



July 30, 2025

## **Government Affairs Update**

### **2025 Legislative Session**

It was a productive session for the NDAB. The following tiers include bills that NDAB tracked during the 2025 legislative session. Tier 1 includes bills that NDAB either provided testimony or actively lobbied for passage, amendment, or failure of legislation. Tier 2 includes all the bills that NDAB was monitoring but did not take action on or provide input. Bill numbers colored green were passed by the legislature and signed by the Governor. Bill numbers in red failed to pass.

#### **Tier 1:**

Includes bills that NDAB provided testimony or influenced behind the scenes.

<b>Bill number and description</b>	<b>Stance</b>
• <b>HB1036</b> - Establishes an apprenticeship program.	Support
• <b>HB1259</b> - Prohibit daylight savings time.	Oppose
• <b>HB1354</b> - The Appraiser Association bill that adds the ability for appraisers to do evaluations. This does not prohibit real estate licensees from doing valuations or evaluations.	Support
• <b>HB1362</b> - The housing bill from Williston.	Support
• <b>HB1429</b> - Required permission from neighboring landowners to do drone photography of rural property. It was amended extensively to make it workable.	Amend or Oppose
• <b>HB1493</b> - Eliminate the Office of Legal Immigration.	Oppose
• <b>HB1496</b> - Landlord/tenant - defines "reasonable heat" as a minimum of 68 degrees from Oct. 1 thru April 30.	Oppose
• <b>HB1500</b> - Allows renovation of nonconforming structures.	Support
• <b>SB2014</b> - Housing & Finance agency funding.	Support
• <b>SB2019</b> - Career & Technical Education budget.	Support

<ul style="list-style-type: none"> <li>• <b>SB2204</b> - After several amendments, this only changes the radon statement on the property disclosure statement provided by the seller.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2225</b> - The Governor's housing proposal.</li> </ul>	Support
<ul style="list-style-type: none"> <li>• <b>SB2239</b> - \$1.1 m for apprenticeship programs.</li> </ul>	Support
<ul style="list-style-type: none"> <li>• <b>SB2374</b> - Preferred provider relationships for insurance companies.</li> </ul>	Monitor

## **Tier 2:**

Bills NDAB monitored but did not take action on.

<b>Bill number and description</b>	<b>Stance</b>
<ul style="list-style-type: none"> <li>• <b>HB1028</b> - Changes the selection process for a construction manager at risk in large public procurement processes.</li> </ul>	Neutral
<ul style="list-style-type: none"> <li>• <b>HB1080</b> - The Appraisal Board bill that updates the code to comply with federal law.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>HB1125</b> - Real Estate Commission bill to update language and allow for a change in license renewal periods.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>HB1389</b> - This bill would allow flexibility of infrastructure fees (on your utility bill) instead of special assessments.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>HB1395</b> - Landlord/tenant - proof of background check or refund.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>HB1401</b> - This is the League of Cities bill that would allow for exclusive listings of real property by the cities using a licensed agent.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>HB1610</b> - Landlord can't charge a fee for tenant paying with cash.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2018</b> - Department of Commerce budget</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2097</b> - Creates a rural community endowment fund with \$50 m transfer from the general fund to support rural community grants.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2130</b> - This bill would remove the Adjutant General's department to have a separate procurement process from the rest of the state for construction projects.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2149</b> - Increases the amount in the school construction revolving loan fund because it is always depleted.</li> </ul>	Monitor

<ul style="list-style-type: none"> <li>• <b>SB2152</b> - Requires agriculture properties under 80 acres to disclose sales price.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2229</b> - Requires the seller to provide a copy of the HOA bylaws, policies, fees, etc. upon the sale of a condo.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• <b>SB2356</b> - This is the Land Title Association's bill to correct irregularities of land to be platted into lots and legal descriptions.</li> </ul>	Monitor
<ul style="list-style-type: none"> <li>• Property tax bills: House bills <b>1130, 1168, 1176, 1266, 1369, 1482, 1534, 1575</b>; Senate bills <b>2039, 2158</b>.</li> </ul>	

### **Legislative Management**

Legislative Management met May 28th to select [study resolutions and bills](#) for the 2025-26 interim. The most notable for NDAB are the following studies:

#### **Fixed Route City Transportation Network Funding Needs**

Study the funding needs of fixed route city transportation networks. The study must include a review of how the fixed route transportation networks can address population growth, economic development, workforce needs, and health care needs. As part of the study, the Legislative Management shall develop a proposed funding formula within the Department of Transportation's budget for fixed route city transportation systems.

#### **Homelessness in the State**

The study must include a review of data and funding available to address homelessness, an analysis of the use of available funds to identify gaps and potential solutions, and input from homeless program service providers.

#### **Establishment of a Wastewater Project Fund**

Study the feasibility and desirability of establishing a wastewater project fund to provide grants for upgrading, constructing, or replacing wastewater infrastructure. The study must include input from cities, counties, townships, and water resource districts.

### **Upcoming Legislative Interim Meetings**

**July 30 - Legislative Taskforce on Government Efficiency** - this is a DOGE committee, and the [agenda](#) includes reporting from the Departments of Commerce, Health & Human Services, and Information Technology.

