

**2025 SENATE FINANCE AND TAXATION**

**SB 2158**

# 2025 SENATE STANDING COMMITTEE MINUTES

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

SB 2158  
1/13/2025

Relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

2:00 p.m. Chairman Weber called the meeting to order.

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

### Discussion Topics:

- Limitations in disbursements
- Defining political subdivision

2:00 p.m. Senator Schaible, District 31, introduced SB 2158, testified in favor and submitted testimony #28470.

2:08 p.m. Allison Hicks, Assistant Attorney General, testified neutral.

2:18 p.m. Dr. Frank Schill, Superintendent, Edmore Public Schools, testified in favor.

2:27 p.m. Michael Heilman, Executive Director, ND Small Organized Schools, testified in favor.

2:30 p.m. Dr. Aimee Copas, Executive Director, NDCEL, testified in favor and submitted testimony #28600.

2:37 p.m. KrisAnn Norby-Jahner, ND School Board Association, testified in favor.

2:40 p.m. Joseph Bata, Walsh County School Board Reorganization Committee, testified in opposition and submitted testimony #28724.

2:42 p.m. Chairman Weber closed the hearing.

2:42 p.m. Vice Chairman Rummel moved a Do Pass on Amendment LC#25.0300.02001.

2:43 p.m. Senator Patten 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
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Motion passed 6-0-0.

**Additional written testimony:**

Geraldine Pesek, submitted written testimony in opposition #28586.

John Shirek, submitted written testimony in opposition #28658.

2:47 p.m. Chairman Weber adjourned the meeting.

*Chance Anderson, Committee Clerk*

January 20, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO**

**SENATE BILL NO. 2158**

Introduced by

Senators Schaible, Myrdal

Representatives Monson, Hatlestad

*JS 1-20-25  
1082*

1 A BILL for an Act to amend and reenact section 15.1-12-29 of the North Dakota Century Code,  
2 relating to the distribution of the unobligated cash balance of a dissolved school district; and to  
3 declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 15.1-12-29 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **15.1-12-29. Dissolution of school district - Unobligated cash balance - Tax credits or**  
8 **refunds - Distribution to another political subdivision.**

9 1. After ten thousand dollars is set aside, as required by section 15.1-12-28, and after the  
10 required amount is deposited in the reimbursement account for job service North  
11 Dakota, as required by section 15.1-12-28.1, ~~any~~:

12 a. Any remaining unobligated cash balance, up to an amount equaling a dissolved  
13 school district's general fund expenditure for the last school year before the  
14 district's dissolution is a credit for real property owners within the boundaries of  
15 the dissolved school district, against taxes levied by the district to which their  
16 property is now attached. If property from the dissolved district is attached to  
17 more than one school district, the percentage of the total credit to which each  
18 eligible real property owner is entitled must equal the percentage that the taxable  
19 valuation of the individual's real property bears to the total taxable valuation of  
20 the dissolved district's property at the time of the attachment order; or

Jim 2 of 2

- 1           b.   The county committee ~~shall~~may distribute the remaining unobligated cash  
2               balance not exceeding five hundred thousand dollars to another political  
3               subdivision located partially or wholly within the geographic boundaries of the  
4               dissolving school district. After distributing the funds, the county committee shall  
5               distribute any remaining unobligated cash balance in accordance with  
6               subdivision a.
- 7           2.   Upon approval of the board of county commissioners, any school district ~~required to~~  
8               ~~provide~~providing a tax credit under subdivision a of subsection 1 may provide a cash  
9               refund in lieu of the tax credit. At the request of the county auditor, the school district  
10              holding the unobligated cash balance available under subdivision a of subsection 1  
11              shall pay to the county treasurer the amount to be paid to those who own real property  
12              within the dissolved district. The treasurer shall issue the refund to the owner of the  
13              property as shown on the county's assessment list at the time of payment. If there is a  
14              lien for unpaid taxes against the property, the treasurer shall first apply the property  
15              owner's tax credit toward any outstanding balance. Any amount remaining may then  
16              be paid to the property owner. The cash refunds must be calculated proportionately to  
17              the total taxable value of the dissolved district during the last year taxes were levied.
- 18           3.   After the requirements of subdivision a of subsection 1 have been met, the county  
19              auditor shall distribute any remaining unobligated cash balance among the school  
20              districts to which the real property of the dissolved district was attached. The  
21              percentage of the remaining unobligated cash balance to which each school district is  
22              entitled equals that percentage of the dissolved district's total taxable valuation which  
23              was attached to the receiving school district.

24           **SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.

Senator Donald Schaible  
Senate District 31  
Testimony for SB 2158

January 13, 2025  
Chairman Weber and committee,

SB2158 is a bill to complete the work that was started last session. In the 68th legislative session, HB 1337 was introduced to allow money to be transferred to a community from the dissolved school district for the purpose of a community center and for operating cost of a city. This was with the full consent of the elected school board of that school district. Normally money that remains after a dissolution will be transferred back to the landowners of that school district. HB 1337 adjusted that to allow money to be used in way that was agreed upon by the school district as to their dissolution plan. We thought that this was a done deal but later found out that there was a separate section in century code that was not addressed with last session's legislation. When the Edmore Public School District submitted their dissolution plan, this issue was brought to the attention of Attorney Generals office. With several meetings with the Edmore Public School board, their attorneys, Superintendent Schill and myself it was concluded that their dissolution plan should not be approved, that a bill would be needed to correct the legislative issue and that they could then reapply for their dissolution plan and the city could receive up to \$500,000 as to the conditions of the dissolution plan. We believe SB 2158 completes all the hurdles to get this plan approved. Since the fiscal year of a school year ends on 30th , though it best to add an emergency clause to get this pass and allow the dissolution to take place in this school year.

Chairman Weber, that concludes my testimony and I would be happy to answer any question you may have.  
Senator Don Schaible

Chairman and Committee,

I feel the changing of Senate Bill 2158 to all for the county committee to distribute funds from a dissolved school district before refunding the funds to taxpayers is unfair. Attending the public meetings on dissolving the school district there were many landowners that did not want the funds to go to a community in which they would not benefit from a building and \$500,000 cash, when the school district is comprised of 5 separate towns/communities. The funds should be refunded to the taxpayers and if such taxpayers CHOOSE to donate their funds to the community that is their choice.

The taxpayers have in good faith, paid their taxes, for the betterment of the education of the children. With the economic times and the increasing cost of running a school system and the difficulty of finding and retaining teachers, wouldn't these funds be better distributed to the school districts that the children were redirected to?

Shouldn't ALL communities that have children attend the school that paid taxes to support the school benefit, not JUST ONE community. There were many land owners and tax payers not present at the meetings for the fact many were not aware of the school boards true intentions, nor do they live in the area to even be able to attend.

Respectfully submitted,

Dale and Geraldine Pesek



## SB 2158 Testimony in Support by NDCEL

Good Chairman Weber and members of the Senate Finance and Taxation committee. NDCEL represents all of your school leaders including Superintendents, Principals, Business officials, Athletic Directors, SPED Directors, REA Directors, Tech Directors, and CTE Directors. I am here to support Senate Bill 2158, which provides an essential and flexible framework for the distribution of unobligated cash balances when a school district dissolves.

For small communities in North Dakota, the dissolution of a school district can be a challenging and emotional process. I've personally been through this process as a small school superintendent in South Dakota, and what this bill offers is quite similar to a process in place with our neighbors to the south. This bill offers two key improvements that are particularly beneficial:

1. **Flexibility in Fund Allocation:** By allowing county committees to distribute up to \$500,000 to another political subdivision, the bill enables the strategic use of funds to support vital services or infrastructure. This provision benefits small communities by reinforcing public resources like emergency services, libraries, or road improvements that contribute to community stability.
2. **Equity for Property Owners:** The option to provide direct cash refunds ensures transparency and tangible financial relief for residents who may experience significant changes in their property taxes during a district transition. This flexibility acknowledges the financial impact on families and ensures that the dissolution process is not a punitive one.

