

**2023 HOUSE ENERGY AND NATURAL RESOURCES**

**HB 1133**

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Coteau AB Room, State Capitol

HB 1133  
1/19/2023

Relating to statements of full consideration

9:30 AM

Chairman Porter opened the hearing. Members present: Chairman Porter, Vice Chairman D. Anderson, Representatives Bosch, Conmy, Dockter, Hagert, Heinert, Ista, Kasper, Marschall, Novak, Olson, Roers Jones, and Ruby.

### **Discussion Topics:**

- Appraisal Apprenticeship
- Appraiser Shortage
- Agricultural Land Sale Disclosure
- Data Access

Representative Steve Vetter, presented HB 1133, Testimony #14568  
Wade Becker, Vice President, ND Appraisers Association, oral testimony  
Bill Gion, certified general appraiser, Gion Appraisal, oral testimony  
Tim Kreft, Chief Appraiser, AgCountry Farm Credit Services, Testimony #14194

### **Additional written testimony:**

Joseph Summers, North Dakota Appraisers Association, Testimony #14012

10:35 AM Chairman Porter closed the hearing.

*Kathleen Davis, Committee Clerk*  
*By Bev Monroe*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Coteau AB Room, State Capitol

HB 1133  
1/27/2023

Relating to statements of full consideration

10:31 AM

Chairman Porter opened the meeting. Members present: Chairman Porter, Vice Chairman D. Anderson, Representatives Bosch, Conmy, Dockter, Hagert, Heinert, Ista, Marschall, Novak, Olson, Roers Jones, and Ruby. Absent: Representative Kasper.

### Discussion Topics:

- Committee Action

Rep Olson moved a Do Not Pass, seconded by Rep Conmy.

Representatives	Vote
Representative Todd Porter	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	Y
Representative Liz Conmy	Y
Representative Jason Dockter	Y
Representative Jared Hagert	Y
Representative Pat D. Heinert	Y
Representative Zachary Ista	AB
Representative Jim Kasper	AB
Representative Andrew Marschall	Y
Representative Anna S. Novak	Y
Representative Jeremy Olson	Y
Representative Shannon Roers Jones	AB
Representative Matthew Ruby	N

Yes 10 No 1 Absent 3 Motion carried. Rep Hagert will carry the bill.

10:36 AM Chairman Porter closed the meeting.

*Kathleen Davis, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HB 1133: Energy and Natural Resources Committee (Rep. Porter, Chairman)**  
recommends **DO NOT PASS** (10 YEAS, 1 NAY, 3 ABSENT AND NOT VOTING). HB  
1133 was placed on the Eleventh order on the calendar.

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Coteau AB Room, State Capitol

HB 1133  
2/16/2023

Relating to statements of full consideration

10:20 AM

Chairman Porter opened the meeting. Members present: Chairman Porter, Vice Chairman D. Anderson, Representatives Bosch, Conmy, Dockter, Hagert, Heinert, Ista, Kasper, Marschall, Novak, Olson, Roers Jones, and Ruby.

### Discussion Topics:

- Amendment 02001

Rep Vetter presented his amendment 02001, Testimony 21025

**Rep M Ruby moved** to Reconsider HB 1133, seconded by Rep D Anderson.  
Voice vote. Motion carried.

**Rep Roers Jones moved** to adopt amendment 02001, seconded by Rep Novak.

Representatives	Vote
Representative Todd Porter	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	Y
Representative Liz Conmy	Y
Representative Jason Dockter	Y
Representative Jared Hagert	Y
Representative Pat D. Heinert	Y
Representative Zachary Ista	Y
Representative Jim Kasper	AB
Representative Andrew Marschall	Y
Representative Anna S. Novak	Y
Representative Jeremy Olson	Y
Representative Shannon Roers Jones	Y
Representative Matthew Ruby	Y

**13-0-1 Motion carried.**

Rep Roers Jones moved Do Pass as Amended, seconded by Rep M Ruby.

Representatives	Vote
Representative Todd Porter	N
Representative Dick Anderson	N
Representative Glenn Bosch	Y
Representative Liz Conmy	Y
Representative Jason Dockter	Y

Representative Jared Hagert	N
Representative Pat D. Heinert	N
Representative Zachary Ista	Y
Representative Jim Kasper	AB
Representative Andrew Marschall	Y
Representative Anna S. Novak	Y
Representative Jeremy Olson	N
Representative Shannon Roers Jones	Y
Representative Matthew Ruby	Y

**8-5-1 Motion carried.** Rep Roers Jones is carrier.

10:38 PM Chairman Porter closed the meeting.

Reconsidered 2/16/23 afternoon.

*Kathleen Davis, Committee Clerk*

OK  
173  
2-16-23

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1133

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 11-18-02.2 and paragraph 8 of subdivision a of subsection 3 of section 47-10-27 of the North Dakota Century Code, relating to statements of full consideration filed with the state board of equalization or recorder and the secrecy of information.

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

**SECTION 1. AMENDMENT.** Section 11-18-02.2 of the North Dakota Century Code is amended and reenacted as follows:

**11-18-02.2. Statements of full consideration to be filed with state board of equalization or recorder - Procedure - Secrecy of information - Penalty.**

1. Any grantee or grantee's authorized agent who presents a deed in the office of the county recorder shall certify on the face of the deed one of the following:
  - a. A statement that the grantee has filed with the state board of equalization a report of the full consideration paid for the property conveyed.
  - b. A statement that the grantee has filed with the recorder a report of the full consideration paid for the property conveyed.
  - b.c. A statement of the full consideration paid for the property conveyed.
  - d. A statement designating one of the exemptions in subsection 67 which the grantee believes applies to the transaction.
  
