

## **TESTIMONY ON HOUSE BILL 1277**

### **Senate Finance & Taxation Committee**

**March 23, 2021**

**Paul Houdek, City Assessor, City of Grand Forks, ND**

Madam Chair and members of the Senate Finance & Taxation Committee, my name is Paul Houdek and I am the City Assessor for the City of Grand Forks. I want to thank you for the opportunity to provide testimony and express opposition to HB 1277.

This bill allows a local jurisdiction to increase a new home exemption from \$150,000 per year to \$250,000 per year, but as amended in the House, this bill would require each jurisdiction to put the resolution on the ballot every 10 years.

While the City of Grand Forks was in favor of the original bill, we must oppose it at this point due to an amendment added in the House committee requiring the resolution to be put on a local ballot every 10 years. We feel this is a burdensome and unnecessary requirement.

The City of Grand Forks has had a new home exemption resolution in place since 1983. This is not something new. While the value of the exemption has increased over the years the policy is largely something that our builders and our community have become accustomed to. I feel that increasing the value of the new home exemption from \$150,000 to \$250,000 is appropriate since this ceiling has not been adjusted since 2009.

This exemption is optional, and each jurisdiction can decide for themselves if they want to participate. No city is required to adopt this exemption. Each local jurisdiction must adopt NDCC 57-02-08(35) to put this exemption in place for themselves.

The City of Grand Forks asks for a DO NOT PASS for HB 1277 as amended.