NDCEL views this bill as a balanced approach to managing public funds that empowers communities, preserves fairness for property owners, and strengthens local services during district dissolutions. The emergency clause appropriately underscores the urgent need for this reform for upcoming transitions in one of our North Dakota communities at this time.

We respectfully urge your support for this important legislation, which addresses both financial stewardship and community resilience. Thank you for your time, and I am happy to answer any questions.

Chairperson and committee members. My name is John Shirek from Lankin. I am a landowner in the former Edmore School district. I am in opposition of bill 2158. These funds were supposed to be taxpayer dollars and state aid given for the education of our youth. A political subdivision qualification, gives people a little too big of a list of options to make the \$500000 disappear. Let's face it, that is what people are trying to accomplish in these situations! We have all seen it before and we will see more of it if this bill passes. If there is that much money left it should be refunded to the taxpayers and state or given to the school districts where the youth from the closing district are now be educated.

Chairperson and committee members:

My name is Joe Bata from Adams, ND. I'm a member of the Walsh County School Reorganization committee, and have been involved in school business for over 25 years. I am a loyal taxpayer.

I'm writing in opposition to bill 2158. As the bill reads, a school district can give up to \$500,000 to a political subdivision, but it gives no use of the money. The political subdivision (city?) can use it for anything they wish. I realize the bill was written to make it legal for the Edmore School Board to give the city of Edmore these funds. As a tax payer in the district, they are my funds, Funds that have been questioned by the Attorney General's Office. These Funds are tax payer dollars and state aid given to the school district for the Education of children, not a political subdivision. Are we to encourage other districts to build up funds to be given away? An amount with a \$100,000 ceiling and stating it must be used for maintenance of a school building after the district closes would be an appropriate revision of this bill. This revision would make more sense for North Dakota. Please use some common sense when reviewing this bill, written for one school district in mind.

Sincerely,

Joseph L. Bata

# 2025 SENATE STANDING COMMITTEE MINUTES

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

SB 2158 AM  
1/15/2025

Relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

9:00 a.m. Chairman Weber called the meeting to order.

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

### **Discussion Topics:**

- Committee adjournment
- Governor's Address

9:00 a.m. Chairman Weber adjourned the meeting.

*Chance Anderson, Committee Clerk*

# 2025 SENATE STANDING COMMITTEE MINUTES

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

SB 2158 2:00 p.m.  
1/15/2025

Relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

2:00 p.m. Chairman Weber opened the meeting.

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

### Discussion Topics:

- Donation amount
- Private entity ownership compared to township ownership

2:02 p.m. Allison Hicks, Assistant Attorney General, testified neutral.

2:06 p.m. Senator Walen moved to amend \$500,000 amount to \$50,000 and dollar amount must go to that former school building.

2:07 p.m. Allison Hicks, Assistant Attorney General, testified neutral.

2:08 p.m. Senator Powers seconded the motion.

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

Motion failed 2-4-0.

2:24 p.m. Senator Patten moved a Do Pass.

2:24 p.m. Senator Rummel seconded the motion.

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

Motion failed 2-4-0.

2:24 p.m. Chairman Weber closed the meeting.

*Chance Anderson, Committee Clerk*

# 2025 SENATE STANDING COMMITTEE MINUTES

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

SB 2158  
1/20/2025

Relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

11:43 a.m. Chairman Weber opened the hearing.

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

### Discussion Topics:

- Committee Action

11:46 a.m. Senator Walen moved a Do Not Pass.

11:46 a.m. Senator Powers seconded the motion.

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

Motion failed 3-3-0.

11:49 a.m. Senator Patten moved a Without Recommendation.

11:49 a.m. Vice Chairman Rummel 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.

Chairman Weber will carry the bill.

11:52 a.m. Chairman Weber adjourned the meeting.

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*Chance Anderson, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
SB 2158**

**Finance and Taxation Committee (Sen. Weber, Chairman)** recommends **AMENDMENTS** ([25.0300.02001](#)) and when so amended, recommends the measure **BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2158 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

**2025 HOUSE POLITICAL SUBDIVISIONS**

**SB 2158**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Room JW327B, State Capitol

SB 2158  
3/7/2025

A BILL for an Act to amend and reenact section 15.1-12-29 of the North Dakota Century Code, relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

10:58 a.m. Chairman Longmuir opened the hearing.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Vice-Chairman Jonas, Representatives Bolinske, Davis, Hager, Hatlestad, Heilman, Klemin, Motschenbacher, Ostlie, Toman, Warrey

### Discussion Topics:

- Process of distributing unobligated cash to taxpayers
- North Dakota county committees
- Cost of maintaining closed and repurposed schools
- Beneficiaries of tax reimbursements from dissolved school districts

10:58 a.m. Senator Donald Schaible, North Dakota Senator for District 31, introduced the bill and provided testimony #39031.

11:08 a.m. Brandt Dick, President of the North Dakota Small Organized Schools and Burleigh and Emmons County Superintendent of Schools, testified in favor and provided testimony #39254.

11:15 a.m. Amy Dekok, Executive Director of the North Dakota School Boards Association, testified in favor.

11:17 a.m. Landon Rice, Member of the Edmore City Council, testified in favor and provided testimony #39484.

11:21 a.m. Tammy Berg, Edmore, North Dakota, testified in favor and provided testimony #39364, #39567.

11:27 a.m. Joseph Bata, Walsh County School Reorganization Committee, testified in opposition and provided testimony #39082.

11:41 a.m. Adam Tescher, Director of School Finance at the North Dakota Department of Public Instruction, answered committee questions.

### Additional written testimony:

In favor:

#38513, #38609, #38672, #38775, #38825, #38829, #39149, #39224, #39246, #39248, #39253, #39257, #39283, #39310, #39337, #39507

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In opposition:  
#38903, #39215, #39307, #39476

11:44 a.m. Chairman Longmuir closed the hearing.

*Wyatt Armstrong, Committee Clerk*



# North Dakota Small Organized Schools

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## 1 Testimony in Support of Senate Bill 2158

## 2 Chairman Longmuir and Members of the Committee:

3 I am writing in strong support of Senate Bill 2158, which provides a clear and equitable framework for  
4 the distribution of unobligated cash balances following the dissolution of a school district. This bill  
5 ensures that taxpayers and local political subdivisions receive fair and transparent benefits from any  
6 remaining funds, reducing financial uncertainty and reinforcing fiscal responsibility.

7 Senate Bill 2158 addresses key issues in the dissolution process by:

### 8 1. Providing Property Tax Relief:

- 9 ○ The bill prioritizes returning unobligated funds to real property owners within the  
10 dissolved school district's boundaries. By allocating funds as tax credits, it eases the  
11 financial burden on affected property owners and maintains fairness in the transition to  
12 new school districts.
- 13 ○ If a property is attached to multiple districts, the bill fairly apportions the credit based  
14 on the taxable valuation of each property, ensuring an equitable distribution of funds.

### 15 2. Allowing Flexibility for Local Political Subdivisions:

- 16 ○ The bill gives the county committee the authority to distribute up to \$500,000 of  
17 remaining unobligated funds to another political subdivision within the boundaries of  
18 the dissolved school district. This provision recognizes the needs of local governments  
19 and ensures that funds remain in the community for beneficial public services.

### 20 3. Providing a Refund Option for Taxpayers:

- 21 ○ Upon approval by the board of county commissioners, the bill allows for cash refunds in  
22 lieu of tax credits. This flexibility accommodates varying fiscal circumstances and  
23 ensures that taxpayers directly benefit from surplus funds when appropriate.
- 24 ○ The bill also ensures that refunds are applied first to any outstanding tax liens, thereby  
25 promoting responsible fiscal management while still returning funds to property  
26 owners.

