15.0075.01000

Sixty-fourth Legislative Assembly of North Dakota

Introduced by

FIRST DRAFT:

Prepared by the Legislative Council staff for the Advisory Commission on Intergovernmental Relations April 2014

- 1 A BILL for an Act to amend and reenact subsection 9 of section 2-06-10, sections 4-08-15.1 and
- 2 4-33-11, subsection 2 of section 11-11-53, subsection 9 of section 11-36-10, subsection 8 of
- 3 section 11-37-08, subsection 1 of section 15.1-09-54, subsection 1 of section 21-03-06.1,
- 4 sections 21-03-07, 21-03-11, and 21-03-12, subsection 4 of section 40-33.2-05, subsection 4 of
- 5 section 40-38-02, subsection 29 of section 57-15-06.7, sections 57-15-08, 57-15-12,
- 6 57-15-12.1, and 57-15-14, subsection 1 of section 57-15-16, and sections 57-15-50, 57-15-51,
- 7 and 57-40.6-02 of the North Dakota Century Code, relating to requiring that elections seeking
- 8 voter approval of political subdivision authority to increase property taxes or increase
- 9 indebtedness must be held in conjunction with a statewide primary or general election; and to
- 10 provide an effective date.

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

- **SECTION 1. AMENDMENT.** Subsection 9 of section 2-06-10 of the North Dakota Century Code is amended and reenacted as follows:
- 9. For bonds issued under this section to be an obligation of a municipality or authority, the issuance of the bonds must be approved by a majority vote of the governing body of each municipality involved or, within thirty days after the authority decides it wishes to issue the bonds, the municipality or authority must put the question, specifying the amount of the bond at issue, to the people at an election. The question may be put at an election held in conjunction with a general election, a or primary election, a municipal election, or at an election called for the purpose. If a majority of the qualified electors voting on the issue vote in favor of issuing the bonds, the authority or municipality may, to the amount authorized in the election, pledge the general obligation of the authority or municipality to guarantee the repayment of the principal and interest on the bonds.

SECTION 2. AMENDMENT. Section 4-08-15.1 of the North Dakota Century Code is 2 amended and reenacted as follows:

4-08-15.1. Extension work - Additional tax levy.

The board of county commissioners of any county, upon passage of a resolution, may submit, at the next regularly scheduled or specialprimary or general election in the county, the question of providing for an additional annual levy not exceeding the limitation in subsection 5 of section 57-15-06.7 for extension work. If the question submitted is approved by a majority of the electors voting thereon, the board shall proceed to make the levy. The number of mills approved by the electors as an additional annual levy may not be increased by the board without voter approval of such increased levy as set out in this section, even if there is a subsequent increase in the mill levy limitation in subsection 5 of section 57-15-06.7. Upon approval of the levy for the extension work, the board may expend the funds in the manner it deems best adapted to accomplish the purposes set forth by law. The levy may be discontinued upon the passage of a resolution by the board of county commissioners.

SECTION 3. AMENDMENT. Section 4-33-11 of the North Dakota Century Code is amended and reenacted as follows:

4-33-11. Authority for financing local control programs - County pest coordinator.

The governing body of any political subdivision may appropriate money for the control of pests under this chapter. If state funds are involved, the money must be expended according to control plans approved by the commissioner. The governing body of a political subdivision shall determine the portion, if any, of control program costs to be paid by the political subdivision. Costs of the control program may be paid by moneys in the emergency fund. If the emergency fund is not sufficient to carry out the program, the governing body may expend money from the general fund and in this event the governing body, except the governing body of a park district, upon approval of sixty percent of those voting in any special election or the next regularly scheduled primary or general election, may levy a tax during the following year upon all taxable property in the political subdivision to fully reimburse the general fund for the amount expended except that the levy may not exceed the limitation in subsection 1 of section 57-15-28.1.

The board of county commissioners for any county shall designate an individual to serve as county pest coordinator. The county weed control officer may serve in that capacity if approved by the board of county commissioners. The county pest coordinator shall administer local and private funds in cooperation with state and federal pest control programs. When state funds are involved, the county pest coordinator shall submit county and township control plans to the agriculture commissioner for approval.

SECTION 4. AMENDMENT. Subsection 2 of section 11-11-53 of the North Dakota Century Code is amended and reenacted as follows:

The board of county commissioners may levy a tax, not exceeding the limitation in subsection 8 of section 57-15-06.7, for the promotion of historical works within the borders of the county and in general defray the expense of carrying on historical work in the county, including the maintenance of any historical room or building, and furthering the work of the historical society of the county. The levy is in addition to any moneys appropriated from the general fund of the county for historical work as provided in subsection 1. The board of county commissioners may, by resolution, submit the question of an additional tax levy to the qualified electors of the county at the next countywide general, primary, or specialgeneral election. If sixty percent of the qualified electors voting on the question approve, a tax must be levied not exceeding the limitation in subsection 8 of section 57-15-06.7, which tax may be expended as provided in this section.