2. Any party who presents an affidavit of affixation to real property of a manufactured home in the office of the county recorder in accordance with section 47-10-27 and who acquired the manufactured home before the affixation of the manufactured home to the real property shall either contain in or present in addition to the affidavit of affixation ~~a statement of the full consideration paid by the party for the manufactured home before the affixation~~ any one of the following:
  - a. A statement that the party has filed with the state board of equalization a report of the full consideration paid for the manufactured home before the affixation.
  - b. A statement that the party has filed with the recorder a report of the full consideration paid for the manufactured home before the affixation.
  - c. A statement of the full consideration paid by the party for the manufactured home before the affixation.

3. ~~The recorder may not record any deed unless the deed complies with contains one of the statements required by subsection 1 or record any affidavit of affixation unless the affidavit complies with contains or is accompanied by one of the statements required by subsection 2.~~
4. The recorder shall accumulate and at least monthly forward to the state board of equalization a report containing the information filed in the recorder's office pursuant to subsection 1 or 2.
5. The state board of equalization shall prescribe the necessary forms for the statements and reports to be used in carrying out this section, and the forms must contain a space for the explanation of special circumstances that may have contributed to the amount of the consideration.
- ~~5.6.~~ For purposes of subsection 1, the word "deed" means an instrument or writing whereby any real property or interest therein is granted, conveyed, or otherwise transferred to the grantee, purchaser, or other person, except any instrument or writing that transfers any ownership in minerals or interests in minerals underlying land if that ownership has been severed from the ownership of the overlying land surface or any instrument or writing for the easement, lease, or rental of real property or any interest therein.
- ~~6.7.~~ This section does not apply to deeds transferring title to the following types of property, or to deeds relating to the following transactions:
- a. Property owned or used by public utilities.
  - b. Property classified as personal property.
  - c. A sale when the grantor and the grantee are of the same family or corporate affiliate, if known.
  - d. A sale that resulted as a settlement of an estate.
  - e. All forced sales, mortgage foreclosures, and tax sales.
  - f. All sales to or from religious, charitable, or nonprofit organizations.
  - g. ~~All sales when there is an indicated change of use by the new owners~~A transfer involving a change in use for the use of surface minerals.
  - h. All transfer of ownership of property for which is given a quitclaim deed.
  - i. Sales of property not assessable by law.
  - j. Agricultural lands of less than eighty acres [32.37 hectares], except the grantee or grantee's agent shall provide a statement under subsection 1 to the state board of equalization which lists the sale price to satisfy the requirements of subsection 9.
  - k. A transfer that is pursuant to a judgment.
- ~~7.8.~~ The state board of equalization shall guard the secrecy of information contained on statements filed with the board under subsection 1 or 2, and any information contained on statements and any information provided by

DR  
283  
2-16-23



local officials must be limited to data necessary to perform official duties and may not include the name of any grantors or grantees to deeds or of any party to affidavits of affixation. Any report made available to the public must be made in a manner that will not reveal the name of any grantor, grantee, or party. The recorder shall guard the secrecy of information contained on reports filed in the recorder's office under subdivision b of subsection 1 or subdivision b of subsection 2.

BR  
393  
2-6-23

- 9. A licensed appraiser, real estate broker, or real estate agent may obtain the sale price for any property sold under subdivision j of subsection 7.
- 10. Any person that, in the statements provided for in subsection 1 or subsection-2, willfully falsifies the consideration paid for the transferred real property or the manufactured home, as applicable, or interest therein is guilty of a class B misdemeanor.

**SECTION 2. AMENDMENT.** Paragraph 8 of subdivision a of subsection 3 of section 47-10-27 of the North Dakota Century Code is amended and reenacted as follows:

- (8) If the party executing the affidavit acquired the manufactured home before the affixation of the manufactured home to the real property, that party shall complete the statement one of the statements required by subsection 2 of section 11-18-02.2; and"

Renumber accordingly

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Coteau AB Room, State Capitol

HB 1133  
2/16/2023

Relating to statements of full consideration

3:49 PM

Chairman Porter opened the meeting. Members present: Chairman Porter, Vice Chairman D. Anderson, Representatives Bosch, Conmy, Dockter, Hagert, Heinert, Ista, Kasper, Marschall, Novak, Olson, Roers Jones, and Ruby.

### Discussion Topics:

- Committee action

Rep Ista moved to Reconsider HB 1133 actions from this morning, seconded by Rep Bosch. Voice vote. Motion carried.

Rep Bosch moved the committee remove the amendment and take the bill back to the original format and reconsider the bill again, seconded by Rep D Anderson. Voice vote. Motion carried.

Rep Bosch moved a Do Not Pass, seconded by Rep Novak.

Representatives	Vote
Representative Todd Porter	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	Y
Representative Liz Conmy	AB
Representative Jason Dockter	Y
Representative Jared Hagert	Y
Representative Pat D. Heinert	AB
Representative Zachary Ista	Y
Representative Jim Kasper	AB
Representative Andrew Marschall	Y
Representative Anna S. Novak	Y
Representative Jeremy Olson	AB
Representative Shannon Roers Jones	Y
Representative Matthew Ruby	N

**9-1-4 Motion carried.** Rep Hagert is carrier.

3:54 PM Chairman Porter closed the meeting.

*Kathleen Davis, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HB 1133: Energy and Natural Resources Committee (Rep. Porter, Chairman)**  
recommends **DO NOT PASS** (9 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING). HB  
1133 was placed on the Eleventh order on the calendar.

**2023 SENATE INDUSTRY AND BUSINESS**

**HB 1133**

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

HB 1133  
3/20/2023

A bill relating to statements of full consideration.

10:10 AM Chairman D. Larsen opened the hearing on HB 1133. Members present: Chairman D. Larsen, Vice Chairman Kessel, Senator Barta, Senator Klein, Senator Boehm.

