

**2025 SENATE FINANCE AND TAXATION**

**SCR 4023**

# 2025 SENATE STANDING COMMITTEE MINUTES

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

SCR 4023  
2/11/2025

Relating to the statewide property tax levy of one mill for support of the state medical center at the University of North Dakota; and to provide an effective date.

9:03 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:

- Proposition of statewide ballot measure
- Constitutional statute regarding state levied mills
- Faculty and student count of UND School of Medicine
- Layout of UND School of Medicine budget

9:03 a.m. Senator Luick, District 25, introduced SCR 4023 and testified in favor.

9:13 a.m. Dr. Marjorie Jenkins, Dean, UND School of Medicine & Health Sciences, testified in opposition and submitted testimony #37060.

9:30 a.m. Andrew Armacost, President, University of North Dakota, testified in opposition and submitted testimony #36973.

9:36 a.m. Dr. Joshua Wynne, Professor of Medicine, UND School of Medicine and Health Sciences, testified in opposition.

9:42 a.m. Donna Thronson, Communications Director, NDMA, testified in opposition and submitted testimony #36863.

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

*Chance Anderson, Committee Clerk*

**Senate Finance and Tax Committee****SCR 4023****February 11, 2025**

Chairman Weber and Committee Members, I'm Donna Thronson and I serve as Communications Director of the North Dakota Medical Association. The North Dakota Medical Association is the professional membership organization for North Dakota physicians, residents, and medical students. NDMA opposes SCR 4023.

NDMA appreciates the intention of this resolution. Addressing property taxes is a major concern for the people of North Dakota, the Governor, and the legislature. However, this mill levy has an extremely small effect on individual tax bills but provides a stable and much-needed funding source for the state's only medical school. Not knowing how or if the funds will be replaced could leave your school of medicine with a funding shortfall. This situation is serious when the school's funding relies on educating North Dakota's future and present healthcare workforce.

In 1948, the people of North Dakota voted to approve an amendment to the North Dakota Constitution to provide SMHS with dollars raised using a single mill levy to help finance their operations. NDMA assumes that it is the intention of the bill's sponsors not to defund the medical school, but rather to shift the source of funding from property taxes

to the general fund. However, state budgets are tight, and receiving a large increase in funding will be difficult. The fiscal impact or reduction in collections in the 2027-2029 biennium is estimated to be \$14,738,688 if approved by qualified electors in the 2026 general election.

Thank you for the opportunity to address this committee. I would be happy to answer any questions.



**Testimony for the 69th Legislative Assembly – Senate Finance and Taxation**

**February 11, 2025**

**Andy Armacost, President, UND**

**andrew.armacost@UND.edu | 701.777.2121**

**Bill: SCR 4023**

Dear Chairman Weber and Members of the Committee.

For the record, my name is Andrew Armacost, and I am the President of the University of North Dakota. I'm writing in opposition to SCR 4023. I will be available remotely during the hearing to answer any questions you or the committee may have.

# **Senate Finance & Taxation Committee**

## **SCR 4023: Repeal of the One Mill Levy**

February 11, 2025

Dr. Marjorie R. Jenkins

VP for Health Affairs and Dean of the School of Medicine & Health Sciences



# Our Purpose

*To serve North Dakota  
For the benefit of its  
people  
To enhance the quality  
of their lives*