SECTION 5. AMENDMENT. Subsection 9 of section 11-36-10 of the North Dakota Century Code is amended and reenacted as follows:

9. For bonds issued under this section to be an obligation of a municipality or port authority, the issuance of the bonds must be approved by a majority vote of the governing body of each municipality involved or, within thirty days after the port authority decides it wishes to issue the bonds, the municipality or port authority must put the question, specifying the amount of the bond at issue, to the people at an election. The question may be put at a general election, a or primary election, a municipal election, or at an election called for the purpose. If a majority of the qualified electors voting on the issue vote in favor of issuing the bonds, the port authority or

1	municipality, to the amount authorized in the election, may pledge the general			
2	obligation of the port authority or municipality to guarantee the repayment of the			
3	principal and interest on the bonds.			
4	SECTION 6. AMENDMENT. Subsection 8 of section 11-37-08 of the North Dakota Century			
5	Code is amended and reenacted as follows:			
6	8. Fo	or bond	s issued under this section to be an obligation of a political subdivision or	
7	cc	mmerc	e authority, the issuance of the bonds must be approved by a majority vote of	
8	the governing body of each political subdivision involved or, within thirty days after the			
9	commerce authority decides to issue the bonds, the political subdivision or commerce			
10	authority must put the question, specifying the amount of the bond at issue, to the			
11	electors at any primary, or general, or special election. If a majority of the qualified			
12	electors voting on the issue vote in favor of issuing the bonds, the commerce authority			
13	or political subdivision, to the amount authorized in the election, may pledge the			
14	general obligation of the commerce authority or political subdivision to guarantee the			
15	repayment of the principal and interest on the bonds.			
16	SECTION 7. AMENDMENT. Subsection 1 of section 15.1-09-54 of the North Dakota			
17	Century Co	de is a	mended and reenacted as follows:	
18	1. A	A school district technology consortium formed under chapter 54-40.3 may borrow		
19	m	money for instructional technology acquisition provided:		
20	a.	The	outstanding principal borrowed by a consortium under this section does not	
21		exce	eed one hundred seventy-five thousand dollars;	
22	b.	The	loan repayment period does not exceed ten years;	
23	C.	The	loan is approved in writing by the board of each school district participating in	
24		the	consortium;	
25	d.	The	loan is:	
26		(1)	Approved by a majority of the eligible electors residing in each school	
27			district participating in the consortium, as evidenced by their signatures on a	
28			petition clearly stating the purpose of the loan, the amount of the loan, and	
29			its terms of repayment, and filed with the superintendent of public	
30			instruction; or	

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1	(2) Approved by a majority of each participating school district's electors voting			
2	on the question at a regular school district election or at a specialan election			
3	called by the board and held in conjunction with a primary or general			
4	election; and			
5	e. The loan is approved by the superintendent of public instruction.			
6	SECTION 8. AMENDMENT. Subsection 1 of section 21-03-06.1 of the North Dakota			
7	Century Code is amended and reenacted as follows:			
8	1. Notwithstanding any other provision of law, a school board may not enter an			
9	agreement pursuant to internal revenue service revenue ruling 63-20 under which			
10	payments of any kind would be required by the school district to any building authority			
11	or other entity that incurs indebtedness or other obligation in connection with			
12	acquisition, improvements, or construction of any property or structure at a total cost of			
13	four million dollars or more to be used by the school district unless the agreement has			
14	been approved by a vote of a majority of the qualified electors of the school district			
15	voting on the question at a regular or special school district election held in conjunction			
16	with a primary or general election if the agreement is for acquisition, improvements, or			
17	construction of any property or structure for which an election would be required if the			
18	school district undertook the acquisition, improvements, or construction project			
19	through issuance of bonds of the school district.			
20	SECTION 9. AMENDMENT. Section 21-03-07 of the North Dakota Century Code is			
21	amended and reenacted as follows:			
22	21-03-07. Election required - Exceptions.			
23	No municipality, and no governing board thereof, may issue bonds without being first			

No municipality, and no governing board thereof, may issue bonds without being first authorized to do so by a vote equal to sixty percent of all the qualified voters of such municipality voting upon the question of such issue <u>at an election held in conjunction with a primary or general election</u> except:

1. As otherwise provided in section 21-03-04.

2. The governing body may issue bonds of the municipality for the purpose and within the limitations specified by subdivision e of subsection 1 of section 21-03-06, subdivision g of subsection 2 of section 21-03-06, and subsections 4.1 and 7 of section 21-03-06 without an election.