### Discussion Topics:

- Ag appraisals
- Disclosure of land sales
- Land Use Change
- Ability to finance

10:10 AM Representative Steve Vetter, District 18, Grand Forks, ND, introduced HB 1133 and testified in favor. No written testimony.

10:29 AM Wade Becker, Director, ND Appraisers Association, testified in favor of HB 1133. No written testimony.

10:39 AM William Gion, Gion Appraisal LLC, testified in favor of HB 1133. #25898

10:58 AM David Straley, Manager of Government and Public Affairs, North American Coal, testified in opposition to HB 1133. No written testimony.

11:06 AM William Gion provided additional information to the committee.

### Additional written testimony:

#25900 William Gion

#25777 Tim Kraft

11:07 AM Senator D. Larsen closed the hearing.

*Brenda Cook, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Industry and Business Committee Fort Union Room, State Capitol

HB 1133  
3/21/2023

A bill relating to statements of full consideration.

9:25 AM Chairman D Larsen called the meeting to order. Members present: Chairman D. Larsen, Vice Chairman Kessel, Senator Barta, Senator Klein, Senator Boehm.

### Discussion Topics:

- Conditional use
- Privacy
- Committee action

9:25 AM Senator Klein moved to adopt Amendment LC 23.0389.02002.  
Senator Barta seconded the motion.

Roll call vote:

Senators	Vote
Senator Doug Larsen	N
Senator Greg Kessel	Y
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Vote: 4-1-0 to ADOPT AMENDMENT TO HB 1133.

9:27 AM Committee discussion.

9:30 AM Senator Boehm moved to DO NOT PASS AS AMENDED HB 1133.  
Senator Klein seconded the motion.

Roll call vote:

Senators	Vote
Senator Doug Larsen	Y
Senator Greg Kessel	Y
Senator Jeff Barta	N
Senator Keith Boehm	Y
Senator Jerry Klein	Y

Vote: 4-1-0 DO NOT PASS AS AMENDED HB 1133.

Senator Larsen will carry the bill.

9:32 AM Chairman Larsen closed the meeting.

*Brenda Cook, Committee Clerk*

23.0389.02002  
Title.04000

Adopted by the Senate Industry and Business  
Committee

March 21, 2023

DR  
1/21  
3-21-23

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1133

Page 1, line 15, remove the overstrike over "~~All sales when there is an indicated change of use  
by the new owners~~"

Page 1, line 15, remove "A transfer"

Page 1, line 16, remove "involving a change in use to and for surface minerals and use"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1133: Industry and Business Committee (Sen. Larsen, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (4 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1133 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 15, remove the overstrike over "~~All sales when there is an indicated change of use by the new owners~~"

Page 1, line 15, remove "A transfer"

Page 1, line 16, remove "involving a change in use to and for surface minerals and use"

Renumber accordingly



**TESTIMONY**

**HB 1133**



January 17, 2023

The Honorable Todd Porter  
North Dakota House of Representatives  
Chair, Energy and Natural Resources

RE: HB 1133

Dear Chairman Porter, and Energy and Natural Resources Committee members:

The North Dakota Appraisers Association was established in 2016 and represents 150 Appraiser Members. Our goal is to build productive relationships with individuals, associations, and organizations within the real estate industry to promote positive impacts on the appraisal profession in North Dakota.

NDAA supports HB 1133, the intent of the bill is to allow for the disclosure of sales that have a change of use, and for agricultural lands sales that are less than 80 acres. The NDAA has identified access to sales data as one of the largest challenges we as appraisers face in our day-to-day performance of appraisal reports. As communities across North Dakota grow and prosper, the need for new residential and commercial developments increase. Also, as rural land values have increased, smaller tract sales (<80 acres) are more frequent and becoming a larger portion of the vital agricultural market sales data.

With access to reliable data on the deed of transfer our appraisal reports are more reliable and better serve the public and the safety and soundness of our states lending institutions. These data points are necessary to provide credible opinions of value for the people of North Dakota.

This change adds further protection in the form of reliable values for financial institutions, real estate professionals and the people of North Dakota. We politely request the ND Legislature support this change.

Respectfully submitted,

A handwritten signature in black ink that reads "Joe Sumers". The signature is written in a cursive, flowing style.

Joe Sumers  
President  
North Dakota Appraisers Association  
(701) 200-9610  
[jsumers@FIBT.com](mailto:jsumers@FIBT.com)  
[www.ndappraisers.org](http://www.ndappraisers.org)



# **North Dakota Farm Credit Council**

*AgCountry Farm Credit Services*

*Farm Credit Services of Mandan*

---

**Testimony of Timothy L. Kreft, ARA  
Chief Appraiser for Ag Country Farm Credit Services  
HB 1133  
January 19, 2023**

Chairman Porter and members of the House Energy and Natural Resources Committee, my name is Tim Kreft and I am the Chief Appraiser for AgCountry Farm Credit Services. On behalf of the North Dakota Farm Credit Council (NDFCC), I'd like to express our support for HB 1133, which proposes some minor changes to subsection 6 of section 11-18-02.2 of the North Dakota Century Code. HB 1133 strikes Code J, which includes agricultural lands of less than eighty acres, as an acceptable exclusion to providing the consideration price on the deeds that are filed with country recorders. NDFCC is in favoring of the removal of Code J.

NDFCC is comprised of two farmer/rancher-owned independent Farm Credit associations that provide credit and financial services to farmers, ranchers and agribusinesses of all sizes and income ranges in every county in North Dakota. North Dakota Farm Credit cooperatives provide about \$12.7 billion in loans to farmer, rancher and agribusinesses and provide financial services to approximately 28,000 customers. Both Farm Credit associations serving North Dakota employ their own appraisers and primarily work in smaller, rural markets where sales data is more limited.

