

2025 SENATE FINANCE AND TAXATION

SB 2367

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2367
2/3/2025

Relating to development and use of modifiers for assessment of agricultural property; and to provide an effective date.

9:30 a.m. Chairman Weber opened the hearing.

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

Discussion Topics:

- Effective date
- Current modifiers
- Procedures if modifiers change

9:31 a.m. Senator Myrdal, District 19, introduced SB 2367 and testified in favor.

9:37 a.m. Pete Hanebutt, Director of Public Policy, North Dakota Farm Bureau, testified in favor.

9:39 a.m. Julie Ellingson, Lobbyist, North Dakota Stocksmen Association, testified in favor.

9:40 a.m. Matt Purdue, Government Relations Director, North Dakota Farmers Union, testified in favor.

9:41 a.m. Shelli Meyers, State Supervisor of Assessment, Office of North Dakota Tax Commissioner, testified neutral.

9:49 a.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2367
2/5/2025

Relating to development and use of modifiers for assessment of agricultural property; and to provide an effective date.

9:27 a.m. Chairman Weber opened the hearing.

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

Discussion Topics:

- Current modifiers
- Distance to the closest market modifier
- Amendment regarding application quantity and notifying county

9:32 a.m. Senator Walen moved Amendment to require one application from property owners and to notify the county if the use of a modifier is changed.

9:32 a.m. Senator Marcellais seconded the motion.

9:37 a.m. Senator Marcellais second withdrawn.

9:37 a.m. Senator Walen motion withdrawn.

9:39 a.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2367
2/12/2025

Relating to development and use of modifiers for assessment of agricultural property; and to provide an effective date.

9:44 a.m. Chairman Weber opened the hearing.

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

Discussion Topics:

- Amendment regarding use of land and application process
- Ability of tax department to adjust to changes
- Enforcement of counties that fail to use modifiers

9:54 a.m. Senator Walen moved Amendment LC#25.1340.01003.

9:55 a.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

Motion passed 6-0-0.

9:55 a.m. Senator Walen moved a Do Pass as Amended.

9:56 a.m. Senator Patten seconded the motion.

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

Motion passed 5-1-0.

Senator Walen will carry the bill.

Senate Finance and Taxation Committee

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9:57 a.m. Chairman Weber adjourned the meeting.

Chance Anderson, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2367

Introduced by

Senators Myrdal, Luick

Representative Monson

2-12-25
AB 1003

A BILL for an Act to amend and reenact ~~subsection~~ subsections 8 and 9 of section 57-02-27.2 of the North Dakota Century Code, relating to ~~development and use of modifiers for~~ assessment of agricultural property; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 8 of section 57-02-27.2 of the North Dakota Century Code is amended and reenacted as follows:

8. Each local assessor shall determine the relative value of each assessment parcel within the assessor's jurisdiction and shall determine the agricultural value of each assessment parcel by adjusting the agricultural value estimate for the assessment district by the relative value of the parcel. Each parcel must then be assessed according to section 57-02-27. If either a local assessor or a township board of equalization develops an agricultural value for the lands in its assessment district differing substantially from the estimate provided by the county director of tax equalization, written evidence to support the change must be provided to the county director of tax equalization. In determining the relative value of each assessment parcel, the local assessor shall apply the following considerations, which are listed in descending order of significance to the assessment determination:
 - a. Actual use of the property for cropland or noncropland purposes by the owner of the parcel.
 - b. Soil type and soil classification data from detailed or general soil surveys.

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~~b-c.~~ The schedule of modifiers that must be used to adjust agricultural property assessments within the county as approved by the state supervisor of assessments under subsection 9.