1 The governing body of any municipality may issue bonds of the municipality for the 2 purpose of providing funds to meet its share of the cost of any federal aid highway 3 project undertaken under an agreement entered into by the governing body with the 4 United States government, the director of the department of transportation, the board 5 of county commissioners, or any of them, including the cost of any construction, 6 improvement, financing, planning, and acquisition of right of way of a bridge eligible for 7 federal matching funds, federal aid highway routed through the municipality and of any 8 bridges and controlled access facilities thereon and any necessary additional width or 9 capacity of the bridge or roadway thereof greater than that required for federal or state 10 bridge or highway purposes, and of any necessary relaying of utility mains and 11 conduits, curbs and gutters, and the installation of utility service connections and 12 streetlights. The portion of the total cost of the project to be paid by the municipality 13 under the agreement, including all items of cost incurred directly by the municipality 14 and all amounts to be paid by it for work done or contracted for by other parties to the 15 agreement, may not exceed a sum equal to thirty percent of the total cost, including 16 engineering and other incidental costs, of all construction and reconstruction work to 17 be done plus fifty percent of the total cost of all right of way to be acquired in 18 connection therewith. The initial resolution authorizing issuance of bonds under this 19 subsection must be published in the official newspaper of the municipality. Within sixty 20 days after publication, an owner of taxable property within the municipality may file 21 with the auditor or chief fiscal officer of the municipality a written protest against 22 adoption of the resolution. A protest must describe the property that is the subject of 23 the protest. If the governing body finds protests have been signed by the owners of 24 taxable property having an assessed valuation equal to five percent or more of the 25 assessed valuation of all taxable property in the municipality, as most recently finally 26 equalized, all further proceedings under the initial resolution are barred. Nothing 27 herein may be deemed to prevent any municipality from appropriating funds for or 28 financing out of taxes, special assessments, or utility revenues any work incidental to 29 any such project, in the manner and to the extent otherwise permitted by law, and the 30 cost of any work so financed may not be included in computing the portion of the 31 project cost payable by the municipality, within the meaning of this subsection, unless

- the work is actually called for by the agreement between the municipality and the other governmental agencies involved.
 - 4. The governing body of any city may also by resolution adopted by a two-thirds vote authorize and issue general obligation bonds of the city for the purpose of providing funds to pay the cost of any improvement of the types stated below, to the extent that the governing body determines that such cost should be paid by the city and should not be assessed upon property specially benefited thereby; provided that the initial resolution authorizing such bonds must be published in the official newspaper, and any owner of taxable property within the city may, within sixty days after such publication, file with the city auditor a protest against the adoption of the resolution. If the governing body finds such protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the city, as theretofore last finally equalized, all further proceedings under such initial resolution are barred. This procedure is authorized for the financing of the following types of improvements:
 - a. Any street improvement, as defined in subsection 2 of section 40-22-01, to be made in or upon any federal or state highway or any other street designated by ordinance as an arterial street.
 - b. The construction of a bridge, culvert, overpass, or underpass at the intersection of any street with a stream, watercourse, drain, or railway, and the acquisition of any land or easement required for that purpose.
 - c. Any improvement incidental to the carrying out of an urban renewal project, the issuance of bonds for which is authorized by subsection 4 of section 40-58-13. Nothing herein may be deemed to prevent any municipality from appropriating funds for or financing out of taxes, special assessments, or utility revenues any work incidental to any such improvement, in the manner and to the extent otherwise permitted by law.
 - 5. The governing body of any city may also by resolution adopted by a two-thirds vote dedicate the mill levies as authorized by sections 57-15-42 and 57-15-44 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair

- of public buildings or fire stations; provided, that the initial resolution authorizing the mill levy dedication and general obligation bonds must be published in the official newspaper, and any owner of taxable property within the city may, within sixty days after publication, file with the city auditor a protest against the adoption of the resolution. Protests must be in writing and must describe the property which is the subject of the protest. If the governing body finds such protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the city, as theretofore last finally equalized, all further proceedings under the initial resolution are barred.
- 6. The governing body of any county may also by resolution adopted by a two-thirds vote dedicate the tax levies as authorized by sections 57-15-06.6 and 57-15-06.9 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair of regional or county correction centers, or parks and recreational facilities; provided, that the initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper, and any owner of taxable property within the county may, within sixty days after publication, file with the county auditor a protest against the adoption of the resolution. Protests must be in writing and must describe the property which is the subject of the protest. If the governing body finds such protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the county, as theretofore last finally equalized, all further proceedings under the initial resolution are barred.
- 7. The governing body of any public school district may also by resolution adopted by a two-thirds vote dedicate the tax levies as authorized by section 15.1-09-47, 15.1-09-49, or 57-15-16 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair of public school buildings or for the construction or improvement of a project under section 15.1-36-02 or 15.1-36-03. The initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper of the school district, and any owner of taxable