According to our Farm Credit Services appraisers, the most time consuming and expensive aspect of appraising rural properties is the tracking, finding, verifying, and analyzing of good sales data. To effectively and efficiently provide a reliable and credible appraisal report, appraisers need consistent and adequate access to good sales data. This data would be beneficial not only to the appraisal profession; but also, to the financial institutions and consumers of appraisal services by allowing appraisers to provide their final work product in a timelier manner and possibly at cost savings to the consumer.

The change would allow appraisers more access to market derived sales data that could be useful in appraisal assignments; however, these exclusions are being used by some real estate professionals to avoid disclosure of actual sales price of a real estate transaction that would typically be considered a market derived sale.

The removal of Code J, which includes agricultural lands of less than eighty acres is beneficial for the following reasons:

- This Code has been used by individuals to avoid disclosure of the sale price from auctions, bid sales, broker facilitated, or even by private sales that would be considered market value, simply because of the limited number of acres involved.
- As land values continue to increase, this impacts the effective purchasing power in market areas with smaller tract sales being prevalent that are for agricultural use.
- Code J as it now stands, also limits the ability to track data for vacant site sales in the rural residential markets. This hinders the ability of individuals to obtain financing if they are looking to purchase to construct a dwelling for their families.

- Young and beginning farmers may be the most common or frequent purchaser of small tracts, 80 acres or less, as they work to get established in farming or ranching. More sales data may help these young farmers obtain more available and affordable financing.

The removal or amending of this Code J within subsection 6 of section 11-18-02.2 would also be beneficial for the general public as good sales data is already severely limited in many rural markets in North Dakota. The availability of the information from publicly offered sales could be used by the legal profession, financial institutions, real estate sales professionals, as well as licensed and certified appraisers to provide better data to their customers and clients.

In addition, financial institutions and real estate sales professionals have long complained about the time it takes to obtain an appraisal without realizing the time and cost an appraiser spends in tracking down sales data in remote areas.

In closing, NDFCC encourages you to give HB 1133 a Do Pass recommendation because it will help enhance the timeliness, credibility, and efficiency of appraisal services.

Independently owned and operated associations serving North Dakota.

**AgCountry FCS**

1900 44th Street South, Fargo, ND 58108  
701-282-9494 • 800-450-8933  
[www.agcountry.com](http://www.agcountry.com)

**FCS of Mandan**

1600 Old Red Trail, Mandan, ND 58554  
701-663-6487 • 800-660-6487  
[www.farmcreditmandan.com](http://www.farmcreditmandan.com)

---



# North Dakota House of Representatives

STATE CAPITOL  
600 EAST BOULEVARD  
BISMARCK, ND 58505-0360



## Representative Steve Vetter

District 18  
804 South 17th Street  
Grand Forks, ND 58201-4241

[smvetter@ndlegis.gov](mailto:smvetter@ndlegis.gov)

## COMMITTEES:

Judiciary  
Government and Veterans Affairs

01/19/2023

Chairman Porter and Energy & Natural Resources,

My name is Steve Vetter representing district 18.

Aside from being a legislator, I am a Real Property Appraiser and I was elected as a board of director on the North Dakota Appraiser Association since my last session. NDAA is an association of about 150 appraisers in North Dakota. One of the goals of the NDAA is to promote public trust for the appraiser profession. This has been a personal goal of mine and an emphasis of the board in the last couple years. With this in mind a series of ideas were discussed to build public trust and help with appraiser shortages. This bill before you today comes from that discussion. The NDAA will have at least three bills that it is endorsing to help with appraisal shortages and build public trust in appraisers.

The bill deals with the disclosure of land sales. Under the sales disclosure exemptions in law, it crosses out an exemption and makes a change to another exemption. Both of these exemptions deal with land sales.

Currently sales of AG land of 80 acres or below are exempt from sales disclosure. In other words, no one knows what land sold for unless it is disclosed by private parties. Imagine if all the sales for house sales were not disclosed. How could one provide accurate statistics for a neighborhood? Because of this lack of sales data, only a small group of people know land sales data in a specific area or neighborhood. There are very few Ag land appraisers in our state and many of them are older with a very limited amount of new younger working in this area. This bill attempts to break up the current club because current law doesn't allow for new entry into this market.

Example: if I wanted to be an AG land appraiser, I, in my case would first need a commercial license. After I'm properly licensed, how would I get any sales data to do a reliable appraisal? How would I be able to help with the appraisal shortage problem. I would ask my competitors to ask for their sales data. How do you think that would go over? Only if they were willing, I would either need to work for them or pay them for the sales data. With a change in the law that HB 1133 provides sales data would be available for new appraisers to break into the market and help with the shortage that has caused issues for people needing to get an AG land appraisal for at least a decade.

The 2nd part of this bill is the exemption for a change in use. Instead of being crossed out it was changed because mineral rights are not an object that we would want to have disclosed as that would serve no purpose. The change of use disclosure is changed because land's change of use are often valuable pieces of sales data. A couple examples would be a change of use from developer to builder and change of use from Ag land to single family lots. This would provide valuable sales data on land sales within city limits.

Transferability: As an appraiser you learn that the 4 elements that create value are scarcity, demand, utility and transferability. The ability to or ease of which to transfer property is a factor of how much that property is worth. Not the only factor but one of the factors. For example if a property cannot be financed by a lending institution the value drops significantly because only cash buyers can buy the property and there less of them. A cash buyer will likely expect a discount if the buyer is the seller only option.

I know some farmers don't want the sale of land to be disclosed but that same farmer is going to complain when a sale takes months because the buyer is waiting on financing. What real benefit is there for not disclosing the sales price? We have to do what is right for whole of society not just a select few.

The inability to get a timely and a cost effective agricultural land appraisal in our state has been a big problem for several years. 10 years at least. And so much so that the Bank of North Dakota has formed a department for doing Ag land appraisals and evaluations.

