines the sustainability of cities, counties, and taxing authorities to continue to meet these needs for the foreseeable future.

As with other proposed legislation we would propose all property tax issues be looked at within a study being considered this legislative session. We would propose the property tax issue be fully considered in a comprehensive study being considered in other bills. A deep dive into local taxation must be more than looking at property values and mill levies. The full scope should be considered

including budget priorities of each community, long term budget planning, infrastructure needs and/or deficiencies, safety demands and requirements, evolving demographics, sustainability and unmet needs to name just a few. The study should also consider impact to proposed legislation on each taxing authority and the residents they serve.

Like many communities, a core of Minot's budget from property tax is comprised of the cost of personnel and infrastructure. By department a vast majority of Minot's personnel are within the police, fire and public works departments. Losing a substantial portion of the local tax base with this exclusion would inevitable force cuts that would deeply affect life, health and safety.

Because of the late introduction this session of this proposed Continuing Resolution we were unable to get the breakdown of property identified as a resident's primary dwelling. While that issue could be resolved, the greater issue would be the burden placed on the remaining properties left to carry the fiscal load.

We respectfully urge a do not pass recommendation on House Continuing Resolution 3041 as the harmful impacts would far greater than the intent of basic property tax relief.

Thank you.