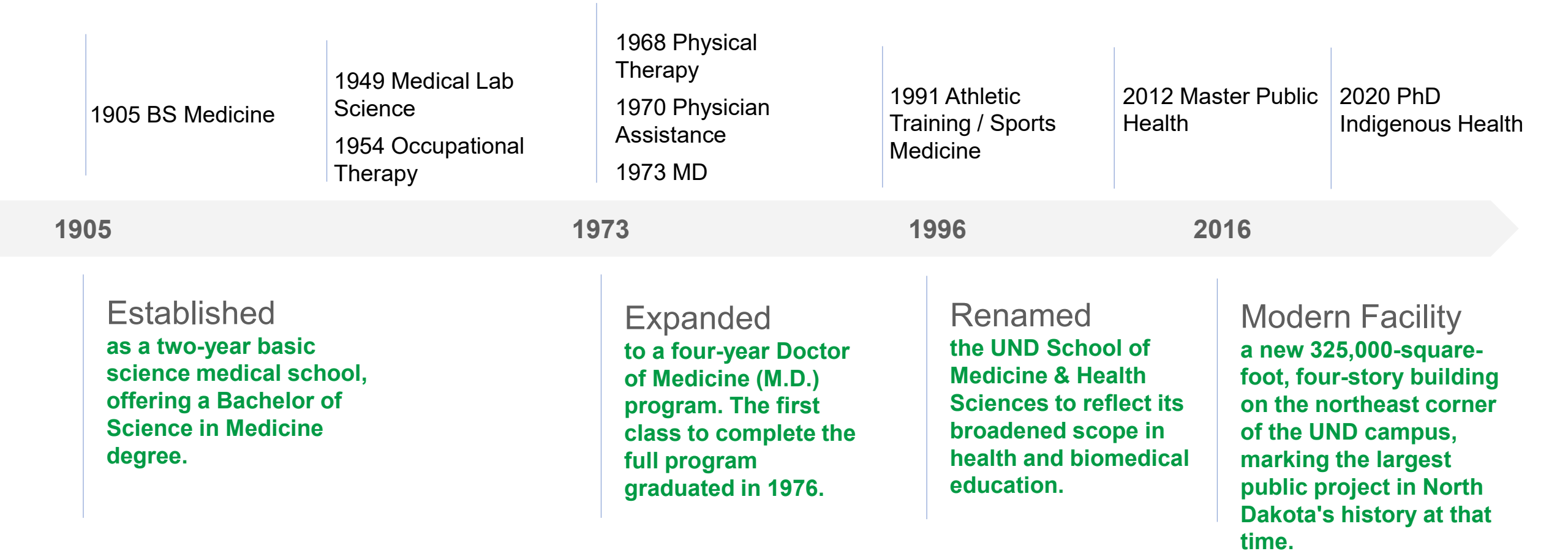
# 1948: NDCC Section 10 of Article X

## Section 10.

1. Upon the adoption of this amendment to the Constitution of the State of North Dakota there shall be annually levied by the state of North Dakota one mill upon all of the taxable property within the state of North Dakota which, when collected, shall be covered into the state treasury of the state of North Dakota and placed to the credit of the North Dakota state medical center at the university of North Dakota; said fund shall be expended as the legislature shall direct for **the development and maintenance necessary to the efficient operation** of the said North Dakota state medical center.
2. This amendment shall be self-executing, but legislation may be enacted to facilitate its operation.



# Serving North Dakota for more than a Century



# Return on Investment



# Healthcare Workforce Training Programs

## Medicine

Doctor of Medicine (MD)

Post-MD Residency Programs

Family Medicine (with rural tracks)

Internal Medicine

Medical Oncology

Neurology

Geriatrics

Surgery (with rural track)

Orthopedic Surgery

Psychiatry (with Telepsychiatry)

Transitional Year

Pediatrics

Forensic Pathology

## Health Sciences/Related

Physical Therapy (D)

Occupational Therapy (D)

Medical Laboratory Science (U and M)

Master of Public Health (M)

Physician Assistant Studies (M)

Sports Medicine/Athletic Training (M)

Graduate Programs:

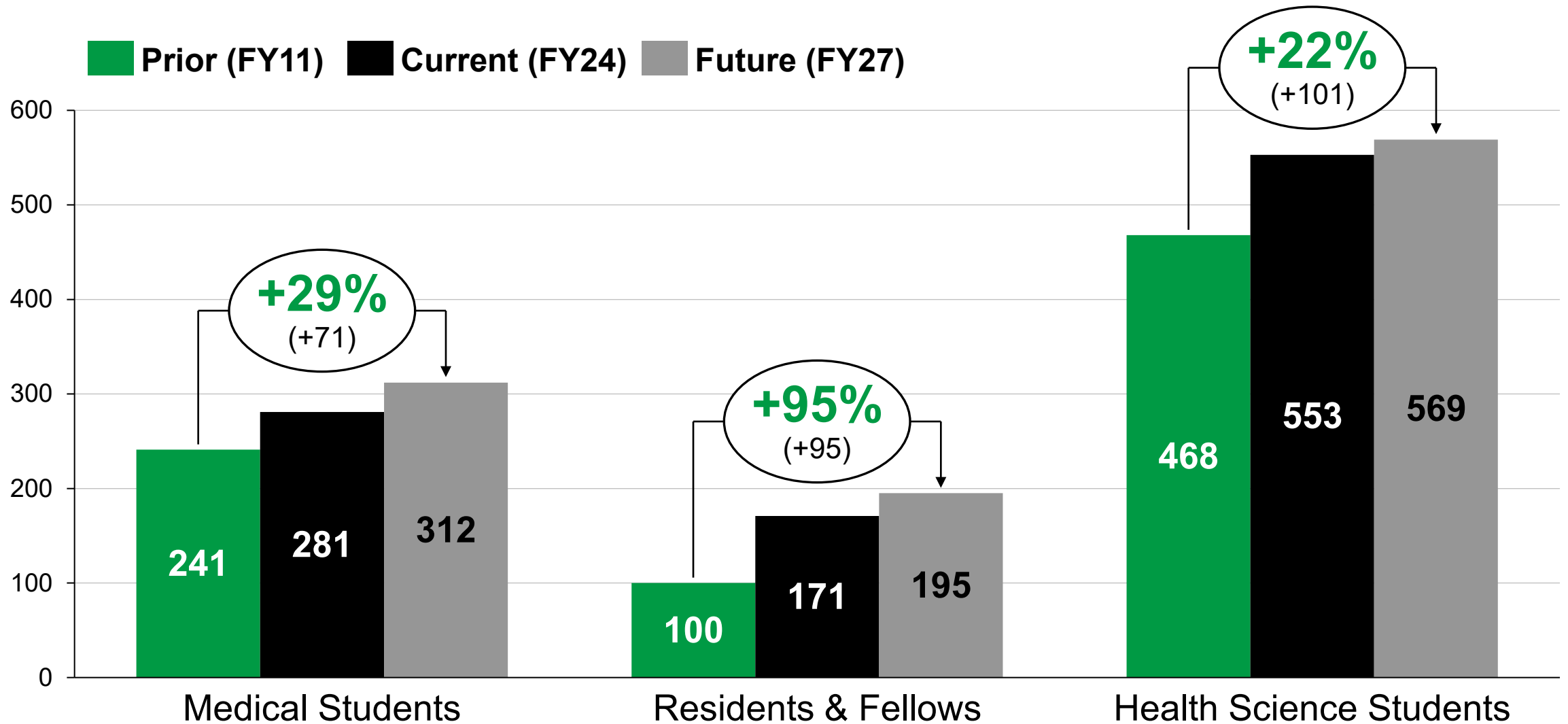
Biomedical Sciences (D and M)

Clinical & Translational Science (D and M)

Indigenous Health (D)

D = Doctorate  
M = Master  
U = Undergraduate

# Growth in Student/Trainee Programs





# SMHS ROI: UND Grads Practicing in ND

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**79%**

**of Family Medicine  
Physicians**

**49%**

**of all  
Physicians**

**46%**

**of Occupational  
Therapists**

**44%**

**of Physical  
Therapists**

**38%**

**of Medical Lab  
Scientists**

**37%**

**of Physician  
Assistants**

# Centers for Family Medicine

- Safety net clinics in Bismarck & Minot
- Care provided by **16** SMHS faculty and **39** residents
- Minot CFM in 2024:
  - Hospital encounters: 3,971
  - Clinic encounters: 12,067
- Bismarck CFM in 2024
  - Hospital encounters: 5,546
  - Clinic encounters: 14,364



Bismarck, ND



Minot, ND



# Simulation in Motion-North Dakota (SIM-ND)

## 30,000+ Individuals Trained



# Report and Roadmap

Healthcare Workforce

Healthcare Access

Health Status

- North Dakotans
- American Indians of North Dakota
- Women and Children

Public Health for the Future

[med.UND.edu/about/publications/biennial-report](https://med.UND.edu/about/publications/biennial-report)