#### Board of Directors

##### Region 1

Mr. Tim Holte, Supt. Stanley  
Mr. Kris Kuehn, Supt. Ray

##### Region 2

Dr. Kelly Peters, Supt. Lakota  
Mr. Steven Heim, Anamoose & Drake

##### Region 3

Dr. Frank Schill, Supt. Edmore  
Mr. David Wheeler, Supt. Manvel

##### Region 4

Mr. Brian Christopherson, Supt. New Salem  
Mr. Russ Ziegler, Supt. Elgin-New Leipzig

##### Region 5

Mr. Rick Diegel, Supt. Kidder Co.  
Mr. Brandt Dick, Supt. Burleigh County

##### Region 6

Mr. Mitch Carlson, Supt. LaMoure  
Dr. Steven Johnson, Supt. Ft. Ransom

**The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.**

27        4. **Ensuring Fair Distribution to Receiving School Districts:**

- 28            ○ After all tax credits and refund obligations have been met, any remaining funds are  
29            distributed to the school districts that have absorbed the dissolved district's students  
30            and property. This method supports the sustainability of the receiving school districts  
31            and helps them accommodate their expanded responsibilities.

32 In conclusion, Senate Bill 2158 establishes a fair, transparent, and fiscally responsible process for  
33 handling unobligated cash balances when a school district dissolves. It ensures that taxpayers receive  
34 the benefits they are entitled to while also supporting local political subdivisions and school districts. I  
35 urge you to support this bill and help ensure its passage for the betterment of our rural communities.

36  
37 Mr. Michael Heilman – Executive Director  
38 North Dakota Small Organized Schools  
39 [mheilmanndsos@gmail.com](mailto:mheilmanndsos@gmail.com)  
40 701.527.4621

**Testimony on Senate Bill 2158**  
**March 7, 2025 – 11 AM – 327B**  
**House Political Subdivision Committee**  
**Presented by Dr. Frank Schill, Superintendent, Edmore Public School District**

**Chairman Longmuir and Members of the House Political Subdivision Committee:**

My name is Dr. Frank Schill, and I have the privilege of serving as Superintendent of the Edmore Public School District. I appreciate the opportunity to appear before you today to provide testimony in strong support of *Senate Bill 2158*, which seeks to grant local school districts the authority to transfer funds to another political subdivision and sell real property for less than fair market value. This bill serves as a critical *clean-up measure* from the 67th Legislative Assembly. During that session, *House Bill 1337* was introduced and passed with overwhelming bipartisan support—approved in the Senate by a vote of 46-1 and in the House by 86-7. Governor Burgum signed the bill into law on April 21, 2021, reinforcing the legislature’s commitment to providing school districts with the flexibility needed during periods of reorganization or dissolution.

**Understanding the Dissolution Process**

According to the North Dakota Century Code (NDCC), the authority to dissolve a public school district rests with the local school board. Unlike the reorganization process, which mandates a public vote from patrons in each participating district, the dissolution process requires only that the school board develop a dissolution plan, which must then be submitted for approval by both the county reorganization committee and the State Reorganization Committee.

However, while the legal framework allows school boards to make these decisions, the Edmore School Board has gone above and beyond in ensuring community involvement. Since 2013, the board has held numerous public meetings to keep district patrons informed and engaged. This level of transparency and collaboration reflects our board’s deep respect for the voices of our community members.

At our public meeting on *December 11, 2023*, approximately 75 patrons attended to hear details of the proposed dissolution plan. The plan included transferring ownership of the school building to the city of Edmore and allocating \$500,000 to the city to cover ongoing utilities and necessary repairs as the building transitions into a community center. After thorough discussion, the board president invited a show of hands to gauge support. Over 75% of those in attendance endorsed the plan, signaling strong community backing for this thoughtful transition.

**Formal Steps Taken Toward Dissolution**

On *October 10, 2023*, the Edmore School Board formally voted to dissolve the Edmore Public School District, effective *June 30, 2025*. Following the guidelines outlined in the NDCC, we initiated the necessary steps to execute this plan responsibly and in full compliance with the law. Subsequently, on *April 9, 2024*, the *Ramsey County Dissolution Board* convened to review our proposed dissolution plan and to hear additional public testimony. The board approved the plan with one amendment: requiring landowners in the affected area to adopt the full mill rate of their newly assigned school district. This adjustment, while notable, did not hinder the overall support for the plan.

The plan was then forwarded to the *State Reorganization Committee* for final approval. However, during the legal review conducted by the North Dakota Attorney General’s Office, a critical statutory gap was identified. While provisions in *NDCC 15.1-12-26(4)*, *15.1-12-27(2)*, and *15.1-12-27(4c)* authorize the transfer of assets, there is no corresponding provision in *15.1-12-29*, which

governs district dissolution. This omission effectively prevents the Edmore School Board from fully implementing the plan as intended and supported by our community.

### **Why Senate Bill 2158 Is Essential**

*Senate Bill 2158* is designed to address this legislative oversight. Thanks to the collaborative efforts of *Senator Schaible*, legislative counsel, and the Attorney General's Office, this bill will ensure that school districts undergoing dissolution have the same statutory authority to transfer funds and property as those reorganizing.

Without the passage of this bill, the Edmore School District will be unable to transfer its building to the city or allocate the \$500,000 necessary for its maintenance as a community center. This would not only undermine the will of our community but also leave the city burdened with an unused facility and unexpected costs.

Therefore, I respectfully urge this committee to approve *Senate Bill 2158* as presented, and I request the inclusion of an *emergency clause* to ensure that the Edmore dissolution plan can proceed to the State Reorganization Committee for approval prior to the *June 30, 2025* deadline.

Thank you for your time and consideration of this important matter. I stand ready to answer any questions you may have.

I am in support of SB 2158. With the Edmore School District being dissolved, I believe the money and school building should go to the city of Edmore, North Dakota. The intent is to use the money solely for the operation of the school building, and the school building be made into a community center. In Edmore, ND, we do not currently have a community center, and the Edmore school building is a perfect building to act as a community center for the public to use for events such as birthday parties, weddings, family gatherings, etc.; as well as be used by the public as a senior center, community kitchen, a fitness center/gym as there is exercise equipment in the building, as well as many more options. This would benefit not only the citizens of Edmore, but also the citizens of surrounding rural communities as well; since it would be open to the public for use. Our small community of Edmore has been dwindling over the years, and keeping the building and money within the Edmore community would be beneficial for our community and surrounding rural communities for years to come.

- Bethany Kuchar

Dear Senate Committee Members,

I, Dustin McGregor, from Fairdale, North Dakota am in support of the current bill SB 2158 as it is currently drafted creating a cap of Five Hundred Thousand Dollars that a dissolving school district can give to its community for school building maintenance. I believe this is an important step to allow struggling communities a chance to keep the building going while also having a maximum amount of money a district can hold. A cap is absolutely necessary so that school districts don't try to build up large amounts of money near their closure then attempt to save those funds to keep the building functional when the dollars were allocated for the school/children's education.

Thank you,

Dustin McGregor

I hope this message finds you well. I am writing to you today as a proud member of the Edmore community, urging your support in keeping the Edmore School open and repurposing it as a vital community center. Our town, like so many small towns across North Dakota, is facing difficult times. We believe that with your help, we can transform this space into a cornerstone of growth, activity, and connection for our residents.

The funding we seek is critical in maintaining the operational costs of the school—covering essential needs like water, electricity, heat, and insurance. However, the true value of this funding lies in its potential to enable us to create a multi-purpose community hub that will benefit residents of all ages. This building has the opportunity to serve as much more than just a school: it can become a gymnasium for exercise and recreational activities, a workout space with fitness equipment, a senior center offering a safe and welcoming environment for our elderly community members, a golf simulator for entertainment, a community kitchen for shared meals and events, a library for learning, and even a formal venue for gatherings and celebrations.

The importance of this funding cannot be overstated. Without it, we risk losing an essential part of our town that could bring so much to our community. By repurposing the school, we would create a gathering place that fosters connection, learning, and wellbeing. The opportunities for engagement and enrichment would be invaluable, not just for Edmore, but for the surrounding area as well. This space could attract individuals and families from neighboring towns, making Edmore a more vibrant and resilient community.

