

WESTERN DAKOTA ENERGY ASSOCIATION

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Testimony of: Geoff Simon, Lobbyist #144 in support of SB 2162 Senate Finance and Taxation Committee

Chairman Kannianen and Committee members:

On behalf of the city, county and school district members of the Western Dakota Energy Association (WDEA), we wish to express our strong support for Senate Bill 2162 to allow western counties to reduce or eliminate a 10-mill road tax levy that is now mandated by state law in order to receive their allocation of gross production tax revenue.

The original intent of this provision was apparently to guarantee "local effort" on the part of the counties that receive a share of oil tax revenue. However, many of our member counties advise their road and bridge budgets do not need the revenue generated by this mandatory property tax. Passage of this legislation would result in significant property tax reductions for many commercial and residential property owners in the oil-producing counties.

WDEA wishes to thanks Senator Patten for introducing SB 2162 to eliminate this unnecessary property tax burden, and urges the committee's strong support.

As always, we appreciate the opportunity to offer testimony and would be happy to provide additional details upon request.

Thank you for your consideration.

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