



The Council

Tax Reform and Relief Advisory Committee

During the June 23 meeting, the Tax Reform and Relief Advisory Committee received information from the Tax Department regarding property tax credits, the primary residence certification process, property tax statistical information, implementation of the taxing district levy limitation, and the estimated fiscal impact of the stripper well oil extraction tax exemption, including alternative tax policies. The Energy and Environmental Research Center provided an analysis of oil well life cycles and oil production related to the stripper well oil extraction tax exemption, and the Department of Mineral Resources and the North Dakota Petroleum Council provided comments related to the stripper well oil extraction tax exemption study. The committee also received an update from the Department of Public Instruction regarding the Integrated Formula Gap Funding Program.

Tax Reform and Relief Advisory Committee - Property Tax Statement Subcommittee

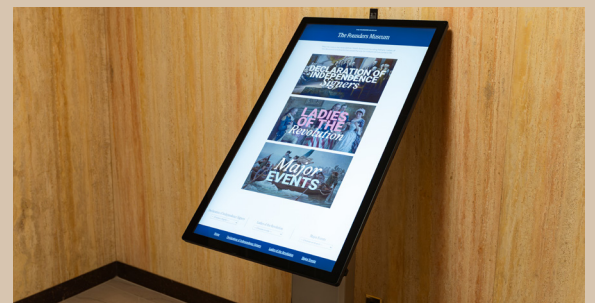
The subcommittee met on June 24 to receive information regarding property tax statements and property tax software. The Tax Department provided information regarding the department's role in prescribing and approving the form of the real estate tax statement. Representatives of counties and the North Dakota Association of Counties provided information regarding the process to prepare property tax statements, including costs to prepare and mail statements. The subcommittee received information from property tax software vendors regarding the functions of property tax software and examples of property tax statements from taxing districts in other states. The meeting also included a roundtable discussion regarding the feasibility and desirability of revising the content of the property tax statements.

America 250

This year marks the 250th anniversary of the signing of the Declaration of Independence, and North Dakota is joining in the nationwide celebration of the milestone. One of the state's marquee events will be the opening of the Theodore Roosevelt Presidential Library near Medora on July 4.

Celebrations are also taking place around the Capitol grounds. At the North Dakota Heritage Center and State Museum, the state's Liberty Bell replica is back on public display after being stored in the museum's collection since 2015, and a new exhibit exploring North Dakota's role in American history opens July 1. Visitors also can explore the Founders Museum, located on the ground floor of the Capitol.

More information on how the state is celebrating America 250 can be found at <https://www.nd.gov/north-dakotas-celebration-americas-250th>.



Budget Section

The Budget Section and divisions met on June 24 to receive updates on the state budget, consider Emergency Commission requests, consider the use of funds from the Flexible Transportation Fund, and receive reports. Reports were received regarding the 2025-27 biennium new and vacant FTE pools, the status of the Primary Residence Credit Program, the status of the Legacy Fund and Budget Stabilization Fund, the status of the Abandoned Oil and Gas Well Plugging and Site Reclamation Fund, and the status of activities of the State Board of Agricultural Research and Education, and the Legislative Council report on compliance with legislative intent and major state special funds. The Budget Section approved the Emergency Commission requests presented and the use of funds from the Flexible Transportation Fund for projects on State Highways 31 and 49.

Budget Section - Leadership Division

The division received updates on the state's oil and gas industry outlook, individual income tax collections and potential causes of the variance to the forecast, major state capital projects, and federal State Fiscal Recovery Fund transfers, and reports on major state special funds and 2025-27 compliance with legislative intent.

Budget Section - Commerce and Legal Services Division

The division held its second meeting of the interim to receive information from the Attorney General regarding the Attorney General office's organizational chart, the status of the agency's new and vacant FTE pool, the agency's 2027-29 biennium base budget, the statewide litigation funding pool, and recent activities and future needs of the State Crime Laboratory, the Bureau of Criminal Investigation, the Medicaid Fraud Control Unit, and the Gaming Division, including information regarding charitable gaming activities in the state.

The division was informed the Attorney General supports replacing the State Crime Laboratory and the estimated cost of a new building is approximately \$40 million to \$45 million. The Attorney General's office reported the state reached an agreement with the United States Department of Justice for the state to receive the entire \$28 million in damages incurred because of unlawful protests during the construction of the Dakota Access Pipeline.

Upcoming Meetings

June

30 Legislative Task Force on Government Efficiency

July

8 Information Technology
15 Health Care
22 Tribal and State Relations

Budget Section - Human Resources Division

The division received updates from CHI St. Alexius Williston, CHI St. Alexius Bismarck, and Altru Health System in Grand Forks regarding additions and remodels for behavioral health projects. The Department of Health and Human Services provided updates on several items, including budgetary line item transfers, the salaries and wages block grant, the federal Rural Health Transformation Program, certified behavioral health clinics, the Supplemental Nutrition Assistance Program payment error rate, and the new state laboratory building. The Office of Management and Budget presented an update on the new State Hospital building.

Budget Section - Regulatory Division

The division received updates from the Industrial Commission regarding an overview of the agency, the status of funding for grants and projects, and the status of state funds administered by the agency. The division also received information from the Bank of North Dakota regarding an overview of the agency, the status of the Bank's profits and transfers, information on loans and lines of credit, and information on interest rate buydown and revolving loan funds administered by the Bank.

Government Finance Committee

During the Government Finance Committee meeting on June 25, the Department of Commerce presented reports on the status of uncrewed aircraft systems and the Department of Corrections and Rehabilitation presented reports on a housing task force and planning for a new minimum security facility. The Department of Financial Institutions, the Department of Health and Human Services, and the Insurance Department presented information on state agency fees. The committee received information from the Insurance Department, the Bismarck Fire Department, and the Fargo Fire Department regarding the status of fire inspections of state buildings. The committee received information from the Office of Management and Budget regarding the state budget and the status of the Capitol grounds master plan and projects on the Capitol grounds. The Legislative Council presented three bill drafts relating to funding for fixed-route city transit services, revisions to the state agency fee study, and removal of a bistate authority. The committee approved the bill draft relating to the removal of a bistate authority.



Military Gallery Expansion Construction

Construction continues on the Military Gallery expansion at the North Dakota Heritage Center and State Museum. Work on the 67,000-square-foot addition began in August 2025 and is expected to be completed in 2027. The expansion will include 20,000 square feet of exhibit space, along with an event space, a National Guard Regimental Room, and an outdoor amphitheater.

During the 2025 legislative session, the Legislative Assembly approved \$15 million from the Strategic Investment and Improvements Fund for the project, along with a \$20 million line of credit from the Bank of North Dakota and \$4.2 million to repay a line of credit issued during the 2023-25 biennium. Those state dollars will be matched by nearly \$39 million in private donations.

More information about the project can be found on the State Historical Society's [website](#).