In addition to meeting the immediate needs of our town, this project has the potential to reinvigorate Edmore, making it a place where people want to live, work, and raise families. Small towns like ours face the challenge of population decline and the loss of resources, but we believe this community center can be a key part of our solution. It would bring new opportunities to strengthen bonds, improve health, and promote social wellbeing.

I kindly ask for your support in ensuring that the Edmore School remains open and becomes a valuable community asset. By doing so, you will be helping us create a resource that will benefit Edmore for generations to come. I would greatly appreciate the opportunity to discuss this proposal with you further and explore ways we can collaborate to make this vision a reality for our town.

Thank you for your time and consideration.

Andrea Pesek

My name is Brady Pesek and I am a resident of Edmore, North Dakota. I am here today to express my strong support for maintaining the Edmore School and repurposing it as a multi-functional community center. This school, though no longer serving as the educational institution it once was, is a vital part of our community's identity and future. I believe that with the right support, this space can be transformed into a cornerstone of our town—a place where people of all ages can come together, engage with one another, and improve their overall well-being.

As a small town, Edmore faces many of the same challenges that other rural communities across North Dakota are experiencing: population decline, a loss of resources, and the difficulty of retaining young people and families. In recent years, we've seen businesses close, schools consolidate, and families move away in search of better opportunities elsewhere. This is a reality many small towns are facing, and it can feel as though we are losing our community piece by piece.

However, we are not willing to give up on our town. We know that in order to secure a bright future for Edmore, we need to find innovative solutions that provide value to the people who live here. This is why we are so committed to keeping the Edmore School operational and transforming it into a community center that can meet the needs of our diverse population.

The school building itself is ideally located and structured to accommodate a wide range of community activities and functions. Our vision is to turn this space into something that will benefit everyone, from children and young families to seniors who may be at risk of social isolation. By repurposing the school, we can provide a safe, inclusive environment where residents of all ages can engage in activities that promote physical, social, and mental well-being.

We envision the school becoming a gymnasium where individuals can participate in physical exercise, recreational sports, and fitness activities. Having a gym will also provide our children with an important place to stay active, which is crucial given the lack of other recreational spaces in our area. In addition, we would like to incorporate workout equipment, allowing people of all ages to prioritize their health and wellness. For our senior residents, a designated senior center would offer a gathering space for social activities, support groups, and other meaningful programs that can combat loneliness and promote connection.

Beyond these immediate uses, our vision for the school extends to offering a golf simulator for those interested in recreation, a community kitchen where residents can come together to cook meals, host community events, and share food, as well as a library that can offer reading material, educational programs, and a quiet place to learn. We also see this space becoming a formal venue for weddings, family gatherings, and local celebrations, something that our town desperately needs and that would allow us to hold meaningful events right here in our own community.

The opportunity to revitalize the Edmore School as a community center is not just about preserving a building—it's about preserving the heart of our town. It's about creating a place that will bring people together, foster relationships, and build a sense of belonging. It's about making sure that our town remains a viable, thriving community where future generations will want to live and raise their families.

I can't stress enough how important this project is for the future of Edmore. Losing the school and allowing it to fall into disrepair would be a devastating blow to our community. We have already seen too many vital institutions close, and we cannot afford to lose any more. This community center is not just a luxury; it is a necessity. It is an investment in our collective future, one that will pay dividends for years to come.

We are committed to making sure that this vision is carried out responsibly. Any funding received would be used solely for the operational costs necessary to maintain the school as a community center, including essential services such as water, electricity, heat, and insurance. We will also ensure that there is a transparent, separate account or tracking system to monitor the use of funds, ensuring that every dollar is dedicated to the school's continued operation and success.

The positive impact of this community center would be far-reaching. It would offer a central place where people can connect, improve their health, and learn from one another. It would attract people from surrounding areas, boosting the local economy and making Edmore a more attractive place for newcomers. Most importantly, it would help to build the kind of strong, interconnected community that every small town needs in order to thrive.

As our representative, I am asking for your support in ensuring that the Edmore School continues to serve our community—not just as a school, but as a vital resource for all who call Edmore home. With your help, we can create a space that will support education, health, recreation, and social well-being for years to come. Together, we can ensure that Edmore remains a vibrant place for future generations to live, grow, and thrive.

Thank you for your time and consideration. I would greatly appreciate the opportunity to discuss this vision with you further and explore ways we can work together to make it a reality.

Sincerely,  
Brady Pesek

In opposition of SB2158 – Edmore School District comprises 4 other communities plus large farming area besides Edmore. We all paid taxes for over 40 years to educate our children. Undesignated cash left should follow the land and children for their education and improvement of the schools to which they go, not to the community of Edmore alone. Doing otherwise would start an unwanted precedent for future districts that close. Surviving districts need these funds to attract teachers to rural schools and to provide more classes for the students.



# North Dakota Senate

STATE CAPITOL  
600 EAST BOULEVARD  
BISMARCK, ND 58505-0360



## Senator Donald Schaible

District 31  
9115 Highway 21  
Mott, ND 58646-9200  
[dgschaible@ndlegis.gov](mailto:dgschaible@ndlegis.gov)

## COMMITTEES:

Appropriations

March 7, 2025

Chairman Longmuir and the House Political Subdivision Committee, my name is Senator Don Schaible, District 31 and I am here to introduce SB 2158.

SB 2158 started last session with the intent of helping a school district and a community with the difficulty of dissolving a school district. As in re-organization or dissolution, the process and development of a plan is a very complicated and emotional process for a district. The idea of losing a school in a community may be the first step of the death of that town. This is one instance where a local elected body, in this case a school board, really earns their pay. A school building, serving part of 3 different counties that had elected representation on the school board that decide to dissolve and then the difficult processes of creating a dissolution plan. That plan is way more than to say, "let close and move on". Consideration for students, the community and what to do with the facilities has become the focus of that plan. This plan was most likely the hardest decision these board members have ever had to make. The plan is also an attempt to heal the community after such a drastic change.

The plan this school board came up with was to give the school building to the city where it stands and to also give up to \$500,000 for repurposing and deferred maintenance. That was currently not allowed under current law. What normally happens to carry over money, that it would be returned to the property taxpayers after a period of time to make sure all possible unforeseen expenses are accounted for. Last session HB 1337 was introduced to make the transfer of money possible with the intent that it was part of the dissolution plan. HB 1337 did pass both chambers with a vote of 86-7 in the house and 49 to 1 in the senate. Being part of that bill, I remembered the conversation that a locally elected school board should have the flexibility to make that decision because they are the best people to understand their community and in the best position to determine how to heal this district.

In this case many public meetings were held with input taken from the community. In fact, in the last meeting the school board had canvassed the crowd that was there and with overwhelming support from, the patron for the dissolution plan that included giving the building and the money to the town. The \$500,000 that in questions is less than ½ of the amount that was remaining the balance with the balance being returned to property taxpayers. The vote of the school board was unanimously approved.

The problem came when the school board submitted their plan to the state board.

There was a section of law and tax code that conflicted with each other and gave the state board no options. It was suggested to the school board from the state board to withdraw their plan, wait for this current session and see if a fix could be suggested in law.

That brings us to today bill. SB 2158 attempts to fix that conflict and allow this school district to finish this dissolution plan. Passing SB 2158 would allow the elected officials to finish their job as school board members. The school building now is being used as a community center and is a well-used facility utilized by a fair number of surrounding communities. If the wishes of the school board by the direction of the dissolution plan would not be able to be implemented, the future of the building would be in jeopardy. I understand that property tax is a big issue, but I believe if local elected officials follow a good process to weigh the wish of their community, that they should be given the authority to do so. This bill does not suggest a fix for one school district or community, and I am not asking for us to set policy on how a school dissolution be implemented but instead to provide another tool for a locally elected political subdivision to make the best decision that they were elected to do. This bill also is asking for an emergency clause for a school districts fiscal year begins on July 1st and this community would like to get the dissolution plan completed before the next school year. With that Chairman Longmuir and committee, I would try to answer your questions.

