## FIRST ENGROSSMENT

Sixtieth Legislative Assembly of North Dakota

## ENGROSSED HOUSE BILL NO. 1029

Introduced by

Legislative Council

(Finance and Taxation Committee)

- 1 A BILL for an Act to create and enact a new section to chapter 11-09.1 and a new section to
- 2 chapter 40-05.1 of the North Dakota Century Code, relating to limits on transfers of home rule
- 3 county and city sales tax revenue to school districts; and to declare an emergency.

## 4 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

- 5 **SECTION 1.** A new section to chapter 11-09.1 of the North Dakota Century Code is 6 created and enacted as follows:
- 7 Sales tax revenue transfer to school districts prohibited. Notwithstanding the
- 8 provisions of chapters 54-40 and 54-40.3 or any other provision of law, revenue from sales,
- 9 use, or other excise taxes levied under this chapter may not be transferred to or for the benefit
- 10 of a school district except for payment of bonded indebtedness incurred before the effective
- 11 date of this Act or for capital construction and associated costs approved by the electors of the
- 12 county before the effective date of this Act.
- 13 **SECTION 2.** A new section to chapter 40-05.1 of the North Dakota Century Code is
- 14 created and enacted as follows:
- 15 Sales tax revenue transfer to school districts prohibited. Notwithstanding the
- provisions of chapters 54-40 and 54-40.3 or any other provision of law, revenue from sales,
- 17 use, or other excise taxes levied under this chapter may not be transferred to or for the benefit
- 18 of a school district except for payment of bonded indebtedness incurred before the effective
- 19 date of this Act or for capital construction and associated costs approved by the electors of the
- 20 city before the effective date of this Act.
- 21 **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.