

**2025 HOUSE FINANCE AND TAXATION**

**HB 1281**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Finance and Taxation Committee Room JW327E, State Capitol

HB 1281  
1/22/2025

Relating to motor vehicle excise tax, special fuels tax, and aviation fuel tax refunds for fuels purchased by fire departments; and to provide an effective date.

9:01 a.m. Chairman Headland called the meeting to order.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman  
Members Absent: Representative Ista

### Discussion Topics:

- Committee Action
- Preparedness and efficiency of Casselton Fire
- Average fuel per year

9:01 a.m. Chairman Headland opened the hearing.

9:02 a.m. Representative Pyle, District 22, ND Legislative Assembly, introduced the bill and submitted testimony #30592 and #30695.

9:09 a.m. John Hejl, Chief, Casselton Fire, testified in favor and submitted testimony #30635.

9:13 a.m. Chairman Headland closed the hearing.

9:14 a.m. Representative Porter moved to adopt amendment LC#25.0098.01001.

9:14 a.m. Representative Steiner seconded the motion.

9:14 a.m. Motion passed by unanimous voice vote.

9:14 a.m. Representative Porter moved a Do Pass as Amended.

9:14 a.m. Representative D. Anderson seconded the motion.

| Representatives               | Vote |
|-------------------------------|------|
| Representative Craig Headland | Y    |
| Representative Jared Hagert   | Y    |
| Representative Dick Anderson  | Y    |
| Representative Jason Dockter  | Y    |
| Representative Ty Dressler    | Y    |

|                                    |    |
|------------------------------------|----|
| Representative Austin Foss         | Y  |
| Representative Jim Grueneich       | Y  |
| Representative Zachary Ista        | AB |
| Representative Mike Motschenbacher | Y  |
| Representative Dennis Nehring      | Y  |
| Representative Jeremy Olson        | Y  |
| Representative Todd Porter         | Y  |
| Representative Vicky Steiner       | Y  |
| Representative Nathan Toman        | Y  |

9:15 a.m. Motion passed 13-0-1.

9:15 a.m. Representative Nehring carried the bill.

9:15 a.m. Chairman Headland closed the meeting.

*Janae Pinks, Committee Clerk*

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO**

**HOUSE BILL NO. 1281**

Introduced by

Representatives Pyle, Berg, Brandenburg, Christy, Kiefert, Novak, Vollmer

Senators Kessel, Luick, Patten, Weber, Weston

*JB 1-22-25  
1 of 2*

1 A BILL for an Act to amend and reenact sections 57-43.1-03.3, 57-43.2-04.5, and 57-43.3-03.1  
2 of the North Dakota Century Code, relating to motor vehicle ~~excise~~fuel tax, special fuels tax,  
3 and aviation fuel tax refunds for fuels purchased by fire departments; and to provide an effective  
4 date.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 57-43.1-03.3 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **57-43.1-03.3. Refund to emergency- Emergency medical services operation - Fire**  
9 **department.**

- 10 1. Upon application to the commissioner, the operator of an emergency medical services  
11 operation licensed under chapter 23-27 or a fire department is entitled to a refund of  
12 taxes paid under this chapter for motor vehicle fuel purchased and used by the  
13 emergency medical services operation or fire department.
- 14 2. The refund provided for in this section is not subject to reduction for deposit in the  
15 agricultural products utilization fund or the agricultural research fund.
- 16 3. For purposes of this section, "fire department" means a fire department or fire district  
17 that has filed a certificate of existence under section 18-04-02 which has been  
18 approved.

19 **SECTION 2. AMENDMENT.** Section 57-43.2-04.5 of the North Dakota Century Code is  
20 amended and reenacted as follows:

JB 2092

1       **57-43.2-04.5. Refund ~~to emergency-~~ Emergency medical services operation - Fire**  
2 **department.**

3       1. Upon application to the commissioner, the operator of an emergency medical services  
4 operation licensed under chapter 23-27 or a fire department is entitled to a refund of  
5 taxes paid under this chapter for special fuel purchased and used by the emergency  
6 medical services operation or fire department.

7       2. For purposes of this section, "fire department" means a fire department or fire district  
8 that has filed a certificate of existence under section 18-04-02 which has been  
9 approved.

10       **SECTION 3. AMENDMENT.** Section 57-43.3-03.1 of the North Dakota Century Code is  
11 amended and reenacted as follows:

12       **57-43.3-03.1. Refund ~~to emergency-~~ Emergency medical services operation - Fire**  
13 **department.**

14       1. Upon application to the commissioner, the operator of an emergency medical services  
15 operation licensed under chapter 23-27 or a fire department is entitled to a refund of  
16 taxes paid under this chapter for aviation fuel purchased and used by the emergency  
17 medical services operation or fire department.

18       2. For purposes of this section, "fire department" means a fire department or fire district  
19 that has filed a certificate of existence under section 18-04-02 which has been  
20 approved.

21       **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
22 June 30, 2025.

**REPORT OF STANDING COMMITTEE  
HB 1281**

**Finance and Taxation Committee (Rep. Headland, Chairman)** recommends **AMENDMENTS** ([25.0098.01001](#)) and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1281 was placed on the Sixth order on the calendar.



# North Dakota House of Representatives

STATE CAPITOL  
600 EAST BOULEVARD  
BISMARCK, ND 58505-0360



## Representative Brandy Pyle

District 22  
P.O. Box 337  
Casselton, ND 58012-0337  
[bpyle@ndlegis.gov](mailto:bpyle@ndlegis.gov)

## COMMITTEES:

Appropriations

HB 1281

1.22.2025

House Finance and Tax

Good morning, Chairman Headland and members of the Finance and Tax Committee. I am here today to introduce House Bill 1281 for your consideration.