Chairperson and committee members:

My name is Joseph L. Bata from Adams, ND. I'm a member of the Walsh County School Reorganization Committee, and have been involved in school business for over 25 years. I'm chairman of the Walsh County Tax Equalization committee. I am an active farmer, landowner, and loyal taxpayer.

I'm writing in opposition to bill 2158. As the bill reads, a school district can give up to \$500,000 to a political subdivision, but it gives no use for the funds. The political subdivision can use the funds for anything they wish.

The bill should state the funds must be given to the political subdivision that receives the school district's assets in the dissolution. Remember these funds are school district funds and therefore should be designated for use of the school property. Without this statement in the law, the political subdivision (who knows what political subdivision gets it: township, county, firemen, city) can use it for anything.

I realize the bill is a single source bill written to make it legal for the Edmore School Board to give the city of Edmore a Half Million Dollars. As a tax payer in the district, these are land owner funds. These funds are tax payer dollars and STATE AID given to the school district for the Education of Children, not a political subdivision (city). The city of Edmore contributes only 6% to the annual income of the school district. My question then for the Committee is: are we to encourage other districts to build up funds to be given away to a political subdivision of their liking? Will schools that annex to another district try to change the law so they can give away up to a Half Million Dollars?

An amount of a \$100,000 ceiling would be a more appropriate revision of the bill. It gives the political subdivision more than adequate funds to establish the use of the school property. The Adams Auditorium is 18 miles from Edmore and in a town of the same population. It stays open for sports, exercising, and meetings and it never got a big hand- out.

The proposed bill should be amended to read:

The county committee may distribute the remaining unobligated cash not exceeding One Hundred Thousand Dollars to another political subdivision located partially or wholly within the geographic boundaries of the dissolving school district. The funds must be given to the political subdivision receiving the school assets and be designated for the use of the school property. After distributing the funds, the county committee shall distribute any remaining unobligated cash balance in accordance with subdivision a.

Thank you. I am available to answer any questions,

Joseph L. Bata

Diane Martinson,  
9558 72<sup>nd</sup> St NE  
Edmore, ND 58330

March 6, 2025

**Honorable Members of the House Political Subdivision Committee**

**Subject: Urging a "Do Pass" Vote on SB2158**

Chariman Longmuir and Members of the Committee-

I write to you today with a strong and urgent request to vote "Do Pass" on SB2158, which is scheduled for review on Friday, March 7, at 11:00 a.m. This crucial piece of legislation seeks to clarify language from the 67<sup>th</sup> legislative session, ensuring that funds designated as "assets" may rightfully be transferred to our city for the development of a much-needed community center within our former school.

The intent of SB2158 is clear: to allow the allocation of *cash* assets to the city to establish a thriving community hub. This center would serve as a vital resource for our rural residents, offering a fitness facility, a well-maintained gymnasium, a furnished library, and the potential for a café, small business spaces, and community gatherings. These amenities are not just conveniences—they are essential to maintaining the social and economic fabric of our town. The nearest comparable facilities are nearly 30 miles away, creating a barrier to access and limiting opportunities for families and individuals of all ages to remain active and engaged.

The decision to close our school was one of the most difficult choices our community has ever faced. It was made only after extensive discussions with our community and stakeholders, careful deliberation by the school board, and overwhelming recognition that our students would benefit from a larger peer network and expanded academic opportunities elsewhere. Despite the heartbreak of closure, our community rallied together with a shared vision—to repurpose the school into a community center that would continue to serve as the heart of our town.

I strongly support transferring these funds to the city, as maintaining the school building falls far beyond the city's current financial capacity. The \$500,000 in question is intended solely for insurance, heating, electricity, and maintenance, ensuring the facility remains operational for years to come. Importantly, these funds are designated strictly for sustaining the school building and will not be diverted to unrelated municipal projects. This dollar amount is not the totality of remaining funds in the nonoperating schools' possession, but rather a portion.

As fourth-generation farmers, landowners, and taxpayers, my family and I are deeply invested in the future of our rural community. My husband and children are proud alumni of EPS, I was honored to serve as an employee of the school, and we wholeheartedly support SB2158 as a means to preserve our town's identity, encourage young families to stay, and sustain our agricultural way of life.

I urge you to stand with us and vote "Do Pass" on SB2158. Thank you for your time and consideration.

Sincerely,

Diane Martinson  
dianem@polarcomm.com

Dear Chairman and committee members,

We oppose the changing of Senate Bill 2158 to allow a dissolved school district to distribute funds to a political subdivision. The amount stated as not to exceed \$500,000 is an exorbitant amount of money. These funds were received from taxpayers and state funds that were collected in good faith for the betterment of the education of our youth. Paragraph a indicates that after required amounts are put aside for required expenditures, the unobligated funds are credit to real property owners in the form of a tax credit or refund and believe it should remain this way. Why is this amendment being reviewed now. If this was not a legal option at the time of dissolution, is it of good legal issue to make this change after a school has chosen to close!

A change of this magnitude is setting a **precedence**, not only on the school dissolution level but also with **any taxpayer and state collected funds (taxes)**. The funds need to be applied as stated as a refund or distributed to the school districts in which the students were distributed to. With the increasing costs of operating a school system and the difficulty of hiring and retaining teachers, wouldn't the money be more beneficial to the education of the children to be distributed to the surrounding school districts the children are attending?

The amendment to the house bill does not specify how a political subdivision will account for these funds. Is a special account required for the separation of regular city business activities versus the school/community center business? The amendment is too vague and as the amendment is written if the City decides to repave main street using these funds they could.

Yes, keeping the school viable is a heartfelt thought, however, sustainability is in question. The Edmore School district consists of 6 different communities. If the amendment is passed, shouldn't ALL Communities that have paid their taxes and supported the Edmore school benefit, NOT just ONE community.

Thank you for your time and consideration for what I have written.

Respectfully Submitted,

Dale & Geraldine Pesek

I am writing to urge you to support the patrons of the Edmore School District's need to retain use of the closed Edmore School for a community center going forward. In order for that to be possible, funds will need to be transferred from the Edmore School to the city of Edmore in order to pay for the heat, lights, water, and maintenance needed.

My husband David Levang and I moved to Edmore in 1967 and have been supporters of the Edmore School ever since. We have come to rely on the school in this small rural community. The school has a great gymnasium and excellent workout equipment. We exercise there regularly three times each week. Since we are in our late seventies, it would be unsustainable to have to drive nearly 100 miles each time we exercise to a nearby town. In addition, we use the school's up-to-date kitchen and dining areas when we sponsor benefits for those who need financial help. We're also prepared food and used the dining areas for funeral lunches when that has been needed. The school also has a very good library which we appreciate having access to using. You can see that our school has terrific potential for being a great community center for Edmore and our friends in surrounding communities!

It frightens us to think our school, our wonderful resource, could suddenly be ripped away from us and our community. That actually would be devastating! There are many challenges living in rural North Dakota. Please help us keep what we have left in our small rural North Dakota community. That would mean the world to us!

Sincerely,

Irene Levang

March 6, 2025

Laurie Haugen  
9728 72<sup>nd</sup> St NE  
Edmore, ND 58330

Honorable Members of the House Political Subdivisions Committee

**RE: SB2158—In Favor Testimony**

Chairman Longmuir & Members of the Committee-

As a resident of Edmore, ND, I am writing in support of passing SB2158 to allow the funding necessary to maintain the Edmore School for a multipurpose community center.

As a former employee & parent of four Edmore graduates it was hard to watch the school close. This is vital to our small town and will be a place to be used for many years. Now as the grandparent of 14 we will be able to use this building for many activities.

This funding is critical in keeping the building going, which will also help the future of Edmore.

