

**2023 JOINT APPROPRIATIONS**

**HB 1549**

# 2023 JOINT STANDING COMMITTEE MINUTES

## Appropriations Committee Pioneer Room, State Capitol

HB 1549  
10/24/2023

BILL for an Act to amend and reenact subsection 1 of section 57-38-30.3 of the North Dakota Century Code, relating to income tax relief; and to provide an effective date.
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**9:38 AM Chairman Vigesaa** called the meeting to order and roll call was taken:

**Members present;** Chairman Vigesaa, Representative Kempenich, B. Anderson, Bellew, Brandenburg, Hanson, Kreidt, Martinson, Mitskog, Meier, Mock, Monson, Nathe J. Nelson, O'Brien, Pyle, Richter, Sanford, Strinden, G. Stemen and Swiontek.

Chairman Bekkedahl, Senator Krebsbach, Burckhard, Davison, Dever, Dwyer, Erbele, Kreun, Mathern, Meyer, Roers, Rust, Schaible, Sorvaag, Vedaa, and Wanzek.

**Members not present;** Representative Schatz and Schobinger

### Discussion Topics:

- Permanent Tax Relief
- Marriage Tax Penalty
- Individual Tax Relief
- Fiscal Effects
- Amendments

**Representative Hagert-** Introduces the bill and its purpose.

Committee discussion

**Brain Kroshus- ND Tax Commissioner-** Answers questions for the committee.

**Jason Beehler Chief of Staff Governor Burgum-** Testifies in favor of HB 1549

**Representative Bellew** – Introduces amendment 23.01201.02001 (**Testimony #28047**)

**Representative Bellew-** Move to adopt the amendment 23.01201.02001

**Senator Meyer-** Seconds the motion

Committee discussion

**Roll call vote was taken;**

<b>Senators</b>	<b>Vote</b>	<b>Representatives</b>	<b>Vote</b>
Senator Bekkedahl		Representative Don Vigesaa	Y
Senator Karen Krebsbach		Representative Keith Kempenich	Y
Senator Randy Burckhard		Representative Bert Anderson	Y
Senator Kyle Davison		Representative Larry Bellew	Y
Senator Dick Dever		Representative Mike Brandenburg	Y
Senator Michael Dwyer		Representative Karla Rose Hanson	N
Senator Robert Erbele		Representative Gary Kreidt	Y
Senator Curt Kreun		Representative Bob Martinson	N
Senator Tim Mathern		Representative Lisa Meier	Y
Senator Scott Meyer		Representative Alisa Mitskog	N
Senator Jim Roers		Representative Corey Mock	N
Senator David Rust		Representative David Monson	N
Senator Donald Schaible		Representative Mike Nathe	A
Senator Ronald Sorvaag		Representative Jon O. Nelson	Y
Senator Shawn Vedaa		Representative Emily O'Brien	Y
Senator Terry Wanzek		Representative Brandy Pyle	Y
		Representative David Richter	Y
		Representative Mark Sanford	Y
		Representative Mike Schatz	A
		Representative Randy A. Schobinger	A
		Representative Greg Stemen	A
		Representative Michelle Strinden	Y
		Representative Steve Swiontek	Y

**Motion Fails 18-17-4 (House 14-5-4, Senate 4-12-0)**

**Senator Davison-** Move for a Do Pass

**Senator Roers-** Seconds the motion

Committee Discussion

**Roll call vote was taken;**

<b>Senators</b>	<b>Vote</b>	<b>Representatives</b>	<b>Vote</b>
Senator Bekkedahl	N	Representative Don Vigesaa	N
Senator Karen Krebsbach	N	Representative Keith Kempenich	N
Senator Randy Burckhard	N	Representative Bert Anderson	Y
Senator Kyle Davison	N	Representative Larry Bellew	Y
Senator Dick Dever	N	Representative Mike Brandenburg	Y
Senator Michael Dwyer	N	Representative Karla Rose Hanson	N
Senator Robert Erbele	N	Representative Gary Kreidt	N
Senator Curt Kreun	N	Representative Bob Martinson	Y
Senator Tim Mathern	N	Representative Lisa Meier	Y
Senator Scott Meyer	Y	Representative Alisa Mitskog	N
Senator Jim Roers	Y	Representative Corey Mock	N
Senator David Rust	N	Representative David Monson	N
Senator Donald Schaible	N	Representative Mike Nathe	A
Senator Ronald Sorvaag	N	Representative Jon O. Nelson	Y