- property within the school district may, within sixty days after publication, file with the business manager of the school district a protest against the adoption of the resolution. Protests must be in writing and must describe the property that is the subject of the protest. If the governing body finds the protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the school district, as theretofore last finally equalized, all further proceedings under the initial resolution are barred.
- 8. The governing body of any city having a population of twenty-five thousand persons or more may use the provisions of subsection 3 to provide funds to participate in the cost of any construction, improvement, financing, and planning of any bypass routes, interchanges, or other intersection improvements on a federal or state highway system which is situated in whole or in part outside of the corporate limits of the city; provided, that the governing body thereof shall determine by resolution that the undertaking of such work is in the best interest of the city for the purpose of providing access and relieving congestion or improving traffic flow on municipal streets.
- 9. The governing body of a municipality or other political subdivision, located at least in part within a county that is included within a disaster or emergency executive order or proclamation of the governor under chapter 37-17.1, may by resolution adopted by a two-thirds vote authorize and issue general obligation bonds of the political subdivision without an election for the purpose of providing funds to pay costs associated with the emergency condition. The political subdivision may dedicate and levy taxes for retirement of bonds under this subsection and such levies are not subject to limitations as otherwise provided by law.
- 10. The governing board of any county, city, public school district, park district, or township may by resolution adopted by a two-thirds vote dedicate the tax levy authorized by section 57-15-41 and authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds to prepay outstanding special assessments made in accordance with the provisions of title 40 against property owned by the county, city, public school district, park district, or township.

SECTION 10. AMENDMENT. Section 21-03-11 of the North Dakota Century Code is 2 amended and reenacted as follows:

21-03-11. Elections - When and how called and held.

Upon or after the adoption of an initial resolution by the governing body, or at the first meeting of the governing body held after the filing of a petition and proposed initial resolution by the qualified electors as specified in subsection 2 of section 21-03-10, the governing body by resolution shall provide for submitting to the qualified electors of the municipality the question whether the initial resolution shall be approved. The date of the election must be not less than twenty days after the passage of the initial resolution by the governing body or in the filing of a sufficient petition therefor by the qualified electors. The governing body shall designate the date of the election, the polling hours, and polling place, which must be the same as for municipal elections therein, and shall appoint an inspector, two judges, and two clerks of election for each polling place. In case of the absence of any election official, or the official's inability to act at the opening of the polls, the remaining election officials for the polling place shall appoint a qualified elector to fill the vacancy. The election must be conducted and the returns thereof made and canvassed as in the case of elections of members of the governing body of the municipality election must be held in conjunction with a primary or general election.

SECTION 11. AMENDMENT. Section 21-03-12 of the North Dakota Century Code is amended and reenacted as follows:

21-03-12. Notice of election to be given.

The auditor, secretary, or similarly acting officer, by whatever name designated, of the municipality shall give notice of election by causing a notice thereof to be published once each week for at least two weeks prior to the date thereof in the official newspaper of such municipality, if any, or if it has none, in any newspaper published therein, or if no newspaper is published therein, then by posting copies of such notice in five public places in the municipality. The date of such posting or first publication must be at least fifteen days before the date of such election, exclusive of the day of such posting or first publication. Such notice must specify the date, polling hours, and polling places of such election and must contain a complete copy of the initial resolution and a statement that the question to be submitted thereat shall be whether said initial resolution shall be approved. If said question is to be submitted atin conjunction with a municipal election, the notice herein prescribed may be separate from the notice of such

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- municipal election and may refer to the notice of such municipal election for the designation of
 polling places.
- SECTION 12. AMENDMENT. Subsection 4 of section 40-33.2-05 of the North Dakota
 Century Code is amended and reenacted as follows:
 - Except when the agency agreement or bylaws prescribe otherwise, bonds or notes of a municipal power agency shall be authorized by resolution of its board of directors and approved by not less than sixty percent of the qualified electors in each of the member cities voting on the question at any regular or specialan election held in conjunction with a primary or general election and may be issued under such resolution or under a trust indenture or other security agreement, in one or more series, and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such conversion, registration, and exchange privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places within or outside the state or within or outside the United States, be subject to such terms of redemption with or without premiums, and contain or be subject to such other terms as the resolution, trust indenture, or other security agreement may provide, and shall not be restricted by the provisions of any other law limiting the amounts, maturities, interest rates, or other terms of obligations of cities, public agencies, or private persons.
 - **SECTION 13. AMENDMENT.** Subsection 4 of section 40-38-02 of the North Dakota Century Code is amended and reenacted as follows:
 - 4. Upon motion of the governing body or upon petition of not less than twenty-five percent of the qualified electors in the last general election of any city, school district, township, or county, filed not less than sixty days before the next <u>primary or general</u> election, the governing body shall submit to the qualified electors at <u>an election held in conjunction with</u> the next <u>primary or general</u> election the question of whether the governing body shall increase the mill levy a specified amount for public library service above the mill levy limitation set out in this section. The governing body may call a special election at any time for the purpose of voting on the question, and the election shall be called, conducted, and certified as are other elections in that political