Laurie Haugen

March 6, 2025

Honorable Members of the House Political Subdivisions Committee

**RE: SB2158—In Favor Testimony**

Chairman Longmuir & Members of the Committee-

My name is David Haugen and I graduated from Edmore High School, along with our four children. I was on the school board for 15 years and drove school bus for 10 years.

I am in favor of SB2158 since it transfers \$500,000 to the city only for maintenance of the school. The community will be able to use the building for different activities from funerals, reunions, workouts, and special occasions.

Thank you for your support.

David Haugen

701-370-2174

Thank you for taking the time to read this letter. The Edmore Public School has been a vital part of our community for over 100 years. Continued funding is essential to keep this building functioning for the needs of this community. We have a very strong need for this facility as it is used for benefits, funerals, community exercise programs, etc. It also has a state-of-the-art kitchen where we can serve receptions, funerals, and community functions.

Without this facility, the people of this community would have to travel long distances to full fill these needs. Which would put a greater burden upon our community without this resource.

Thank you,

Sally Diseth

### **SB 2158 Testimony**

Chairman Longmuir and Members of the House Political Subdivision Committee, for the record my name is Brandt Dick, President of the ND Small Organized Schools and Burleigh and Emmons County Superintendent of Schools. I am here today to support SB 2158, a piece of legislation that provides a tool for local communities to determine the best way to utilize funds for the benefit of their schools and broader community. This bill allows county committees to allocate unobligated cash balances from a dissolved school district to another political subdivision within the geographic area of the former district. Such a provision provides an opportunity amid a very difficult reality, dissolving a school district and becoming part of other school districts.

In the case of the Edmore School District, as with other districts that may face dissolution, the carryover funds consist of local property taxes and state contributions, as well as proceeds from the sale of assets that are part of the school district. These resources are generated within the school district and should be allowed to be used in a manner that supports the community's future where the school building is located. By allowing these funds to be distributed to local entities rather than solely allocated for tax credits, SB 2158 ensures that communities retain the ability to invest in infrastructure, and other local needs that directly impact their residents.

SB 2158 will not be utilized in all dissolution situations. I worked with a dissolution in Emmons County where there was no community or other political subdivision which would have needed the school building. In that situation, the building was auctioned off, and the money left over and raised by the selling of assets was returned to taxpayers.

The closure of a school can be a devastating event for a rural community, stripping it of an essential institution that often serves as its economic and social hub. Allowing these funds to be redirected within the affected region provides an opportunity to maintain vital services and programs that benefit residents, students, and local businesses alike. By keeping resources in the community and allowing for a viable plan of community utilization of the school facility, passage of SB 2158 can help sustain the very fabric of small towns and ensure they remain viable places to live, work, and raise families.

I urge this committee to support SB 2158 and recognize its value in strengthening local decision-making and community resilience. Thank you for your time and consideration. I will stand for questions.

March 6, 2025

**RE: SB 2158—In Favor**

Chairman Longmuir and Political Subdivision Committee Members:

My name is Kristen Hoime and I am writing this to express my strong support for SB2158. This funding is critical for our small town to use our beautiful school as a community center.

I have been a teacher at the Edmore School for the past 40 years and have had both of my children graduate from the Edmore School.

We, as patrons of the Edmore School, have been allowed to use the school for years for community events, funerals, exercise, meetings, etc. Without this funding to help us preserve the Edmore School as a community center, it would be a devastating loss for our small community.

***Please support this bill*** and help our small town promote community and health.

Kristen Hoime

March 6, 2025

Chairman Lonmuir and Political Subdivision Committee:

**RE: SB2158—In Favor Testimony**

This is Donovan and Debra Diseth, life long residents and taxpayers of the Edmore Community. We are strongly in favor of the city assuming ownership of the Edmore School and the proposed funding requested by the Edmore School Board.

If the proposed funding is not received it would be very difficult for the community to maintain the facility. There are many ideas going around such as keeping the exercise facility, creating a unified community center, social activities and possibly a community-owned store and café in the future. The proposed \$500,000 would be strictly utilized for the community center.

I strongly urge an “in favor” vote for SB2158.

Sincerely,

Donovan and Debra Diseth

Chairman and Committee members

I am a landowner in the former Edmore School District. We also lease a fair amount of land in the former district from out of the area land owners. I am having a hard time supporting the gift of \$500000 to the community of Edmore. These are tax payer and state aid dollars, not community dollars, and they belong to the education of the children of the whole district or where those children now attend school. It feels to me, the majority of these funds would be better served as a refund to the taxpayer. Let the taxpayers decide where the money goes. If they want to give to the Edmore community, that then is their choice. Maybe \$100000 would be a better amount to help with the upkeep at the school. Like any other small community trying to stay afloat has to do, there are other sources of funding to work and apply for if the community feels that strongly about it. There are several other communities within the old district with the same problem. Giving all the funds to one doesn't seem fair.

This bill is setting a precedence for future situations in other school districts with very similar issues that are coming in the near future as enrollment continues to decline in the rural settings.

Thank You for your consideration to this matter.

Respectfully,



John Shirek

Lankin ND

Lisa Pesek  
10119 71st ST NE  
Edmore, ND 58330

March 6, 2025

Honorable Members of the House Political Subdivision Committee

***Subject: Urging a “Do Pass “ Vote on SB2158***

Chairman Langmuir and Members of the Committee

I write to you today with urgency in my request for you to Vote “Do Pass” on SB2158 which is scheduled for you to review on March 7, at 11:00 am.

After the devastating closure of our school in 2024 many of us in our community were wondering what was to become of our beautiful school building. I was employed at EPS for 20 years and I am a graduate from Edmore along with my husband, parents, children and we all care about what the building can provide now for the community! Many have said a senior center, a coffee shop, meeting rooms, an exercise center, pickle ball courts, a grocery store and an event center for special events! A place for all in the community or surrounding communities to spend time together!

The money would be used to pay the bills, and maintenance on the building to keep running for years to come.

Our town of Edmore is small and is mostly an agricultural town with many of the people who live in/around town do farm or have retired from farming. Everyone has a vested interest in keeping our town alive and a community center would do just that!

I respectfully urge you to stand with us and vote “Do Pass” on SB2158 and to allow the transfer of \$500,000. Thank you for your time and consideration.

Sincerely,

Lisa Pesek  
[lipesek66@gmail.com](mailto:lipesek66@gmail.com)

ND Legislative assembly,

I am Roger Nygaard, Mayor of Edmore. The new addition of the high school was finished in December of 1963. We moved in over Christmas break and had the graduation in May of 64. It was a beautiful school and with great administrators the school was kept up and looks every bit as good today. So, it is important not to let this facility go by the wayside. It has a lot of potential for business ventures or local events to take place.

We need the funding to be left in place to maintain the building, find occupants, and keep the building looking ever bit as good as it did when kids were walking down the halls.

Thank you,

Roger Nygaard graduate of '64'

Tammy Berg  
Edmore, ND 58330

March 6, 2025

**Honorable Members of the House Political Subdivision Committee**

**Subject: Urging a “Do Pass” Vote on SB2158**

Chariman Longmuir and Members of the Committee-

Hi, I am Tammy Berg and I am here to tell you about my school. I have lived in Edmore my whole life, graduated 51 years ago and the school is in just as good shape, with a few updates.

It was hard enough when our school closed, but now we are discussing with worry, about our beautiful building being closed forever, if the city were not to receive the funds necessary to maintain its existence.

The intent is to turn this building into a community center, in which it would be handicap accessible, large dining area with a beautiful and very usable kitchen, very well kept bathrooms, a gym that still could be used for basketball games, a workout area with all the equipment you could ever need, and rooms on the main floor that could be used for meetings, small businesses, etc. You can eat off the floors if that's your thing. The school still has a lot of life, many many years if loved and maintained. It would be used for future meetings, fundraisers, possibly a store, or even a café in the future. Our store is old and the owner is looking to retire; everything is already at the school facility to handle both of these. The possibilities are endless. Our building is much too nice to sit empty and deteriorate.

