

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Kasper

1 A BILL for an Act to create and enact section 21-03-06.1 of the North Dakota Century Code,
2 relating to voter approval of public building projects funded through indirect means.

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

4 **SECTION 1.** Section 21-03-06.1 of the North Dakota Century Code is created and
5 enacted as follows:

6 **21-03-06.1. Voter approval of indirect funding methods - School construction**
7 **project approval.** Notwithstanding any other provision of law, a municipality or governing body
8 of a municipality may not enter an agreement pursuant to internal revenue service revenue
9 ruling 63-20 under which payments of any kind would be required by the municipality to any
10 entity that has incurred indebtedness or other obligation in connection with acquisition,
11 improvements, or construction of any property or structure to be used by the municipality unless
12 entering the agreement has been approved by a vote of at least sixty percent of the qualified
13 electors of the municipality voting on the question if the agreement is for acquisition,
14 improvements, or construction of any property or structure for which an election would be
15 required if the municipality undertook the acquisition or construction project through issuance of
16 bonds of the municipality.

17 The school board of a school district may not enter an agreement pursuant to internal
18 revenue service revenue ruling 63-20 under which payments of any kind would be required by
19 the school district to any entity that has incurred indebtedness or other obligation regarding
20 construction, purchase, repair, improvement, modernization, or renovation of any building or
21 facility to be used by the school district without approval by the superintendent of public
22 instruction, in the manner provided in section 15.1-36-01, if approval by the superintendent of
23 public instruction would be required for the project under section 15.1-36-01 if the school district
24 undertook the project itself.