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subdivision. Upon approval by sixty percent of the qualified electors voting in the election, the governing body shall increase the levy for public library service in the amount approved by the qualified electors.

SECTION 14. AMENDMENT. Subsection 29 of section 57-15-06.7 of the North Dakota Century Code is amended and reenacted as follows:

A county levying a tax for a job development authority as provided in section 11-11.1-04 or for the support of an industrial development organization as provided in section 11-11.1-06 may levy a tax not exceeding four mills on the taxable valuation of property within the county. Upon approval by a majority of electors voting on the question at a regular or special countyan election held in conjunction with a primary or general election, a county levying a tax for a job development authority as provided in section 11-11.1-04 or for the support of an industrial development organization as provided in section 11-11.1-06 may levy a separate and additional tax for promotion of tourism in an amount not exceeding one mill on the taxable valuation of property within the county. However, if any city within the county is levying a tax for support of a job development authority or for support of an industrial development organization and the total of the county and city levies exceeds five mills, the county tax levy within the city levying under subsection 28 of section 57-15-10 must be reduced so the total levy in the city does not exceed five mills.

SECTION 15. AMENDMENT. Section 57-15-08 of the North Dakota Century Code is amended and reenacted as follows:

57-15-08. General fund levy limitations in cities.

The aggregate amount levied for general city purposes may not exceed an amount produced by a levy of thirty-eight mills on the taxable valuation of property in the city. Cities with a population of over five thousand may levy an additional one-half of one mill for each additional one thousand population in excess of five thousand, up to a maximum levy for general city purposes of forty mills. A city, when authorized by a majority vote of the electors of the city voting on the question at a regularly scheduled or specialan election held in conjunction with a primary or general election called for such purpose pursuant to a resolution approved by the governing body of the city, may increase the maximum mill levy for general city purposes by not more than ten mills.

SECTION 16. AMENDMENT. Section 57-15-12 of the North Dakota Century Code is
 amended and reenacted as follows:

57-15-12. General fund levy limitations in park districts.

The aggregate amount levied for park district general fund purposes, exclusive of levies to pay interest on bonded debt and levies to pay and discharge the principal thereof, and levies to pay the principal and interest on special assessments assessed and levied against park board properties by other municipalities, may not exceed the sum of the number of mills levied by the park district in taxable year 2000 for the general fund under section 57-15-12 including any additional levy approved by the electors, the insurance reserve fund under section 32-12.1-08, the employee health care program under section 40-49-12, the public recreation system under section 40-55-09 including any additional levy approved by the electors, forestry purposes under section 57-15-12.1 except any additional levy approved by the electors, pest control under section 4-33-11, and handicapped person programs and activities under section 57-15-60. A park district may increase its general fund levy under this section to any number of mills approved by a majority of the electors of the park district voting on the question at aregular or special park districtan election held in conjunction with a primary or general election, up to a maximum levy under this section of thirty-five mills on the dollar of the taxable valuation of the district for the current year.

SECTION 17. AMENDMENT. Section 57-15-12.1 of the North Dakota Century Code is amended and reenacted as follows:

57-15-12.1. City or park district tax levy or service charge for forestry purposes.

The governing body of a city or park district may levy annually a tax to provide funds for the establishment, operation, and maintenance of forestry activities within the city or park district. A tax levied by a city governing body under this section may not exceed two mills per dollar of taxable valuation of property within the city. A tax levied by a park district under this section must be within the general fund levy authority of the park district. The governing board of a city or park district, upon approval by a majority vote of the qualified electors voting on the question at any citywide or districtwidean election held in conjunction with a primary or general election, may also levy annually an additional tax not in excess of three mills on the taxable valuation of property within the city or park district for the purpose of providing funds for forestry

- activities within the city or park district. Any park district levy approved by the electors and any city levy under this section is in addition to and not restricted by any mill levy limit prescribed by law. The proceeds of any levy under this section may be used for forestry activities, including prevention or control of Dutch elm disease or other diseases which may affect trees, shrubs, and other vegetation; purchasing, planting, or removal of trees, shrubs, and other vegetation; pruning and maintenance of trees, shrubs, and other vegetation; purchasing of necessary equipment; hiring of personnel; contracting for services; public information and technical assistance; and other items related to forestry activities which may be necessary to provide for proper care, maintenance, propagation, and improvement of forestry resources within the city or park district.
- 2. In lieu of a levy as specified in subsection 1, a city or park district may propose a service charge as an alternative form of financing. Such alternative form of financing must be approved by a majority vote of the qualified electors voting on the question at any general or special citywide or districtwidean election held in conjunction with a primary or general election. The proceeds of any service charge may be used for forestry activities, as specified in subsection 1.