As we come together to keep our city building beautiful and very usable, please consider passing SB2158 and let us continue to have a community building, the money to maintain it, and to promote community togetherness.

Thank you for your time and consideration.

Tammy Berg  
Tammyberg1816@gmail.com

I am writing you today in regards to 2158. I am the current Board President of Maple Valley Public School in Tower City, ND and a property tax payer across multiple counties in North Dakota including Walsh county. I rarely get involved with the legislature, but this is a really bad bill to give property tax dollars away with no plan.

I strongly recommend this bill does NOT move forward in any form and dies in committee.

Property taxes are an important topic for the legislature this year. I was really disappointed when I saw a bill like this brought forward. At a time when the people of North Dakota are demanding the legislature reduce property taxes and improve how they are used, we are discussing a bill to just give them away to another political subdivision with no plan in the bill. Measure 4 may have been a good idea if this is where my money is going.

Schools dissolve as communities decrease in size and can no longer maintain a functional district. So now the legislature wants to give that small town a check of my property tax dollars of up to \$500,000? Help me understand how this money will be used and a good use of my property taxes? I can tell you where the money will go in a small town - to someones friend, cousin or wife to make \$50,000 a year mowing the old school lot in town. Some may tell you it will be used to maintain the building that was given to the city, which in turn is the same answer I stated above. Giving these buildings to the city is also a bad idea. You're giving the building and cash to the same communities that didn't take action to develop, grow, and be successful enough to maintain a school - that is a terrible plan. The money needs to be returned to the property tax payers.

Our district of Maple Valley School is made up of Buffalo, Oriska, Fingal, and Tower City. During my time on the board, we have sold 3 school buildings and several lots. In the case of the buildings, we have found more value in them being sold to private individuals who will develop them to better the community, rather than a political subdivision that doesn't have the resources or effort to develop a good use for the community.

If this bill passes, you will see districts increase taxes to build their carry over into dissolution in order to drive property tax dollars into their dead community. I can only imagine the miss use of funds in a city of 50 people getting \$500,000 of my property tax dollars.

In closing, quit wasting your time and others in Bismarck on a bill that gives my property tax dollars to one dead town in the state with no school- give it back to me as the law states today, it is my money.

Thank you,

Joey Bata  
Oriska ND

Chairman Longmuir and Members of the Committee-

My name is Landon Rice from Edmore ND. I'm a member of the Edmore City Council, business owner on main street as well as a farmer in the Edmore School district with a young upcoming family. I'm strongly in favor of bill 2158. This bill gives not only our community but many others in this same situation in the future the chance to keep a school building open and operable for years to come.

As a member of the city council, our board has already discussed productive ideas of things we can utilize the building for when converting it to a "community center." I also have an idea list in my office that community members have contributed to over the last year since the school has closed. These ideas include a gym/workout facility (which is already setup and in operation now), golf simulator if we see fit, a grocery store, library, daycare as there actually is young families in the community. This building also provides adequate space for large events such as funerals, weddings & other social gatherings that may arise. I also know we have been asked by other neighboring schools to use our gym for practices or weekend tournaments as their gym space in their own towns is limited.

As the updated bill reads, a school district can give up to \$500,000 in cash assets to the city which is crucial for our already strapped financial condition. Keep in mind these funds are to NOT to be spent outside the school, they will strictly be utilized for school building upkeep, utilities and maintenance. If this is to pass, we already have a new board tentatively set to handle the means of this task. That board will consist of the mayor, 2 members of city council, 2 members of the school board and 2 or more members of the general public/community to make sure operations stay fair to all sides as best we can. With that will be a completely separate set of financials to make sure the funds are used in a proper manner and to what this was all intended.

Thank you for your time. If there are any questions, I will answer the best I can.

Respectfully,

Landon Rice

701-739-2874

landonhrice@hotmail.com

Chairperson and committee members:

RE: SB2158—In Favor Testimony

My name is Jordan Diseth from Edmore, ND. I am a member of the city council of Edmore, Secretary/Treasurer of Edmore Volunteer Fire Department and Ambulance Service, and 5<sup>th</sup> generation resident of Edmore.

I am writing in favor of Bill 2158. \$500,000 given to the political subdivision is vital to keep the Edmore School running as a community center. This money will be used for heating, electricity, internet for cameras in the building, water, building upkeep, snow removal, and mowing the property. Many of us know that all these expenses add up quite quickly so the amount might seem excessive to others, but they will be used wisely to produce a highly functioning community center that can get up and running without the requirement of fundraising and State/Federal funding grants. With these funds the Community Center can keep running at an affordable rate to anyone that wants to use the building. As a member of the Edmore City Council, it has already been discussed that a board would be formed that would include 2 members of the present school board, 2 members of the city council, the mayor, and possibly include members of the Edmore Community Club (locally ran and operated gaming charity).

There are many possibilities for this immaculate building that can be a benefit to this community and surrounding communities. As of now, there is gym equipment to exercise at a small yearly fee to pay for the key fob required to enter the building in non-operating hours, the gym is used by many in the community to allow their children to run around during these cold winter months, and the library is full of books and available to be used. The other options that have been discussed with many community members: use of the kitchen for community meals, cooking classes, wedding venue, class reunions; community grocery store; golf simulator as Edmore is centrally located between 5 different golf courses but lacking in somewhere to play when the weather does not cooperate or during winter months; and Senior center as the previous building was destroyed due to a substantial water break.

As a member of the Edmore Ambulance service, which covers most of the current school district, it has been extremely difficult to find volunteers that give up their time to keep an EMT available when the ambulance service is required. As an ambulance service that covers a substantial amount of land, it is vital to keep the Edmore community strong and keep this ambulance service running as long as possible as Edmore centrally located between all 4 hospitals in the area. With all this being said, there has been talk about using the Edmore Community as a possible location to allow for hired EMTs to stay and use the building to provide quick service when required.

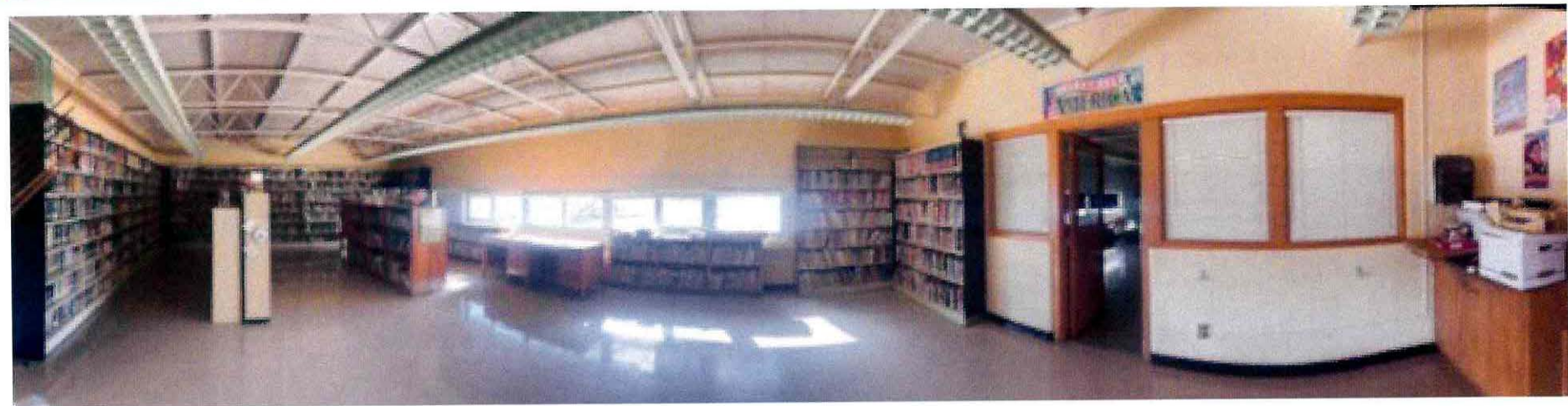
As a 5<sup>th</sup> generation resident of Edmore, I believe with the money and Community center that this community can thrive that will make it a hub for surrounding communities to want to visit with their families. Even though this building will no longer be a school, it still has many lessons of education that it can still teach next generation that will never have the opportunity to go to school here.

