

## HB 1139 Sales Tax Exemption

Good Morning, My Name is John Hejl and I am the fire chief in Casselton ND. The Casselton Fire Department provides fire protection for the cities of Casselton and Amenia as well as 12 townships in the surrounding area. This primary fire coverage area is 385 square miles and covers just over 4,500 North Dakotans. Not every fire department in North Dakota provides extrication; many of our neighboring departments do not. We are dispatched out automatically if extrication is needed for a number of our neighboring departments bringing our total extrication zone up to 745 square miles. The Insurance Services Organization has given us an ISO score of 4 putting us in the top 1% of fire departments in North Dakota when it comes to preparedness and proven efficiency.

In the early days of the fire service; insurance companies funded fire departments with payouts from fighting fires. Firefighters could easily tell which homeowners had fire insurance and who didn't by fire insurance marks located on the front of homes. There are stories of racing, fighting, and strong handed methods to be the first to extinguish fires and get paid. Often it was a problem for homeowners who did not have insurance to have the fire company respond to a fire in their home and effectively remove belongings from it because the firefighters knew that there wouldn't be any money in it for them. That practice has stopped but there are still areas in the United States where if you haven't paid your personal yearly dues to the local fire department, they will stage by the closest neighbors' houses who have paid and make sure your house fire does not spread to theirs while doing nothing to extinguish yours. Thank God we live in North Dakota and this is not practiced here. However, there are still a few fire departments across our state that do not organize as or as part of a political subdivision.

Casselton Fire Department is organized as a 501c3. Most fire departments in North Dakota are either "Fire Protection Districts", "city" fire departments or a combination of both. Casselton Fire has remained an independent fire department as this structure allows us to bill the entities that we provide protection to based upon their call volume and risk assessment. We have explored the formation of a fire protection district but have had push back from our residents as it would give them less input on our operations. Organizing as a city entity would shift focus toward protecting the city and away from our largely rural areas. Every year we meet with every entity that we provide protection to and justify our existence to them based upon past call volume and future costs and needs. The main ask of HB 1139 is to close up a small gap where fire departments like ours are left out of sales tax exemptions. This bill takes away the limiting definition of what a fire department is in North Dakota and leaves it to the State Fire Marshall's Office to grant a certificate of existence, a function that they already carry out in order for fire departments to receive their state insurance rebates. Purchasing the equipment demanded of a fire department is expensive; this bill will go a long way in helping us use our funding efficiently to protect our residents.

Thank you for your time, I would appreciate any feedback or questions.

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