SECTION 18. AMENDMENT. Section 57-15-14 of the North Dakota Century Code is amended and reenacted as follows:

57-15-14. (Effective for the first two taxable years beginning after December 31, 2012) Voter approval of excess levies in school districts.

- Unless authorized by the electors of the school district in accordance with this section, a school district may not impose greater levies than those permitted under section 57-15-14.2.
 - a. In any school district having a total population in excess of four thousandaccording to the last federal decennial census there may be levied any specific number of mills that upon resolution of the school board has been submitted toand approved by a majority of the qualified electors voting upon the question atany regular or special school district election.
 - b. In any school district having a total population of fewer than four thousand, there may be levied any specific number of mills that upon resolution of the school

1 board has been approved by fifty-five percent of the qualified electors voting-2 upon the question at any regular or special school election. 3 After June 30, 2009, in any school district election for approval by electors of C. 4 increased levy authority under subsection 1 or 2, the ballot must specify the 5 number of mills proposed for approval, and the number of taxable years for which-6 that approval is to apply. After June 30, 2009, approval by electors of increased 7 levy authority under subsection 1 or 2 may not be effective for more than ten-8 taxable years. 9 The authority for a levy of up to a specific number of mills under this section-d. 10 approved by electors of a school district before July 1, 2009, is terminated 11 effective for taxable years after 2015. If the electors of a school district subject to 12 this subsection have not approved a levy for taxable years after 2015 of up to a 13 specific number of mills under this section by December 31, 2015, the school-14 district levy limitation for subsequent years is subject to the limitations under-15 section 57-15-01.1 or this section. 16 For taxable years beginning after 2012: e. 17 The authority for a levy of up to a specific number of mills, approved by 18 electors of a school district for any period of time that includes a taxable-19 year before 2009, must be reduced by one hundred fifteen mills as a 20 precondition of receiving state aid in accordance with chapter 15.1-27. 21 (2) The authority for a levy of up to a specific number of mills, approved by 22 electors of a school district for any period of time that does not include a 23 taxable year before 2009, must be reduced by forty mills as a precondition-24 of receiving state aid in accordance with chapter 15.1-27. 25 (3) The authority for a levy of up to a specific number of mills, placed on the 26 ballot in a school district election for electoral approval of increased levy-27 authority under subdivision a or b, after June 30, 2013, must be stated as a 28 specific number of mills of general fund levy authority and must include a 29 statement that the statutory school district general fund levy limitation is 30 seventy mills on the dollar of the taxable valuation of the school district.

- f. The authority for an unlimited levy approved by electors of a school district before July 1, 2009, is terminated effective for taxable years after 2015. If the electors of a school district subject to this subsection have not approved a levy of up to a specific number of mills under this section by December 31, 2015, the school district levy limitation for subsequent years is subject to the limitations under section 57-15-01.1 or this section.
 - 2. a. The question of authorizing or discontinuing such specific number of mills authority in any school district must be submitted to the qualified electors at the next regular election upon resolution of the school board or upon the filing with the school board of a petition containing the signatures of qualified electors of the district equal in number to ten percent of the number of electors who cast votes in the most recent election in the school district. No fewer than twenty-five signatures are required.
 - b. The approval of discontinuing such authority does not affect the tax levy in the calendar year in which the election is held.
 - c. The election must be held in the same manner and subject to the same conditions as provided in this section for the first election upon the question of authorizing the mill levy.

