

**2025 HOUSE GOVERNMENT AND VETERANS AFFAIRS**

**HB 1081**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1081  
1/9/2025

Relating to fixed asset minimum reporting value and documentation of asset acquisitions
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9:25 a.m. Chairman Schauer opened the meeting.

Members present: Chairman Schauer, Vice Chairman Satrom, Representatives Bahl, Brown, Christy, Grindberg, Karls, McLeod, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

### Discussion Topics:

- Capitalization of assets

9:26 a.m. Joe Goplin, Director of the Office and Budget Fiscal Management Division, testified in favor and submitted testimony #28212.

9:32 a.m. Sherry Neas, Office of Management and Budget, testified in favor.

9:36 a.m. Representative Christy moved a Do Pass.

9:36 a.m. Representative McLeod seconded the motion.

Representatives	Vote
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	Y
Representative Karen Grindberg	Y
Representative Karen Karls	Y
Representative Carrie McLeod	Y
Representative Karen M. Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

9:36 a.m. Motion passed 14-0-0.

9:37 a.m. Representative Wolff will carry the bill.

9:37 a.m. Vice-chairman Satrom moved to reconsider the bill.

9:37 a.m. Representative Steiner seconded the motion.

9:38 a.m. Voice vote passed.

9:40 a.m. Representative Christy moved to amend the bill to add an emergency clause.

9:40 a.m. Representative McLeod seconded the motion.

<b>Representatives</b>	<b>Vote</b>
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	Y
Representative Karen Grindberg	Y
Representative Karen Karls	Y
Representative Carrie McLeod	Y
Representative Karen M. Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

9:41 a.m. Motion passed 14-0-0.

9:42 a.m. Chairman Schauer closed the meeting.

*Jackson Toman, Committee Clerk*

Bill was later amended



Management  
and Budget

Testimony in Support of  
**House Bill No. 1081**

**House Government and Veterans Affairs**

January 9, 2025

#### TESTIMONY OF

**Joe Goplin, Director of State Financial Services, Fiscal Management Division**

Good morning, Chairman Schauer and members of the committee. My name is Joe Goplin, Director of the Office and Budget (OMB) Fiscal Management Division. OMB supports this bill.

Section 1 of this bill seeks to repeal North Dakota Century Code (N.D.C.C.) section 54-27-21 related to capitalization of fixed assets. The capitalization of assets is primarily a financial reporting matter. The current state law requires assets valued at \$5,000 or greater to be capitalized. The Federal government also has regulations related to capitalization of assets. On Oct. 1, 2024, the Federal government changed its capitalization threshold to \$10,000. State law has been consistent with the federal law up until this most recent change from this past October. Having different state and federal capitalization thresholds will require entities to prepare separate state and federal asset reporting. OMB seeks to have the state law repealed to avoid inconsistencies with the federal asset reporting requirement. If the state law is repealed, the OMB Fixed Asset Policy will refer to the federal capitalization threshold to ensure they stay consistent with each other. We also ask an emergency clause be put in place so the state's reporting requirements are consistent with the Federal government for this upcoming fiscal yearend. Pursuant to N.D.C.C. section 44-04-07, agencies will still be required to maintain a complete and current inventory record of all property of sufficient value; this requirement is independent of the capitalization threshold.

Section 1 of this bill also seeks to repeal N.D.C.C. section 54-27-21.1 which requires agencies and institutions to prepare a lease versus purchases analysis when contemplating the lease of an asset. Repealing this law is a red tape reduction suggestion, and OMB agrees with eliminating this requirement. Agencies prepare the required report, but the analysis does not generally drive lease versus purchases decisions. Leasing is very common for some equipment, such as copiers and multifunctional devices. In many instances, leasing is a practical payment solution for agencies and institutions.

Repealing these two statutes will simplify processes and create efficiencies.

Mr. Chairman and members of the committee, this concludes my testimony. I ask your support for HB 1081. I would be happy to answer any questions.

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1081  
1/9/2025

Relating to fixed asset minimum reporting value and documentation of asset acquisitions
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4:15 p.m. Chairman Schauer opened the meeting.

Members present: Chairman Schauer, Vice Chairman Satrom, Representatives Bahl, Brown, Christy, Grindberg, Karls, McLeod, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

### Discussion Topics:

- Reconsider Action
- Amendment

4:16 p.m. Representative Vetter moved to reconsider previous action on the bill

4:16 p.m. Representative Bahl- Moved to second the motion.

Roll Call Vote

Representatives	Vote
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	Y
Representative Karen Grindberg	Y
Representative Karen Karls	Y
Representative Carrie McLeod	Y
Representative Karen M. Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

4:14 p.m. Motion passed 14-0-0.

4:17 p.m. Representative Christy Moved to reconsider the amendment previously adopted to the bill removing emergency clause.

4:17 p.m. Representative Bahl Second the motion

4:18 p.m. Roll Call Vote

<b>Representatives</b>	<b>Vote</b>
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	Y
Representative Karen Grindberg	Y
Representative Karen Karls	Y
Representative Carrie McLeod	Y
Representative Karen M. Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

4:18 p.m. Motion passed 14-0-0.

4:19 p.m. Representative Van Winkle Moved a Do Pass.

4:19 p.m. Representative Rohr Seconded the motion.

Roll Call Vote

<b>Representatives</b>	<b>Vote</b>
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Timothy Brown	Y
Representative Karen Grindberg	Y
Representative Karen Karls	Y
Representative Carrie McLeod	Y
Representative Karen M. Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

Motion Passed 14-0-0

4:20 p.m. Chairman Schauer closed the meeting.

*Jackson Toman, Committee Clerk by Risa Berube*

**REPORT OF STANDING COMMITTEE**  
**HB 1081 ([25.8112.01000](#))**

**Government and Veterans Affairs Committee (Rep. Schauer, Chairman)** recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1081 was placed on the Eleventh order on the calendar.

**2025 SENATE FINANCE AND TAXATION**

**HB 1081**



# 2025 SENATE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1081  
2/10/2025

Relating to fixed asset minimum reporting value and documentation of asset acquisitions; and to declare an emergency.

3:01 p.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

### Discussion Topics:

- Reporting for state agencies, university systems, and commissions

3:03 p.m. Chairman Weber recessed the meeting.

3:17 p.m. Chairman Weber reconvened the meeting.

3:17 p.m. Crystal Hoggarth, Fiscal Officer, ND Office of Management and Budget, introduced HB 1081 and testified neutral.

3:23 p.m. Chairman Weber closed the hearing.

3:23 p.m. Senator Patten moved a Do Pass.

3:23 p.m. Senator Powers seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

Senator Powers will carry the bill.

3:24 p.m. Chairman Weber closed the hearing.

*Chance Anderson, Committee Clerk*

**REPORT OF STANDING COMMITTEE**  
**HB 1081 ([25.8112.01000](#))**

**Finance and Taxation Committee (Sen. Weber, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1081 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.