Currently, fire departments are required to use clear diesel in all responding fire department vehicles. In contrast, our Century Code allows ambulances to use red dye diesel. This bill proposes that fire department fuel usage be treated similarly to ambulances concerning the type of fuel they are allowed to use.

In many emergencies, especially in our rural areas, both fire and ambulance services are dispatched to an incident as they work collaboratively for rescue. Therefore, it is both practical and efficient for fire departments to have the same fuel usage provisions as ambulances. By allowing this change, it reduces the expenses for our fire departments, thus saving property tax dollars for our communities.

It may not seem like a lot, but they will add up to savings each of our departments can see in their own budgets and save to make those bigger purchases needed for their primary functions.

This would have a positive direct impact on all 356 Fire Departments in our state.

As turn out gear, equipment, air tanks, firetrucks and other essential live saving equipment needs to be updated, this will help make those updates.

I do have an amendment too. Legislative Council made a mistake in the title during drafting and caught it on Monday. This would change the word "excise" on line 2 to "fuel" as that is what we are working on.

I ask that the committee give this piece of legislation a favorable consideration.

Thank You,

Brandy L. Pyle

25.0098.01001  
Title.

Prepared by the Legislative Council  
staff for Representative Pyle  
January 21, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

## PROPOSED AMENDMENTS TO

### HOUSE BILL NO. 1281

Introduced by

Representatives Pyle, Berg, Brandenburg, Christy, Kiefert, Novak, Vollmer

Senators Kessel, Luick, Patten, Weber, Weston

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4       operation licensed under chapter 23-27 or a fire department is entitled to a refund of  
5       taxes paid under this chapter for special fuel purchased and used by the emergency  
6       medical services operation or fire department.

7       2. For purposes of this section, "fire department" means a fire department or fire district  
8       that has filed a certificate of existence under section 18-04-02 which has been  
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15       operation licensed under chapter 23-27 or a fire department is entitled to a refund of  
16       taxes paid under this chapter for aviation fuel purchased and used by the emergency  
17       medical services operation or fire department.

18       2. For purposes of this section, "fire department" means a fire department or fire district  
19       that has filed a certificate of existence under section 18-04-02 which has been  
20       approved.

21       **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
22 June 30, 2025.

## HB 1281

Good Morning, My Name is John Hejl and I am the fire chief in Casselton ND.

Casselton Fire is 100% volunteer. This 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.

Volunteer and Career departments across the state pull funding from a variety of sources; grants, taxes, general funds of cities and townships, and all too often donations and fundraisers. Those funding sources should mirror their uses. Career or volunteer, metro or rural you will be hard pressed to find two identical departments. At Casselton Fire roughly 1/3 of our call volume comes from Casselton, 1/3 from our rural addresses, and 1/3 from Interstate 94 of which we cover 33 Miles; from Mapleton to Tower City. The Interstate and the State Highways that run through our area make us focus on extrication and dealing with hazardous situations and substances that would otherwise not be an issue in our area. Our local residents pay property tax and an insurance rider to fund the safety net we provide. We receive no additional funding for covering these highway systems.

Any piece of legislation should ask the question: "What problems does it aim to fix?"

Emergency response whether it be medical, law, or fire should not be taxed on the fuel used to carry responders and their equipment to an emergency to help people. As volunteer responders in Casselton we are not asking for a fuel tax exemption for a pay increase, but rather to provide current/safe tools, apparatus, and PPE for our firefighters. The dollar amount generated from this is not a huge mountain but rather a small step to increase our funding level. This "pot" of funding that we pull from needs to be as big as possible to keep an ever aging fleet of trucks, tools, and Gear current in order to keep my personnel and the citizens we are charged with protecting, safe.

Please help the fire service in our great state so that we can better serve our citizens.

Thank You

John Hejl  
Chief, CFD  
701-238-3734  
Johnhejl32@gmail.com

**2025 SENATE FINANCE AND TAXATION**

**HB 1281**

# 2025 SENATE STANDING COMMITTEE MINUTES

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

HB 1281  
2/18/2025

Relating to motor vehicle fuel tax, special fuels tax, and aviation fuel tax refunds for fuels purchased by fire departments; and to provide an effective date.

9:59 a.m. Chairman Weber opened the hearing.

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

### Discussion Topics:

- Costs of variations of fuel
- Aviation fuel use for emergency vehicles
- Disbursement of fuel tax fees
- Total refunds issues for fuel tax

9:59 a.m. Representative Pyle, District 22, introduced HB 1281, testified in favor and submitted testimony #37843.

10:07 a.m. John Hejl, Chief, Casselton Fire Department, testified in favor and submitted testimony #37937.

10:12 a.m. Shannon Fleischer, Associate Director, Office of ND Tax Commissioner, testified neutral.

10:19 a.m. Chairman Weber closed the hearing.

10:19 a.m. Senator Patten moved a Do Pass.

10:19 a.m. Senator Walen 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 Patten will carry the bill.

10:23 a.m. Chairman Weber closed the hearing.

Senate Finance and Taxation Committee

HB 1281

February 18, 2025

Page 2

*Chance Anderson, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
ENGROSSED HB 1281 ([25.0098.02000](#))**

**Finance and Taxation Committee (Sen. Weber, Chairman)** recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1281 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.



# North Dakota House of Representatives

STATE CAPITOL  
600 EAST BOULEVARD  
BISMARCK, ND 58505-0360



## **Representative Brandy Pyle**

District 22  
P.O. Box 337  
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[bpyle@ndlegis.gov](mailto:bpyle@ndlegis.gov)

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2.18.25

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