(Effective after the first two taxable years beginning after December 31, 2012) General fund levy limitations in school districts. The aggregate amount levied each year for the purposes listed in section 57-15-14.2 by any school district, except the Fargo school district, may not exceed the amount in dollars which the school district levied for the prior school year plus twelve percent up to a general fund levy of one hundred eighty-five mills on the dollar of the taxable valuation of the district, except that:

- 1. In any school district having a total population in excess of four thousand according to the last federal decennial census there may be levied any specific number of mills that upon resolution of the school board has been submitted to and approved by a majority of the qualified electors voting upon the question at any regular or speciala school district election held in conjunction with a primary or general election.
- 2. In any school district having a total population of fewer than four thousand, there may be levied any specific number of mills that upon resolution of the school board has

- been approved by fifty-five percent of the qualified electors voting upon the question at any regular or speciala school election held in conjunction with a primary or general election.
 - 3. After June 30, 2009, in any school district election for approval by electors of increased levy authority under subsection 1 or 2, the ballot must specify the number of mills proposed for approval, and the number of taxable years for which that approval is to apply. After June 30, 2009, approval by electors of increased levy authority under subsection 1 or 2 may not be effective for more than ten taxable years.
 - 4. The authority for a levy of up to a specific number of mills under this section approved by electors of a school district before July 1, 2009, is terminated effective for taxable years after 2015. If the electors of a school district subject to this subsection have not approved a levy for taxable years after 2015 of up to a specific number of mills under this section by December 31, 2015, the school district levy limitation for subsequent years is subject to the limitations under section 57-15-01.1 or this section.
 - 5. The authority for an unlimited levy approved by electors of a school district before July 1, 2009, is terminated effective for taxable years after 2015. If the electors of a school district subject to this subsection have not approved a levy of up to a specific number of mills under this section by December 31, 2015, the school district levy limitation for subsequent years is subject to the limitations under section 57-15-01.1 or this section.

The question of authorizing or discontinuing such specific number of mills authority in any school district must be submitted to the qualified electors at the next regularan election held in conjunction with a primary or general election upon resolution of the school board or upon the filing with the school board of a petition containing the signatures of qualified electors of the district equal in number to ten percent of the number of electors who cast votes in the most recent election in the school district. However, not fewer than twenty-five signatures are required. However, the approval of discontinuing such authority does not affect the tax levy in the calendar year in which the election is held. The election must be held in the same manner and subject to the same conditions as provided in this section for the first election upon the question of authorizing the mill levy.

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- SECTION 19. AMENDMENT. Subsection 1 of section 57-15-16 of the North Dakota Century
 Code is amended and reenacted as follows:
 - The governing body of any school district shall levy taxes annually for a school building fund, not in excess of twenty mills, which levy is in addition to and not restricted by the levy limitations prescribed by law, when authorized to do so by sixty percent of the qualified electors of the school district voting upon the question at aregular or specialan election held in conjunction with a primary or general election inany school district. The governing body of the school district may create the building fund by appropriating and setting up in its budget for an amount not in excess of twenty percent of the current annual appropriation for all other purposes combined, exclusive of appropriations to pay interest and principal of the bonded debt, and not in excess of the limitations prescribed by law. If a portion or all of the proceeds of the levy have been allocated by contract to the payment of rentals upon contracts with the state board of public school education as administrator of the state school construction fund, the levy must be made annually by the governing body of the school district until the full amount of all such obligations is fully paid. Any portion of a levy for a school building fund which has not been allocated by contract with the state board of public school education must be allocated by the governing body pursuant to section 57-15-17. Upon the completion of all payments to the state school construction fund, or upon payment and cancellation or defeasance of the bonds, the levy may be discontinued at the discretion of the governing body of the school district, or upon petition of twenty percent of the qualified electors who voted in the last school election, the question of discontinuance of the levy must be submitted to the qualified electors of the school district at any regular or specialan election held in conjunction with a primary or general election and, upon a favorable vote of sixty percent of the qualified electors of the school district voting on the question, the levy must be discontinued. Any school district, executing a contract or lease with the state board of public school education or issuing general obligation bonds, which contract or lease or bond issue requires the maintenance of the levy provided in this section, shall immediately file a certified copy of the contract, lease, or bond issue with the county auditor or auditors of the county or counties in which the school district is located. The county auditor or

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auditors shall register the contract, lease, or bond issue in the bond register in substantially the manner provided in section 21-03-23. Upon the filing of the contract, lease, or bond issue with the county auditor or auditors, the school district may not discontinue the levy and the levy must automatically be included in the tax levy of the school district from year to year by the county auditor or auditors until a sufficient sum of money has been collected to pay to the state treasurer for the retirement of all obligations of the school district with the state board of public school education or to pay to the custodian of the bond sinking fund all amounts due or to become due on the bonds.

SECTION 20. AMENDMENT. Section 57-15-50 of the North Dakota Century Code is amended and reenacted as follows:

57-15-50. Levy authorized for county emergency medical service.