## EIGHTH BIENNIAL REPORT | 2025 HEALTH ISSUES FOR THE STATE OF NORTH DAKOTA

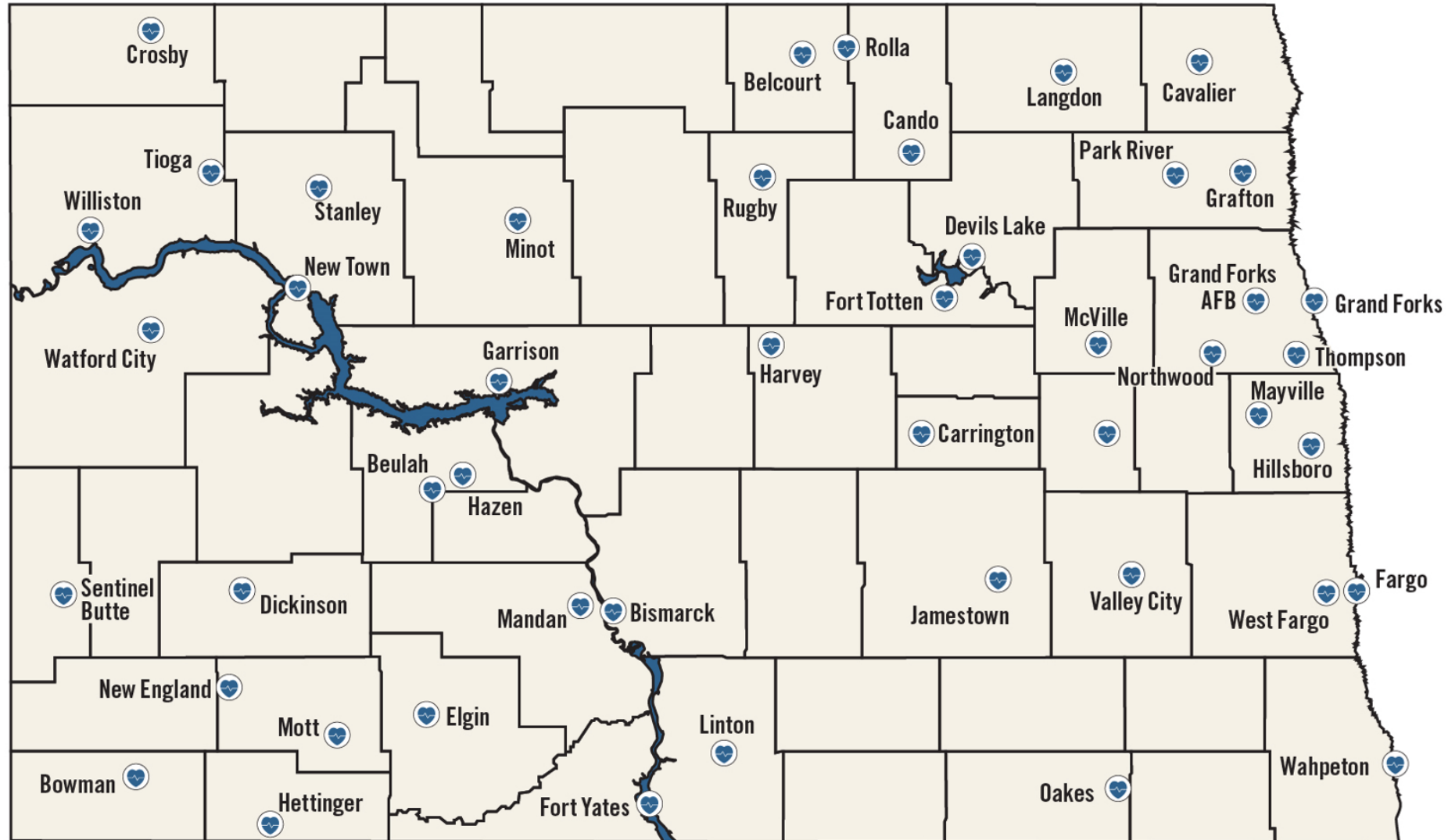




# Large Footprint Lean Operations

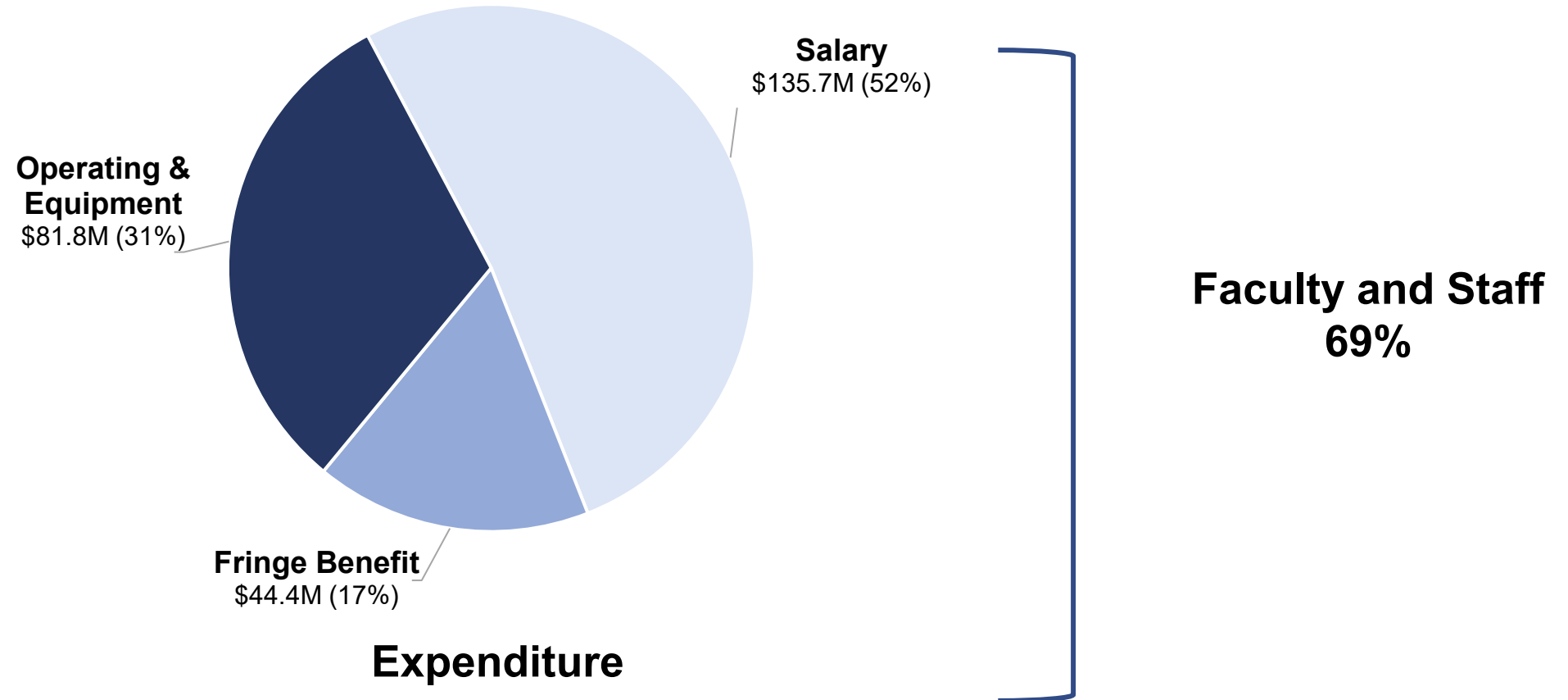


# SMHS Students Across North Dakota



# 2025-27 Biennium Budget

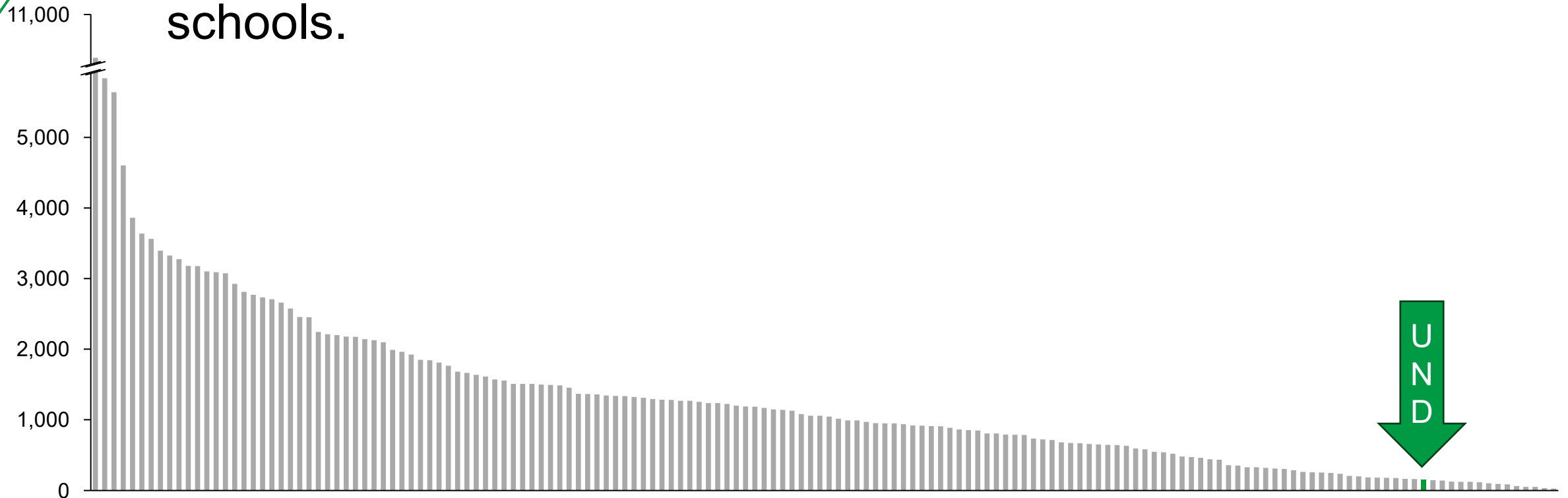
Expenditure \$261,962,687



**\$1 of Legislative Appropriations results in \$1.5 of SMHS