

Sixty-second  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1225

Introduced by

Representatives J. Nelson, Kretschmar, S. Meyer

Senators Wanzek, Heckaman

1 A BILL for an Act to amend and reenact subsection 22 of section 57-15-06.7 and section  
2 57-15-28 of the North Dakota Century Code, relating to the county emergency fund and levy  
3 limitation; to provide for a legislative management study; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 22 of section 57-15-06.7 of the North Dakota  
6 Century Code is amended and reenacted as follows:

7 22. A county levying a tax for emergency purposes as provided in section 57-15-28 may  
8 levy a tax not exceeding two mills, ~~which may be increased to five mills if approved by~~  
9 ~~a majority of the electors of the county voting on the question~~ in a county with a  
10 population of thirty thousand or more, four mills in a county with a population under  
11 thirty thousand but more than five thousand, or six mills in a county with a population  
12 of five thousand or fewer.

13 **SECTION 2. AMENDMENT.** Section 57-15-28 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **57-15-28. Emergency fund - County.**

16 The governing body of any county may levy a tax for emergency purposes not exceeding  
17 the limitation in subsection 22 of section 57-15-06.7. The emergency fund may not be  
18 considered in determining the budget or the amount to be levied for each fiscal year for normal  
19 tax purposes but must be shown in the budget as an "emergency fund" and may not be  
20 deducted from the budget as otherwise provided by law. Each county may create an emergency  
21 fund, and all taxes levied for emergency purposes by any county, when collected, must be  
22 deposited in the emergency fund, and must be used only for emergency purposes caused by  
23 the destruction or impairment of any county property necessary for the conduct of the affairs of  
24 the county, emergencies caused by nature or by the entry by a court of competent jurisdiction of

1 a judgment for damages against the county. The emergency fund may not be used for the  
2 purchase of road equipment. The emergency fund may not be used for any road construction or  
3 maintenance, except for repair of roads damaged by nature within sixty days preceding the  
4 determination to expend emergency funds ~~or for the purchase of road equipment~~; however, the  
5 emergency fund may be used to match federal funds appropriated to mitigate damage to roads  
6 related to a federally declared disaster that occurred more than sixty days preceding the  
7 determination. Any unexpended balance remaining in the emergency fund at the end of any  
8 fiscal year must be kept in the fund. When the amount of money in the emergency fund, plus  
9 the amount of money due the fund from outstanding taxes, equals the amount produced by a  
10 levy of five mills on the taxable valuation of property in a county with a population of thirty  
11 thousand or more, ten mills on the taxable valuation of property in a county with a population of  
12 less than thirty thousand but more than five thousand, or fifteen mills on the taxable valuation of  
13 property in a county with a population of five thousand or fewer, the levy authorized by this  
14 section must be discontinued, and no further levy may be made until required to replenish the  
15 emergency fund.

16 **SECTION 3. LEGISLATIVE MANAGEMENT STUDY - COUNTY AND CITY EMERGENCY**  
17 **FUND LEVIES.** During the 2011-12 interim, the legislative management shall consider studying  
18 county and city emergency fund levies and expenditures and jurisdictional responsibilities and  
19 issues relating to emergency fund levies and expenditures. The legislative management shall  
20 report its findings and recommendations, together with any legislation required to implement the  
21 recommendations, to the sixty-third legislative assembly.

22 **SECTION 2. EFFECTIVE DATE.** ~~This~~ Section 1 of this Act is effective for taxable years  
23 beginning after December 31, 2010. Section 2 of this Act is effective for emergency fund  
24 expenditures after July 31, 2011.