Upon petition of ten percent of the number of qualified electors of the county voting in the last election for governor or upon its own motion, the board of county commissioners of each county shall levy annually a tax not exceeding the limitation in subsection 23 of section 57-15-06.7, for the purpose of subsidizing county emergency medical services; provided, that this tax must be approved by a majority of the qualified electors of the county voting on the question at a regular or special countywideprimary or general election. The county may budget, in addition to its annual operating budget for subsidizing emergency medical service, no more than ten percent of its annual operating budget as a depreciation expense to be set aside in a dedicated emergency medical services sinking fund deposited with the treasurer for the replacement of equipment and ambulances. The ten percent emergency medical services sinking fund must be in addition to the annual operating budget for subsidization, but the total of the annual operating budget and the annual ten percent emergency medical services sinking fund may not exceed the approved mill levy. If the county contains a rural ambulance service district or rural fire protection district that levies for and provides emergency medical service, the property within that district is exempt from the county tax levy under this section upon notice from the governing body of the district to the board of county commissioners of the existence of the district.

SECTION 21. AMENDMENT. Section 57-15-51 of the North Dakota Century Code is amended and reenacted as follows:

57-15-51. Levy authorized for city emergency medical service.

Upon petition of ten percent of the number of qualified electors of the city voting in the last election for governor or upon its own motion, the governing body of a city shall levy annually a tax of not to exceed ten mills upon its taxable valuation, for the purpose of subsidizing city emergency medical services; provided, that such tax must be approved by a majority of the qualified electors of the city voting on the question at a regular or special cityan election held in conjunction with a primary or general election. Whenever a tax for county emergency medical services is levied by a county, any city levying a tax for, or subsidizing city emergency medical services, shall upon written application to the county board of such county be exempted from such county tax levy. The city may set aside, as a depreciation expense, up to ten percent of its annual emergency medical service operating or subsidization budget in a dedicated emergency medical services sinking fund, deposited with the auditor for replacement of equipment and ambulances. The ten percent emergency medical services sinking fund may be in addition to the actual annual emergency medical services budget but the total of the annual emergency medical services fund may not exceed the approved mill levy.

SECTION 22. AMENDMENT. Section 57-40.6-02 of the North Dakota Century Code is amended and reenacted as follows:

57-40.6-02. Authority of counties or cities to impose fee on assessed communications service - Procedure.

The governing body of a county or city may impose a fee on all assessed communications services in accordance with the following requirements:

1. The governing body shall adopt a resolution that proposes the adoption of the fee permitted under this section. The resolution must specify an effective date for the fee which is no more than two years before the expected implementation date of the emergency services communication system to be funded by the fee. The resolution must include a provision for submitting the proposed fee to the electors of the county or city before the imposition of the fee is effective. The resolution must specify a fee that does not exceed one dollar and fifty cents per month per communication connection and must be applied equally upon all assessed communications services. Prepaid wireless service is not subject to the fee imposed under this section.

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- 2. The question of the adoption of the fee must be submitted on a petition on which the petition title of the proposition includes the maximum monthly rate of the proposed fee authorized under subsection 1. The question of the adoption of the fee may be submitted to electors at a general, or primary, or special election or at a school district election if the boundaries of the school district are coterminous with the boundaries of the governing body adopting the resolution proposing the adoption of the fee. The fee is not effective unless it is approved by a majority of the electors voting on the proposition. The ballot must be worded so that a "yes" vote authorizes imposition of the fee.
 - 3. Once established by this section, the maximum fee may be increased, decreased, or eliminated by a majority vote of the electors. The question may be placed on the ballot of any general, or primary, or special election by a resolution of the governing body, or by a petition signed by ten percent or more of the total number of qualified electors of the political subdivision voting for governor at the most recent gubernatorial election and submitted to the governing body. By action of the governing body, the fee amount collected may be adjusted, subject to the maximum approved by the voters, to meet the costs allowed by this chapter.
 - 4. In any geographic area, only one political subdivision may impose the fee and imposition must be based on the subscriber service address.
 - In the interest of public safety, where the subscriber's telephone exchange access service boundary and the boundary of the political subdivision imposing the fee do not coincide, and where all of the political subdivisions within the subscriber's telephone exchange access service boundary have not complied with subsection 1, and where a majority of the E911 subscribers within the subscriber's telephone exchange access service boundary have voted for the fee, a telephone exchange access service subscriber whose subscriber service address is outside the political subdivision may receive E911 services by signing a contract agreement with the political subdivision providing the emergency services communication system. The telephone exchange access service provider may collect an additional fee, equal in amount to the basic fee on those subscribers within the exchange boundary. The additional fee amounts collected must be remitted as provided in this chapter.

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- A fee imposed under this section before August 1, 2007, on telephone exchange
 access service is extended to all assessed communications services and will remain in
 effect until changed pursuant to subsection 3.
- 4 **SECTION 23. EFFECTIVE DATE.** This Act is effective for elections held after July 31, 2015.