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Fifty-sixth
Legislative Assembly **SENATE BILL NO. 2318**
of North Dakota

Introduced by

Senators Lyson, Kinnoin

Representative DeKrey

1 A BILL for an Act to amend and reenact section 57-40.6-02 of the North Dakota Century Code,

2 relating to ballot measures on the question of excise taxes on telephone access lines.

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

4   **SECTION 1. AMENDMENT.** Section 57-40.6-02 of the 1997 Supplement to the North

5 Dakota Century Code is amended and reenacted as follows:

6   **57-40.6-02. Authority of counties or cities to impose excise tax on telephone**

7 **access lines - Procedure.** The governing body of a county or city may impose an excise tax

8 on the use of telephone access lines in accordance with the following requirements:

9   1.   The governing body shall adopt a resolution that proposes the adoption of the

10   excise tax permitted under this section. The resolution must specify an effective

11   date for the tax which is no more than two years before the expected

12   implementation date of the emergency services communication system to be

13   funded by the excise tax. The resolution must include a provision for submitting

14   the proposed excise tax to the electors of the county or city before the imposition of

15   the tax is effective. The resolution must specify a tax that does not exceed one

16   dollar per month per telephone access line.

17   2.   The question of the adoption of the excise tax must be submitted on a ballot on

18   which the ballot title of the proposition includes the maximum monthly rate of the

19   proposed tax authorized under subsection 1. The question of the adoption of the

20   excise tax may be submitted to electors at a general, primary, or special election or

21   at a school district election if the boundaries of the school district are coterminous

22   with the boundaries of the governing body adopting the resolution proposing the

23   adoption of the excise tax. The tax is not effective unless it is approved by a

1   majority of the electors voting on the proposition. The ballot must be worded so

2   that a "yes" vote authorizes imposition of the tax for an initial six-year period.

3   3. Any political subdivision that desires to increase the tax, subject to the limitations in

4   subsection 1, before the end of the six-year term, must use the same ballot

5   procedure originally used to authorize the tax. The new ballot question may apply

6   to only the proposed increase and not to the original amount or the original term. If

7   the increase is approved, the new amount may be collected for the balance of the

8   original six-year term. If the tax authorized by this section is approved by the

9   electors, the tax may be reimposed for six additional years without resubmitting the

10   question to the electors.

11   4. In any geographic area, only one political subdivision may impose the excise tax.

12   5. In the interest of public safety, where the customers exchange boundary and the

13   boundary of the political subdivision imposing the tax do not coincide, and where

14   all of the political subdivisions within the exchange boundary have not complied

15   with subsection 1, and where a majority of the E911 subscribers within the

16   exchange boundary have voted for the tax, an exchange customer residing outside

17   the political subdivision may receive E911 services by signing a contract

18   agreement with the political subdivision providing the emergency

19   telecommunications system. The telephone company may collect an additional

20   tax, equal in amount to the basic tax on those subscribers within the exchange

21   boundary. The additional tax amounts collected must be remitted as provided in

22   this chapter.