There is a severe shortage of AG land appraisers. This bill goes a long way to help solve that problem by allowing new entry into the market.

Mr Chairman, I would ask for favorable recommendation of a Do Pass recommendation. Thank you and I will stand for questions.

23.0389.02001

Sixty-eighth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1133**

Introduced by

Representatives Vetter, Bosch, Dockter, Grueneich, Heinert, Louser, Sanford, Swiontek  
Senators Barta, Meyer, Patten, Vedaa

1 A BILL ~~for an Act to amend and reenact subsection 6 of section 11-18-02.2 of the North Dakota~~  
2 ~~Century Code, relating to statements of full consideration for an Act to amend and reenact~~  
3 ~~section 11-18-02.2 and paragraph 8 of subdivision a of subsection 3 of section 47-10-27 of the~~  
4 ~~North Dakota Century Code, relating to statements of full consideration filed with the state~~  
5 ~~board of equalization or recorder and the secrecy of information.~~

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

7 **~~SECTION 1. AMENDMENT.~~** ~~Subsection 6 of section 11-18-02.2 of the North Dakota~~  
8 ~~Century Code is amended and reenacted as follows:~~

- 9 ~~6.~~ ~~This section does not apply to deeds transferring title to the following types of property,~~  
10 ~~or to deeds relating to the following transactions:~~
- 11 ~~a.~~ ~~Property owned or used by public utilities.~~
- 12 ~~b.~~ ~~Property classified as personal property.~~
- 13 ~~c.~~ ~~A sale when the grantor and the grantee are of the same family or corporate~~  
14 ~~affiliate, if known.~~
- 15 ~~d.~~ ~~A sale that resulted as a settlement of an estate.~~
- 16 ~~e.~~ ~~All forced sales, mortgage foreclosures, and tax sales.~~
- 17 ~~f.~~ ~~All sales to or from religious, charitable, or nonprofit organizations.~~
- 18 ~~g.~~ ~~All sales when there is an indicated change of use by the new owners~~  
19 ~~A transfer~~  
20 ~~involving a change in use to and for surface minerals and use.~~
- 21 ~~h.~~ ~~All transfer of ownership of property for which is given a quitclaim deed.~~
- 22 ~~i.~~ ~~Sales of property not assessable by law.~~
- 23 ~~j.~~ ~~Agricultural lands of less than eighty acres [32.37 hectares].~~
- ~~k.~~ ~~A transfer that is pursuant to a judgment.~~

1       **SECTION 1. AMENDMENT.** Section 11-18-02.2 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **11-18-02.2. Statements of full consideration to be filed with state board of**  
4 **equalization or recorder - Procedure - Secrecy of information - Penalty.**

- 5       1. Any grantee or grantee's authorized agent who presents a deed in the office of the  
6 county recorder shall certify on the face of the deed one of the following:
- 7       a. A statement that the grantee has filed with the state board of equalization a report  
8 of the full consideration paid for the property conveyed.
- 9       b. A statement that the grantee has filed with the recorder a report of the full  
10 consideration paid for the property conveyed.
- 11       ~~b-c.~~ A statement of the full consideration paid for the property conveyed.
- 12       d. A statement designating one of the exemptions in subsection 67 which the  
13 grantee believes applies to the transaction.
- 14       2. Any party who presents an affidavit of affixation to real property of a manufactured  
15 home in the office of the county recorder in accordance with section 47-10-27 and who  
16 acquired the manufactured home before the affixation of the manufactured home to  
17 the real property shall either contain in or present in addition to the affidavit of  
18 affixation ~~a statement of the full consideration paid by the party for the manufactured~~  
19 ~~home before the affixation~~ any one of the following:
- 20       a. A statement that the party has filed with the state board of equalization a report of  
21 the full consideration paid for the manufactured home before the affixation.
- 22       b. A statement that the party has filed with the recorder a report of the full  
23 consideration paid for the manufactured home before the affixation.
- 24       c. A statement of the full consideration paid by the party for the manufactured home  
25 before the affixation.
- 26       3. The recorder may not record any deed unless the deed ~~complies with~~ contains one of  
27 the statements required by subsection 1 or record any affidavit of affixation unless the  
28 affidavit ~~complies with~~ contains or is accompanied by one of the statements required  
29 by subsection 2.



- 1       4. The recorder shall accumulate and at least monthly forward to the state board of  
2       equalization a report containing the information filed in the recorder's office pursuant to  
3       subsection 1 or 2.
- 4       5. The state board of equalization shall prescribe the necessary forms for the statements  
5       and reports to be used in carrying out this section, and the forms must contain a space  
6       for the explanation of special circumstances that may have contributed to the amount  
7       of the consideration.
- 8       ~~5-6.~~ For purposes of subsection 1, the word "deed" means an instrument or writing  
9       whereby any real property or interest therein is granted, conveyed, or otherwise  
10      transferred to the grantee, purchaser, or other person, except any instrument or writing  
11      that transfers any ownership in minerals or interests in minerals underlying land if that  
12      ownership has been severed from the ownership of the overlying land surface or any  
13      instrument or writing for the easement, lease, or rental of real property or any interest  
14      therein.
- 15     ~~6-7.~~ This section does not apply to deeds transferring title to the following types of property,  
16     or to deeds relating to the following transactions:
- 17     a. Property owned or used by public utilities.  
18     b. Property classified as personal property.  
19     c. A sale when the grantor and the grantee are of the same family or corporate  
20     affiliate, if known.  
21     d. A sale that resulted as a settlement of an estate.  
22     e. All forced sales, mortgage foreclosures, and tax sales.  
23     f. All sales to or from religious, charitable, or nonprofit organizations.  
24     g. ~~All sales when there is an indicated change of use by the new owners~~ A transfer  
25     involving a change in use for the use of surface minerals.  
26     h. All transfer of ownership of property for which is given a quitclaim deed.  
27     i. Sales of property not assessable by law.  
28     j. Agricultural lands of less than eighty acres [32.37 hectares], except the grantee  
29     or grantee's agent shall provide a statement under subsection 1 to the state  
30     board of equalization which lists the sale price to satisfy the requirements of  
31     subsection 9.