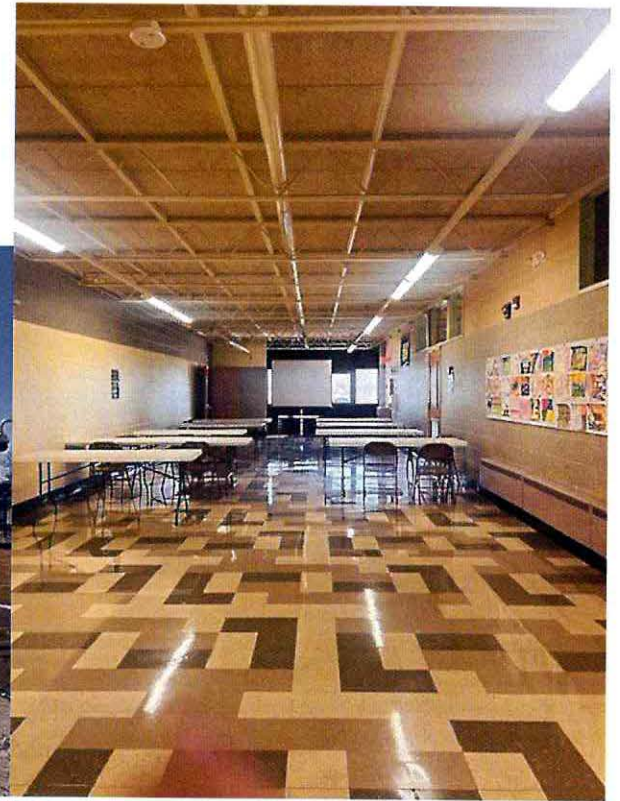
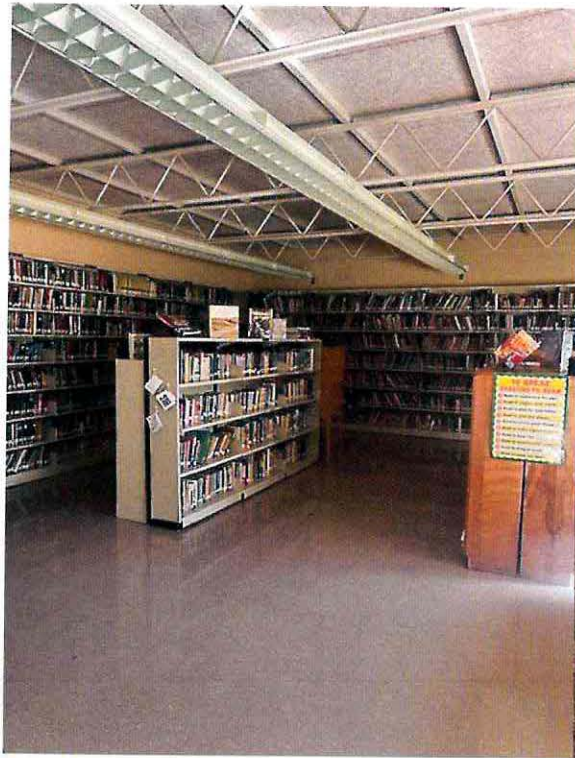
Thank You, I am available to answer any questions

Jordan Diseth









# 2025 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Room JW327B, State Capitol

SB 2158  
3/13/2025

A BILL for an Act to amend and reenact section 15.1-12-29 of the North Dakota Century Code, relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

9:37 a.m. Chairman Longmuir opened the hearing.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Vice-Chairman Jonas, Representatives Bolinske, Davis, Hager, Hatlestad, Heilman, Klemin, Motschenbacher, Toman, Warrey

Members Absent: Representative Ostlie

### **Discussion Topics:**

- Total cost of funding the Edmore school upkeep and renovations
- Allocation of funding

9:37 a.m. Committee discussion on use of funding for dissolved school districts

### **Additional written testimony:**

Joe Bata, Walsh County School Reorganization Committee, submitted testimony in opposition #41352.

9:43 a.m. Chairman Longmuir closed the hearing.

*Wyatt Armstrong, Committee Clerk*

**From:** [jpbata@polarcomm.com](mailto:jpbata@polarcomm.com) <[jpbata@polarcomm.com](mailto:jpbata@polarcomm.com)>

**Sent:** Tuesday, March 11, 2025 9:15:57 AM

**To:** Bolinske, Macy <[mbolinske@ndlegis.gov](mailto:mbolinske@ndlegis.gov)>

**Subject:** Fw: Bill 2158 testimony

You don't often get email from [jpbata@polarcomm.com](mailto:jpbata@polarcomm.com). [Learn why this is important](#)

Good Morning Ms. Bolinske,

Thank you for letting me testify on bill 2158. I must correct my statement on when the money is refunded in a dissolution. It is addressed in Century Code 15.1-12-29-2. As Mr. Tischer stated: The refund would go to the property owner at the time of payment.

If the sale of property is made prior to that date, the bill of sale could state that all school refunds will go to the prior owner. Advise of a lawyer is recommended.

Please study the amendment to bill 2158 and pass the bill as amended. Remember the bill will affect dissolutions for years to come.

I can be reached at 701-331-0344. Thank you, Joe Bata

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Room JW327B, State Capitol

SB 2158  
3/28/2025

A BILL for an Act to amend and reenact section 15.1-12-29 of the North Dakota Century Code, relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

9:00 a.m. Chairman Longmuir called the meeting to order.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Representatives Bolinske, Hatlestad, Klemin, Motschenbacher, Ostlie, Toman, Warrey

Members Absent: Vice-Chair Jonas, Representatives Davis, Hager, Heilman

### Discussion Topics:

- Fiscal impact of the bill
- Impact on future dissolved school districts

9:15 a.m. Representative Klemin moved a Do Not Pass.

9:16 a.m. Representative Fegley seconded the motion.

Representatives	Vote
Representative Donald W. Longmuir	Y
Representative Clayton Fegley	Y
Representative Jim Jonas	A
Representative Macy Bolinske	Y
Representative Jayme Davis	A
Representative LaurieBeth Hager	A
Representative Patrick R. Hatlestad	N
Representative Matthew Heilman	A
Representative Lawrence R. Klemin	Y
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	Y
Representative Nathan Toman	Y
Representative Jonathan Warrey	N

9:18 a.m. Motion passed 7-2-4

9:18 a.m. Representative Fegley will carry the bill.

9:19 a.m. Chairman Longmuir closed the hearing.

*Wyatt Armstrong, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
ENGROSSED SB 2158 ([25.0300.03000](#))**

**Political Subdivisions Committee (Rep. Longmuir, Chairman)** recommends **DO NOT PASS** (7 YEAS, 2 NAYS, 4 ABSENT OR EXCUSED AND NOT VOTING). SB 2158 was placed on the Fourteenth order on the calendar.

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Political Subdivisions Committee Room JW327B, State Capitol

SB 2158  
4/4/2025

A BILL for an Act to amend and reenact section 15.1-12-29 of the North Dakota Century Code, relating to the distribution of the unobligated cash balance of a dissolved school district; and to declare an emergency.

10:37 a.m. Chairman Longmuir called the meeting to order.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Representatives Bolinske, Hatlestad, Klemin, Motschenbacher, Ostlie, Toman, Warrey, Jonas, Davis, Hager and Heilman

### **Discussion Topics**

- Reconsider Previous Action

10:38 Representative Klemin voiced his concern of having the bill reconsidered.

10:38 No motion was made, reconsideration failed.

10:40 a.m. Chairman Longmuir closed the hearing.

*Wyatt Armstrong, Committee Clerk by Risa Berube*