Senator Shawn Vedaa	N	Representative Emily O'Brien	N
Senator Terry Wanzek	Y	Representative Brandy Pyle	Y
		Representative David Richter	N
		Representative Mark Sanford	Y
		Representative Mike Schatz	A
		Representative Randy A. Schobinger	A
		Representative Greg Stemen	A
		Representative Michelle Strinden	Y
		Representative Steve Swiontek	Y

**Motion Fails 13-22-4 (House 10-9-4 Senate 3-13-0)**

**Senator Davison-** Move for a Do Not Pass

**Senator Mathern-** Seconds the Motion

Committee Discussion

**Roll call vote was taken;**

<b>Senators</b>	<b>Vote</b>	<b>Representatives</b>	<b>Vote</b>
Senator Bekkedahl	Y	Representative Don Vigesaa	Y
Senator Karen Krebsbach	Y	Representative Keith Kempenich	N
Senator Randy Burckhard	Y	Representative Bert Anderson	N
Senator Kyle Davison	Y	Representative Larry Bellew	N
Senator Dick Dever	Y	Representative Mike Brandenburg	N
Senator Michael Dwyer	Y	Representative Karla Rose Hanson	Y
Senator Robert Erbele	Y	Representative Gary Kreidt	Y
Senator Curt Kreun	Y	Representative Bob Martinson	N
Senator Tim Mathern	Y	Representative Lisa Meier	N
Senator Scott Meyer	N	Representative Alisa Mitskog	Y
Senator Jim Roers	N	Representative Corey Mock	Y
Senator David Rust	Y	Representative David Monson	Y
Senator Donald Schaible	Y	Representative Mike Nathe	A
Senator Ronald Sorvaag	Y	Representative Jon O. Nelson	N
Senator Shawn Vedaa	Y	Representative Emily O'Brien	Y
Senator Terry Wanzek	Y	Representative Brandy Pyle	N
		Representative David Richter	Y
		Representative Mark Sanford	N
		Representative Mike Schatz	A
		Representative Randy A. Schobinger	A
		Representative Greg Stemen	A
		Representative Michelle Strinden	N
		Representative Steve Swiontek	N

**Motion Fails 22-13-4 (House 8-11-4 Senate 14-2-0)**

**Representative Pyle** Move to adopt the bill by adding a sunset clause.

**Representative O'Brien** Seconds the motion.

Committee Discussion

**Roll call vote was taken;**

<b>Senators</b>	<b>Vote</b>	<b>Representatives</b>	<b>Vote</b>
Senator Bekkedahl	N	Representative Don Vigesaa	N
Senator Karen Krebsbach	N	Representative Keith Kempenich	N
Senator Randy Burckhard	N	Representative Bert Anderson	N
Senator Kyle Davison	N	Representative Larry Bellew	Y
Senator Dick Dever	N	Representative Mike Brandenburg	Y
Senator Michael Dwyer	N	Representative Karla Rose Hanson	N
Senator Robert Erbele	N	Representative Gary Kreidt	N
Senator Curt Kreun	N	Representative Bob Martinson	N
Senator Tim Mathern	N	Representative Lisa Meier	Y
Senator Scott Meyer	N	Representative Alisa Mitskog	Y
Senator Jim Roers	Y	Representative Corey Mock	Y
Senator David Rust	N	Representative David Monson	N
Senator Donald Schaible	N	Representative Mike Nathe	A
Senator Ronald Sorvaag	N	Representative Jon O. Nelson	Y
Senator Shawn Vedaa	N	Representative Emily O'Brien	Y
Senator Terry Wanzek	N	Representative Brandy Pyle	Y
		Representative David Richter	Y
		Representative Mark Sanford	Y
		Representative Mike Schatz	A
		Representative Randy A. Schobinger	A
		Representative Greg Stemen	Y
		Representative Michelle Strinden	Y
		Representative Steve Swiontek	Y

**Motion Fails 14-22-3 (House 13-7-3 Senate 1-15-0)**

**Senator Davison-** Move to pass Without Recommendation

**Representative J. Nelson-** Seconds the motion

Committee Discussion

**Roll call vote was taken;**

<b>Senators</b>	<b>Vote</b>	<b>Representatives</b>	<b>Vote</b>
Senator Bekkedahl	Y	Representative Don Vigesaa	Y
Senator Karen Krebsbach	Y	Representative Keith Kempenich	Y
Senator Randy Burckhard	Y	Representative Bert Anderson	Y
Senator Kyle Davison	Y	Representative Larry Bellew	Y
Senator Dick Dever	Y	Representative Mike Brandenburg	Y
Senator Michael Dwyer	Y	Representative Karla Rose Hanson	Y
Senator Robert Erbele	Y	Representative Gary Kreidt	Y
Senator Curt Kreun	Y	Representative Bob Martinson	Y
Senator Tim Mathern	Y	Representative Lisa Meier	Y
Senator Scott Meyer	Y	Representative Alisa Mitskog	Y