1 k. A transfer that is pursuant to a judgment.

2 ~~7-8.~~ The state board of equalization shall guard the secrecy of information contained on  
3 statements filed with the board under subsection 1 or 2, and any information contained  
4 on statements and any information provided by local officials must be limited to data  
5 necessary to perform official duties and may not include the name of any grantors or  
6 grantees to deeds or of any party to affidavits of affixation. Any report made available  
7 to the public must be made in a manner that will not reveal the name of any grantor,  
8 grantee, or party. The recorder shall guard the secrecy of information contained on  
9 reports filed in the recorder's office under subdivision b of subsection 1 or  
10 subdivision b of subsection 2.

11 9. A licensed appraiser, real estate broker, or real estate agent may obtain the sale price  
12 for any property sold under subdivision j of subsection 7.

13 10. Any person that, in the statements provided for in subsection 1 or ~~subsection 2,~~  
14 willfully falsifies the consideration paid for the transferred real property or the  
15 manufactured home, as applicable, or interest therein is guilty of a class B  
16 misdemeanor.

17 **SECTION 2. AMENDMENT.** Paragraph 8 of subdivision a of subsection 3 of section  
18 47-10-27 of the North Dakota Century Code is amended and reenacted as follows:

19 (8) If the party executing the affidavit acquired the manufactured home before  
20 the affixation of the manufactured home to the real property, that party shall  
21 complete ~~the statement~~ one of the statements required by subsection 2 of  
22 section 11-18-02.2; and



# **North Dakota Farm Credit Council**

AgCountry Farm Credit Services

Farm Credit Services of Mandan

---

**Testimony of Timothy L. Kreft, ARA  
Chief Appraiser for Ag Country Farm Credit Services  
HB 1133  
March 20, 2023**

Chairman Larsen and members of the Senate Industry and Business Committee, my name is Tim Kreft and I am the Chief Appraiser for AgCountry Farm Credit Services. On behalf of the North Dakota Farm Credit Council (NDFCC), I'd like to express our support for HB 1133, which proposes some minor changes to subsection 6 of section 11-18-02.2 of the North Dakota Century Code. HB 1133 strikes Code J, which includes agricultural lands of less than eighty acres, as an acceptable exclusion to providing the consideration price on the deeds that are filed with country recorders. NDFCC is in favoring of the removal of Code J.

NDFCC is comprised of two farmer/rancher-owned independent Farm Credit associations that provide credit and financial services to farmers, ranchers and agribusinesses of all sizes and income ranges in every county in North Dakota. North Dakota Farm Credit cooperatives provide about \$12.7 billion in loans to farmer, rancher and agribusinesses and provide financial services to approximately 28,000 customers. Both Farm Credit associations serving North Dakota employ their own appraisers and primarily work in smaller, rural markets where sales data is more limited.

According to our Farm Credit Services appraisers, the most time consuming and expensive aspect of appraising rural properties is the tracking, finding, verifying, and analyzing of good sales data. To effectively and efficiently provide a reliable and credible appraisal report, appraisers need consistent and adequate access to good sales data. This data would be beneficial not only to the appraisal profession; but also, to the financial institutions and consumers of appraisal services by allowing appraisers to provide their final work product in a timelier manner and possibly at cost savings to the consumer.

The change would allow appraisers more access to market derived sales data that could be useful in appraisal assignments; however, these exclusions are being used by some real estate professionals to avoid disclosure of actual sales price of a real estate transaction that would typically be considered a market derived sale.

The removal of Code J, which includes agricultural lands of less than eighty acres is beneficial for the following reasons:

- This Code has been used by individuals to avoid disclosure of the sale price from auctions, bid sales, broker facilitated, or even by private sales that would be considered market value, simply because of the limited number of acres involved.
- As land values continue to increase, this impacts the effective purchasing power in market areas with smaller tract sales being prevalent that are for agricultural use.
- Code J as it now stands, also limits the ability to track data for vacant site sales in the rural residential markets. This hinders the ability of individuals to obtain financing if they are looking to purchase to construct a dwelling for their families.

- Young and beginning farmers may be the most common or frequent purchaser of small tracts, 80 acres or less, as they work to get established in farming or ranching. More sales data may help these young farmers obtain more available and affordable financing.

The removal or amending of this Code J within subsection 6 of section 11-18-02.2 would also be beneficial for the general public as good sales data is already severely limited in many rural markets in North Dakota. The availability of the information from publicly offered sales could be used by the legal profession, financial institutions, real estate sales professionals, as well as licensed and certified appraisers to provide better data to their customers and clients.

In addition, financial institutions and real estate sales professionals have long complained about the time it takes to obtain an appraisal without realizing the time and cost an appraiser spends in tracking down sales data in remote areas. Changes to the current list of exemption pertaining to real estate transactions would help reduce the time to verify good sales data and could improve the time that consumers must wait for an appraisal to be completed.

In closing, NDFCC encourages you to give HB 1133 a Do Pass recommendation because it will help enhance the timeliness, credibility, and efficiency of appraisal services.

Independently owned and operated associations serving North Dakota.

**AgCountry FCS**

1900 44th Street South, Fargo, ND 58108  
701-282-9494 • 800-450-8933  
[www.agcountry.com](http://www.agcountry.com)

**FCS of Mandan**

1600 Old Red Trail, Mandan, ND 58554  
701-663-6487 • 800-660-6487  
[www.farmcreditmandan.com](http://www.farmcreditmandan.com)

---



We Value, What you Value

March 20, 2023

Honorable Senators of the Great State of North Dakota!