~~c. Actual use of the property for cropland or noncropland purposes by the owner of the parcel.~~

SECTION 2. AMENDMENT. Subsection 9 of section 57-02-27.2 of the North Dakota

Century Code is amended and reenacted as follows:

9. a. In conjunction with the governing body of the county, the county director of tax equalization shall develop a schedule of modifiers to be used to adjust agricultural property assessments within the county and directions regarding how the modifiers must be applied by assessors.
- b. The county director of tax equalization shall submit the directions and schedule of modifiers developed under subdivision a to the state supervisor of assessments for approval for use within the county.
- c. Before February first of each year, the county director of tax equalization in each county shall provide to all assessors of agricultural property within the county at the directions and schedule of modifiers that approved by the state supervisor of assessments under subdivision b. The schedule of modifiers must be used to adjust agricultural property assessments within the county and directions regarding how these modifiers must be applied by assessors. Before the schedule of modifiers is provided to assessors within the county, the county director of tax equalization shall obtain the approval of the state supervisor of assessments for use of the schedule within the county as provided in this section.
- d. Without requiring To request an adjustment to an owner's agricultural property assessment, the owner shall sign and file with the assessor an initial application from the property owner, the assessors shall use the manner prescribed by the tax commissioner. The application must contain a verified statement of facts establishing the owner's property meets the eligibility requirements for an adjustment to the property assessment based on the schedule of modifiers developed and approved under this subsection to determine as of the date of the application. The assessor shall consider applications submitted under this

1 subdivision when determining the agricultural value of each parcel subject to
2 assessment under this section and may request additional information from the
3 applicant when making a determination of eligibility. After the submission of an
4 initial application, the assessor periodically shall review the property and
5 determine whether a continued adjustment to the property assessment based on
6 the schedule of modifiers is appropriate. The property owner shall notify the
7 assessor if there is a change in circumstance that may affect the applicability of
8 an adjustment to the owner's property assessment based on the schedule of
9 modifiers.

10 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
11 December 31, ~~2024~~2025.

**REPORT OF STANDING COMMITTEE
SB 2367**

Finance and Taxation Committee (Sen. Weber, Chairman) recommends **AMENDMENTS** ([25.1340.01003](#)) and when so amended, recommends **DO PASS** (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2367 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

2025 HOUSE FINANCE AND TAXATION

SB 2367

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

SB 2367
3/10/2025

Relating to assessment of agricultural property; and to provide an effective date.
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10:16 a.m. Chairman Headland opened the hearing.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives D. Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, J. Olson, Steiner, Toman

Members Absent: Representative Porter

Discussion Topics:

- Clarifications and modifiers
- Technical corrections
- Tax burden

10:16 a.m. Senator Janne Myrdal, District 19, introduced the bill.

10:20 a.m. Pete Hanebutt, ND Farm Bureau, testified in favor.

10:21 a.m. Jade Koski, ND Stockmen's Association, testified in favor.

10:22 a.m. Lance Gaebe, Policy Strategist, ND Farmers Union, testified in favor.

10:23 a.m. Megan Gordon, Legal Counsel, ND Legislative Council, stood for questions.

10:25 a.m. Chairman Headland closed the hearing.

Janae Pinks, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

SB 2367
3/10/2025

Relating to assessment of agricultural property; and to provide an effective date.
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10:55 a.m. Chairman Headland opened the meeting.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives D. Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, J. Olson, Steiner, Toman

Members Absent: Representative Porter

Discussion Topics:

- Committee action

10:56 a.m. Representative J. Olson moved a Do Pass.

10:56 a.m. Representative Dressler 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 Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	Y
Representative Jeremy Olson	Y
Representative Todd Porter	AB
Representative Vicky Steiner	Y
Representative Nathan Toman	Y
Representative Austin Foss	Y
Representative Zachary Ista	y

10:56 a.m. Motion passed 13-0-1

10:57 a.m. Representative Motschenbacher moved to add to the Consent Calendar.

10:57 a.m. Representative Motschenbacher withdrew the motion.

10:57 a.m. Representative Dressler will carry the bill.

10:57 a.m. Chairman Headland closed the meeting.

Janae Pinks, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED SB 2367 ([25.1340.02000](#))**

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). SB 2367 was placed on the Fourteenth order on the calendar.