

**HOUSE BILL NO. 1459**

Introduced by

Representatives Boehning, Dosch, Kasper, Thoreson

Senators Klein, Wardner

1 A BILL for an Act to amend and reenact section 21-03-06.1 of the North Dakota Century Code,  
2 relating to voter approval of indirect funding methods for acquisition, improvements, or  
3 construction by or on behalf of a political subdivision of any property or structure and to require  
4 a school district to obtain approval of the superintendent of public instruction for acquisition,  
5 improvements, or construction of any property or structure financed through indirect funding  
6 methods; and to provide an effective date.

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

8 **SECTION 1. AMENDMENT.** Section 21-03-06.1 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **21-03-06.1. ~~School district voter~~Voter approval of building authority or other indirect**  
11 **funding methods for political subdivision acquisition, improvements, or construction of**  
12 **any property or structure - Building acquisition, improvements, or construction project**  
13 **approval.**

14 1. Notwithstanding any other provision of law, a ~~school board~~municipality or governing  
15 body of a municipality may not enter an agreement pursuant to internal revenue  
16 service revenue ruling 63-20 or any other agreement under which payments of any  
17 kind would be required by the ~~school district~~municipality to any building authority or  
18 other entity that incurs indebtedness or other obligation in connection with acquisition,  
19 improvements, or construction of any property or structure ~~at a total cost of four million~~  
20 ~~dollars or more~~that is not owned by the municipality and is to be used by the school-  
21 districtmunicipality unless the agreement has been approved by a vote of a majority of  
22 the qualified electors of the ~~school district~~municipality voting on the question at a  
23 regular or special ~~school district~~ election if the agreement is for acquisition,  
24 improvements, or construction of any property or structure for which an election would

1           be required if the ~~school district~~municipality undertook the acquisition, improvements,  
2           or construction project through issuance of bonds of the ~~school district~~municipality.

3           2. The school board of a school district may not enter an agreement pursuant to internal  
4           revenue service revenue ruling 63-20 or any other agreement under which payments  
5           of any kind would be required by the school district to any building authority or other  
6           entity that incurs indebtedness or other obligation regarding construction, purchase,  
7           repair, improvement, modernization, or renovation of any building or facility to be used  
8           by the school district without approval by the superintendent of public instruction in the  
9           manner provided in section 15.1-36-01, if the approval by the superintendent of public  
10          instruction would be required for the project under section 15.1-36-01 if the school  
11          district undertook the project itself.

12          **SECTION 3. EFFECTIVE DATE.** This Act is effective for agreements to be entered after  
13          July 31, 2015.