THIS WRITTEN CORRESPONDENCE IS REQUESTING YOUR SUPPORT OF HB1133.

My name is Bill Gion and my wife & I have been longtime residents of the Regent Community in Hettinger County, ND. I have been a Certified ND Real Estate Appraiser for decades, primarily appraising farm & ranch properties in SW-ND. (Attached is a summary of my appraisal experience & qualifications along with my trade area map).

As a Past President and current Board Member of the North Dakota Appraisers Association (NDAA ) & with decades of professional experience as a basis, I firmly believe the most challenging & critical part of rural appraising is efficient access to reliable comparable sales data, this data allows us to deliver timely and credible appraisals to our clients and maintain public trust.

In a previous legislative session ND became a disclosure state, subject to a handful of qualifying exemptions. This single step moved our rural appraisal profession forward by leaps & bounds and made my appraisal practice efficient enough that I took on the responsibility of training an apprentice appraiser!

HB1133 will take another step in the right direction by further allowing appraisers additional access to comparable sales information for properties with change of use & tracts < 80.0 acres.

Feel free to contact me via email, text or phone call if needed.

Again thanks for your time and your dedicated service to the State of ND and its wonderful people!

Respectfully submitted,  
Bill Gion

A handwritten signature in blue ink that reads 'Bill Gion'.

William D. Gion  
Gion Appraisal, LLC  
ND State-Certified General Appraiser  
Past President North Dakota Appraisers Association - 2016-17, 2020, 2021  
6360 99th Ave SW, Regent, ND 58650  
Office: 701.264.8191  
Cell: 701.690.7633  
email: gionappraisal@gmail.com

"We Value, What You Value"

# APPRAISER RESUME & QUALIFICATIONS

Gion Appraisal, LLC

**William D. Gion**

**North Dakota - Certified Appraiser #CG - 1145**

**6360 99<sup>th</sup> Avenue SW, Regent, ND 58650**

## TYPES OF APPRAISAL ASSIGNMENTS

Real Estate appraisal assignments include Mountain & Great Plains livestock ranches, irrigated and dry-land farms, recreational land, commercial, residential, and special use properties. Additional assignments conducted include personal property including chattel appraisals; assignments completed on real estate evaluations, cash flow analysis.

## REPRESENTATIVE CLIENTS

Bravera Bank & Trust Center – Dickinson, ND  
Kirkwood Bank & Trust – Bismarck & Dickinson, ND  
Dakota Western Bank, Hettinger, ND  
Dakota West Credit Union – Bowman, ND  
BNC Bank – Dickinson & Bismarck, ND  
Farm Credit Services, Mandan & Dickinson, ND

Dakota Community Bank – Dickinson, ND  
Choice Financial Banks  
**Private Individuals, Attorneys, Accountants**  
Cornerstone Bank, Fargo, ND  
Farm Service Agency (formerly FmHA)  
Numerous banks: Bozeman, MT (prior to 1996)

**ND SW District Court – as an Appraiser & Court Referee**

## STATE LICENSING & APPRAISAL EXPERIENCE

**North Dakota Appraisers Association (NDAA): 2016 Charter Member & 2016-17, 2020 & 2021 Past President  
State Certified General Appraiser, (#CG-1145), in ND, (January 1, 1996).**

Own & operate Gion Appraisal, LLC in Regent, ND: 2013-present; in Bozeman, MT, 1993-1996

**ND Supervisory Appraiser: 2019 to Present**

(Formerly Certified General Real Estate Appraiser in MT, February 1, 1993)

(In-House RE Appraiser: Federal Land Bank & Farm Credit Services from 1984 to 1993)

## FORMAL EDUCATION

Bachelor of Science Degree, Animal Science, NDSU, 1983  
Associate Degree, Farm & Ranch Management, DSU, 1980  
High School Diploma (Valedictorian) Regent High School, 1977

## PROFESSIONAL TRAININGS (2022)

Hot Topics and Myths in Appraiser Liability – NDAA – November 2022

Getting It Right from the Start: A Workout Plan of Your Scope of Work – Appraisal Institute - November 2022

Rapid Fire Webinar: Various topics - Appraisal Bias, Ag Economic Outlook, ANZI/SF, Estate & Tax Code – ASFMRA - November 2022

### PREVIOUS YEARS (2011-2021)

Rapid Response: Market Analysis in Volatile Markets – Appraisal Institute – November 2021

USPAP – Update 2022-23 – NDAA – November 2021

Report Writing Seminar – ASFMRA – February 2021

2021 Webinar: The Appraisal Foundation (TAF) 2021 Q1 Update – February 2021

Residential Marketplace – NDAA - Expectations in Appraisals – Evaluations & Alternatives - November 2020

COVID Seminar (National Appraisal Associations (5) – March 2020

2020-2021 National USPAP Update Course – NDAA – November 2019

Rural Area Appraisals: Freddie Mac Guidelines & Property Eligibility Requirements – Appraisal Institute – November 2019

Appraisal of Manufactured Homes Featuring Next-Generation Manufactured Homes – Appraisal Institute – July 2019

Ignorance Isn't Bliss: Understanding an Investigation by a State Appraiser Regulatory Board or Agency – Appraisal Institute – December 2018

Cost Approach – Unnecessary or Vital to a Healthy Practice - NDAA – December 2018

Future of the Appraisal Profession – NDAA - December 2018

ND Supervisory & Apprentice Training Course – NDAA – April 2018

ND Housing Conference – NDHFA - April 2018

Market Area & Industry Analysis – ASFMRA – January 2018

Hot Topics & Myths in Appraiser Liability – NDAA - December 2017

USPAP 2018-19 Update Course – NDAA - December 2017

Cutting Edge Issues – NDREAB attendance, Work File documentation & Excess vs. Surplus land – NDAA Sept 2017