Revenue**

# Faculty for MD program 2024-25 (School)

- In 2024-25, the UND SMHS reported a faculty count of 158 to the AAMC, resulting in a ranking of 144th out of 159 member schools.



Source: U.S. Medical School Faculty 2024, AAMC (Counting full-time benefit-eligible faculty in MD program only)

# Student per Faculty Ratio 2024-25 (School)

- In 2024-25, UND SMHS's Student-to-Faculty ratio (1.80) ranked 22nd among 158 medical schools, exceeding the national average of 0.47. This may reflect UND SMHS's lean and efficient model.
- We may be small, but we deliver results.



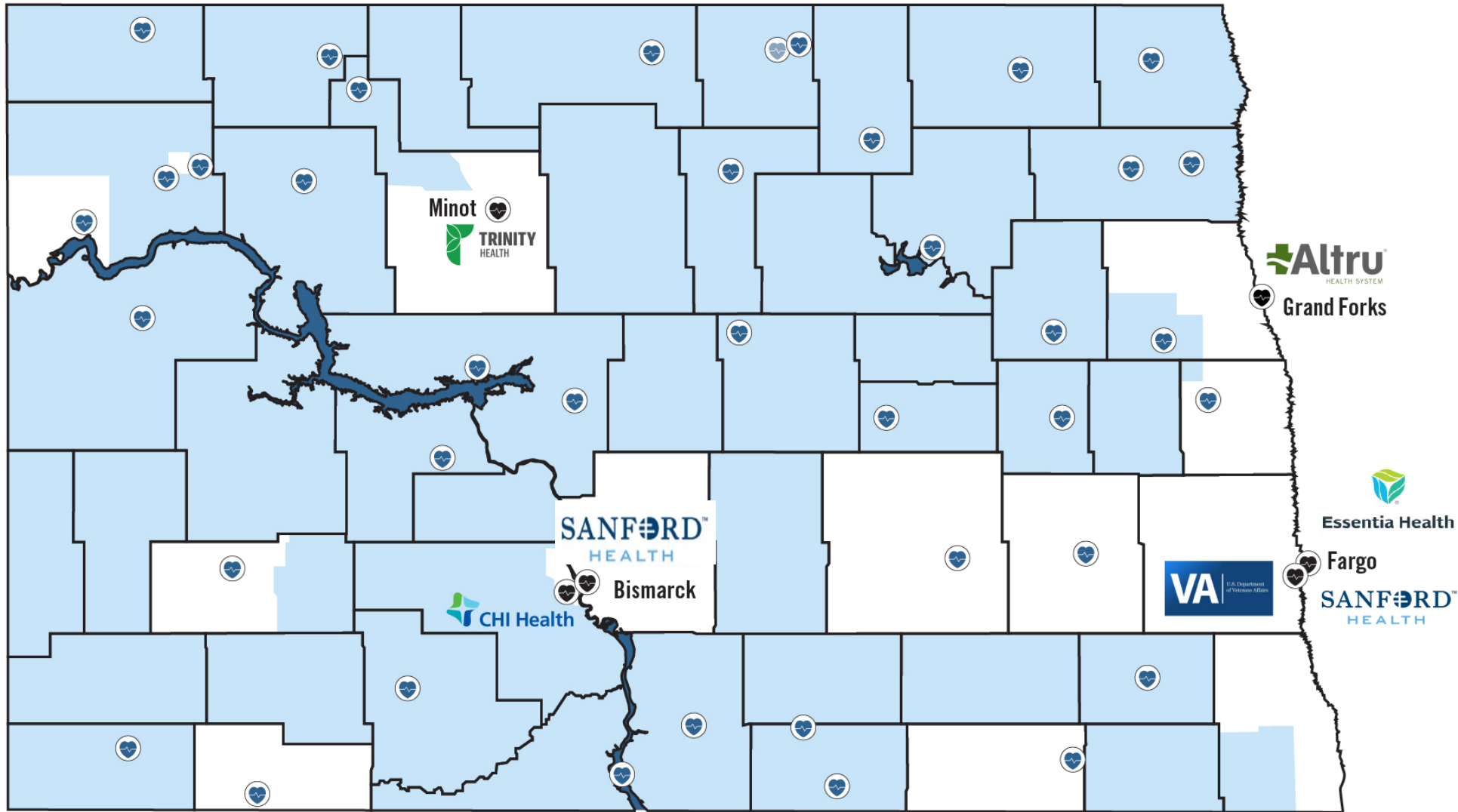
Source: U.S. Medical School Faculty 2024, AAMC (Counting full-time benefit-eligible faculty in MD program only)  
2024 FACTS Enrollment, Graduates, and MD-PhD Data By Institution, AAMC