Senator Jim Roers	Y	Representative Corey Mock	Y
Senator David Rust	Y	Representative David Monson	Y
Senator Donald Schaible	Y	Representative Mike Nathe	A
Senator Ronald Sorvaag	Y	Representative Jon O. Nelson	Y
Senator Shawn Vedaa	Y	Representative Emily O'Brien	Y
Senator Terry Wanzek	Y	Representative Brandy Pyle	Y
		Representative David Richter	Y
		Representative Mark Sanford	Y
		Representative Mike Schatz	A
		Representative Randy A. Schobinger	A
		Representative Greg Stemen	Y
		Representative Michelle Strinden	Y
		Representative Steve Swiontek	Y

**Motion Carries 36-0-3 (House 20-0-3 Senate 16-0-0)**

**Representative Bellew and Senator Schaible will carry the bill.**

**11:30 AM Chairman Vigesaa** Closed the meeting for HB 1549

*Risa Berube, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HB 1549: Joint Appropriations Committee (Rep. Vigesaa, Co-Chairman) recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (20 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). HB 1549 was placed on the Eleventh order on the calendar.**

**REPORT OF STANDING COMMITTEE**

**HB 1549: Joint Appropriations Committee (Sen. Bekkedahl, Co-Chairman) recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (16 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).** HB 1549 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.

**TESTIMONY**

**HB 1549**

23.1201.02001  
Title.

Prepared by the Legislative Council staff for  
Representative Steiner  
October 23, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1549

Page 1, line 1, replace "subsection" with "subsections"

Page 1, line 1, after "1" insert "and 7"

Page 1, line 2, after the semicolon insert "to repeal section 57-38-01.28 of the North Dakota Century Code, relating to the marriage penalty credit,"

Page 2, replace lines 9 through 11 with:

<u>\$0</u>	<u>\$120,000</u>	<u>\$0.00 + 0.00%</u>	<u>\$0</u>
<u>\$120,000</u>	<u>\$451,950</u>	<u>\$0.00 + 1.95%</u>	<u>\$120,000</u>
<u>\$451,950</u>		<u>\$6,473.03 + 2.50%</u>	<u>\$451,950</u>

Page 4, after line 2, insert:

**"SECTION 2. AMENDMENT.** Subsection 7 of section 57-38-30.3 of the North Dakota Century Code is amended and reenacted as follows:

7. A taxpayer filing a return under this section is entitled to the following tax credits:
  - a. Family care tax credit under section 57-38-01.20.
  - b. Renaissance zone tax credits under sections 40-63-04, 40-63-06, and 40-63-07.
  - c. Agricultural business investment tax credit under section 57-38.6-03.
  - d. Seed capital investment tax credit under section 57-38.5-03.
  - e. Planned gift tax credit under section 57-38-01.21.
  - f. Biodiesel fuel or green diesel fuel tax credits under sections 57-38-01.22 and 57-38-01.23.
  - g. Internship employment tax credit under section 57-38-01.24.
  - h. Workforce recruitment credit under section 57-38-01.25.
  - i. ~~Marriage penalty credit under section 57-38-01.28.~~
  - j. Research and experimental expenditures under section 57-38-30.5.
  - k. Geothermal energy device installation credit under section 57-38-01.8.
  - l. Long-term care partnership plan premiums income tax credit under section 57-38-29.3.
  - m. Employer tax credit for salary and related retirement plan contributions of mobilized employees under section 57-38-01.31.

- ~~n.~~m. Income tax credit for passthrough entity contributions to private education institutions under section 57-38-01.7.
- ~~o.~~n. Angel investor tax credit under section 57-38-01.26.
- ~~p.~~o. Income tax credit for employment of individuals with developmental disabilities or severe mental illness under section 57-38-01.16.
- ~~q.~~p. Adoption tax credit under section 57-38-01.38.
- ~~r.~~q. Tax credit for contributions to a maternity home, child-placing agency, or pregnancy help center under section 57-38-01.39.
- ~~s.~~r. Apprenticeship tax credit under section 57-38-01.40.
- ~~t.~~s. Twenty-first century manufacturing and animal agricultural workforce incentive under section 57-38-01.41.

**SECTION 3. REPEAL.** Section 57-38-01.28 of the North Dakota Century Code is repealed."

Page 4, line 3, replace "Section 1 of this" with "This"

Renumber accordingly