Highest & Best Use & Income Approach Applications – ASFMRA – January 2017

Raise Your Appraiser IQ – NDAA, 2016

Drone Technology and its Impact on the Appraisal Industry – NDAA, 2016

USPAP Update – ASFMRA, 2016-2017

Environmental Issues – ASFMRA, 2016-2017

2015-2016 USPAP Update Course, ND Appraisal Board

Surety Mapping Webinars, Agri-Data, 2015

Rural Case Studies & Grain Elevator Evaluations, ASFMRA, 2015

Most Common USPAP Violations, ND Appraisal Board, 2014

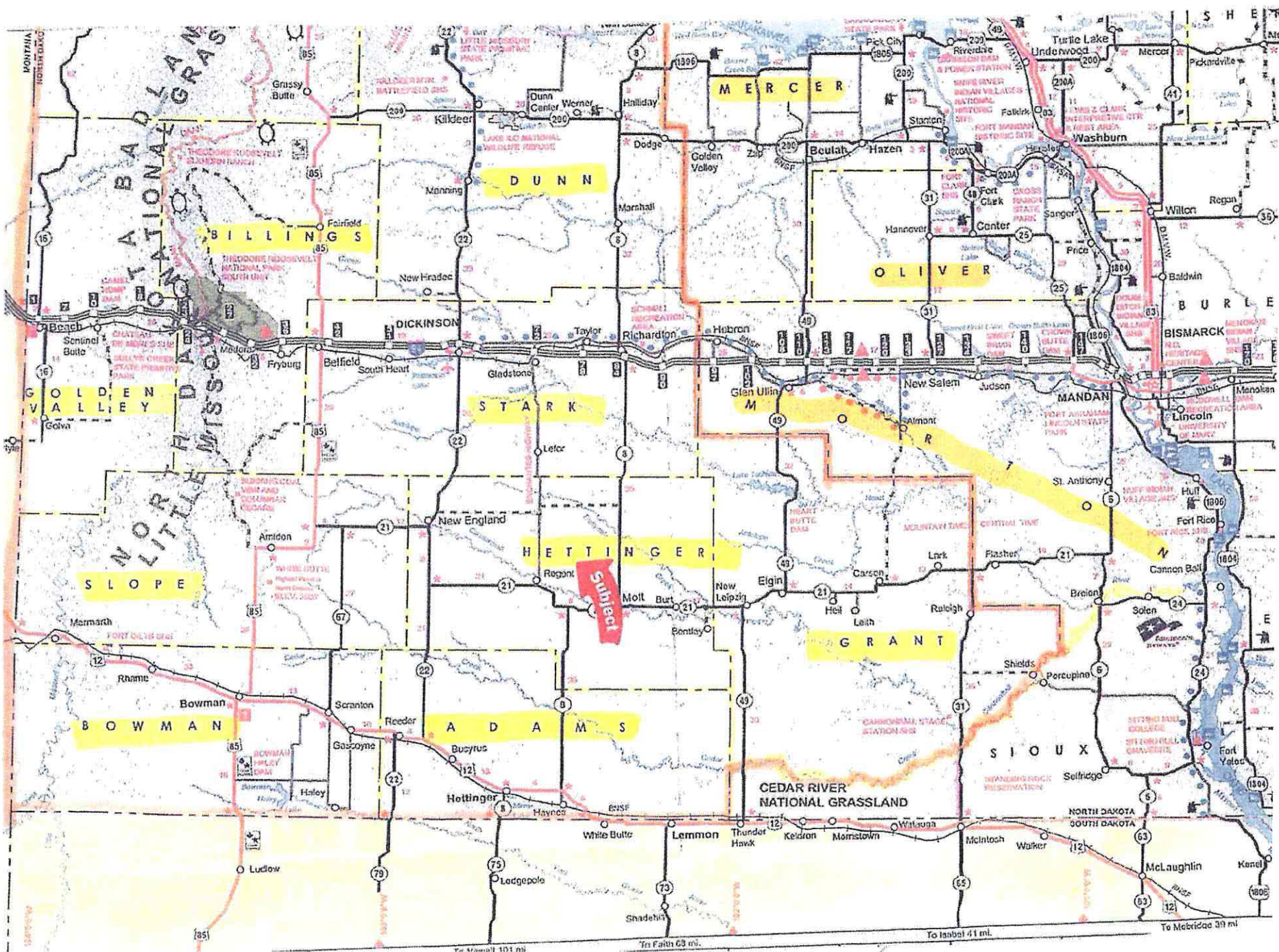
Appraising Manufactured Homes, McKissock, 2014

Modern Green Building Concepts & Introduction to Legal Descriptions, McKissock, 2013

Construction Details & Trends & USPAP (12 Elements), McKissock, 2013

2013-2014 USPAP Update Course, ND Appraisal Board; 2012-2013 National USPAP Update Course, McKissock, 2011

Mortgage Fraud: Private Appraisal Assignments; Land-Site Evaluation, McKissock, 2011



**Subject**

To Minnola 104 mi

To Faith 63 mi

To Inarso 41 mi

To Medtricia 39 mi

## Testimony Outline (03.20.2023)

### HB1133 – relating to statements of full consideration

“HB1133 would allow appraisers to **EFFICIENTLY** gather **RELIABLE** market sales data, to provide a **CREDIBLE** appraisal report in a **TIMELY** manner, while maintaining the **PUBLIC TRUST** - with **NO FINANCIAL COST** to the citizens of North Dakota.”

- **EFFICIENTLY**
- **RELIABLE**
- **CREDIBLE**
- **TIMELY**
- **PUBLIC TRUST**
- **NO FINANCIAL COST**

*For these important and critical reasons, I implore you, the Honorable Senators of this Committee to support a “Do Pass” recommendation.*

*William D. Gior*