**August 14 - Legislative Audit & Fiscal Review Committee** - [agenda](#).

## **Veto error results in spat between Legislative and Executive Branches**

Gov. Kelly Armstrong announced that he accidentally vetoed part of a bill that set aside \$35 million for a state housing development fund. Senate Bill 2014 is the budget for the North Dakota Industrial Commission. While vetoing a small item in the bill, a “staff markup error” led to the unintentional veto of \$25 million for housing programs and \$10 million to combat homelessness. Legal staff from the Legislative Council concluded the “prudent remedy” to correct the error would be for the Governor to call a special session. However, Attorney General Drew Wrigley ruled the veto stands, and the Legislative Council has no role in determining the execution of the governor’s veto. As a result, there will be no need to call for an immediate special session. However, there is talk of a special session later in the year to work on funding for a natural gas pipeline and possible federal cuts to Medicaid.

## **Legislative vacancies**

2025 was a tough year for legislators as two House members passed away tragically. District 25 Rep. Cindy Schreiber-Beck, a long-serving member from Wahpeton, and District 27 Rep. Josh Christy from Fargo will be missed. In addition, District 26 Rep. Jeremy Olson from Watford City resigned shortly after the session. The following people were appointed to fill the unexpired terms of those legislators:

### **Appointed to fill terms:**

- District 25 - TBD
- District 26 - Rep. Kelby Timmons (R)
- District 27 - Rep. T.J. Brown (R)

## **Property tax relief**

The 69th Legislative Assembly passed two bills for property tax relief. The first bill to pass the session was SB 2201, and it provided corrections for the primary residence credit by expanding the \$500 credit to property held by trusts, life estates, and purchases under contract for deed. The law is retroactive for taxable years 2024 & 2025 and will take effect immediately. Approximately 3,900 additional residences will qualify for the credit.

The most anticipated bill of the session was [HB 1176](#) which was coined as Governor Armstrong’s property tax relief bill. The Governor had urged legislators to pass the bill early on in the session, but instead it was one of the last bills passed on May 2nd. It contained the following **tax relief**:

- \$1600 tax credit for Primary Residences
- Paid for with \$403 million/biennium of Legacy Fund Earnings
- Effective immediately for 2025 tax year
- Increases Renter Refund to \$600
- Increases Disabled Veteran’s Credit
- No Expansion of Homestead Tax Credit over current eligibility
- Applied after other credits
- The primary residence credit cannot:

- Reduce Liability for special assessments
- Exceed the amount due on primary residence

HB 1176 also included **limitations on political subdivisions:**

- CAPS Local Government at 3% growth in dollars levied
  - Cannot exceed the greater of either the base year levy increase by 3% or adjusted year levy increase
- Political Subdivisions can carry over unused percentage one time within 5 years
- Counties, cities & schools are allowed to vote to exceed 3% cap in the General election
  - The vote is good for 4 years and must indicate the percentage increase & proposed dollar amount increase
- The CAP does not apply to:
  - Taxes levied to pay the principal & interest on obligations
  - Taxes levied to pay bonds, obligations or evidences of indebtedness issued by BND from infrastructure revolving loan fund
  - Emergency Fund levies
  - Taxes levied to pay special assessments
  - Taxes levied for water resource districts

**Administration of the primary residence credit:**

- Creates new property classification for primary residential property (2026)
- Assessment Notices to all property owners (2026) must include:
  - Current & prior year true & full value
  - Date, time, location for local Board of Equalization meeting
- Estimated Tax Notices have been eliminated for 2025
- Budget Hearing Notices replaces estimated tax notices in 2025 and must:
  - Include the date, time, & location of public budget hearing for each of the taxing districts & where each taxing district's budget is available for review
  - Be mailed or emailed by August 31
- Tax Statements to now include:
  - The amount of property tax levied as result of mills levied by the school district
  - Identify primary residence credit provided to taxpayer for each year
  - Specify the primary residence credit is derived from the Legacy Fund

### **Housing Finance Agency Funding**

The following items were added or changed by the legislature:

- Qualifications added to the Rebuilders' Loan program include a weather-related incident and an economic hardship as determined by the governor
- Allows the agency to transfer funds from its operating fund for administrative expenses
- Added 5 new FTEs
- Appropriated \$10 m for homelessness programs
- Appropriated \$25 m for the housing incentive program.

### **Department of Commerce Funding**

Of the \$158 million budget for Commerce, the following was allocated that pertain to NDAB:

- \$2 m for Operation Intern
- \$1 m for the Global Talent Office
- \$1 m for the Technical Skills Training grants
- \$5 m for regional workforce impact program grants.

Federal funds in the commerce budget include

- \$120 m for weatherization and energy assistance grants
- \$3.2 m for heating, furnace, and cooling assistance grants
- \$14 m for energy conservation assistance grants.

### **Department of Transportation Funding**

Of the \$2.7 billion budget for DOT, the following was allocated:

- \$299.8 million to counties
- \$194.6 million to cities
- \$79.9 million to townships
- \$13.7 million to transit.

### **Fundraisers**

- June 19 - Jill Kringstad for PSC
- July 21 - Senate Republican Caucus Golf
- August 4 - Armstrong Baseball Event
- August 20 - District 34 Lobster Feed