# One Mill Levy



# Repeal of the One Mill Levy

- HCR 3012 and SCR 4023 propose repealing this amendment.
- If the Legislature approves, the Governor signs, and voters concur in the 2026 General Election, UND SMHS would lose more than **\$14.7M** in next biennial funding (approximately 5% of its operating budget).



**2023-25 Biennium: \$0.64 per North Dakotan per month**



*To serve North Dakota  
For the benefit of its people  
To enhance the quality of their lives*



# Biennial Budget Increases

	2023-25 Base Level	Requested Adjustments	2025-27 SBHE Needs-Based Budget
Campus Operations	\$ 240,396,968	\$ 10,889,569	\$ 251,286,537
Health Care Workforce	\$ 10,676,150	\$ -	\$ 10,676,150
<b>Total Appropriation</b>	<b>\$ 251,073,118</b>	<b>\$ 10,889,569</b>	<b>\$ 261,962,687</b>
General Fund	\$ 82,831,276	\$ 10,869,218	\$ 93,700,494
Special Funds	\$ 168,241,842	\$ 20,351	\$ 168,262,193
<b>Total Funding Sources</b>	<b>\$ 251,073,118</b>	<b>\$ 10,889,569</b>	<b>\$ 261,962,687</b>

	Adjustment **
Formula increase due to credit production	\$ 8,130,500
Inflation factor increase	\$ 2,729,141
Special funds authorization increase	\$ 20,351
IT rate adjustments	\$ 9,577
	<b>\$ 10,889,569</b>

\*\* Based on NDUS budget comparison table.

## Drivers of Increased Funding Needs

Increased student enrollment and credit hour production

Rising costs due to inflation

# 2025 SENATE STANDING COMMITTEE MINUTES

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

SCR 4023  
2/17/2025

Relating to the statewide property tax levy of one mill for support of the state medical center at the University of North Dakota; 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:

- Revenue generated from one mill tax levy
- Replacement funding for state medical center
- Access to information for taxpayers regarding payment of one mill

9:31 a.m. Charles Dendy, General Counsel, Office of ND Tax Commissioner, testified neutral.

9:38 a.m. Senator Walen moved a Do Pass.

9:39 a.m. Chairman Weber seconded the motion.

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

Motion failed 3-3-0.

9:45 a.m. Senator Patten moved a Do Not Pass.

9:45 a.m. Senator Marcellais seconded the motion.

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

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Motion passed 4-2-0.

Senator Marcellais will carry the bill.

9:48 a.m. Chairman Weber closed the hearing.

*Chance Anderson, Committee Clerk*

**REPORT OF STANDING COMMITTEE**  
**SCR 4023 ([25.3036.01000](#))**

**Finance and Taxation Committee (Sen. Weber, Chairman)** recommends **DO NOT PASS** (4 YEAS, 2 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). SCR 4023 was placed on the Eleventh order on the calendar. This resolution does not affect workforce development.