

HOUSE BILL NO. 1289

Introduced by

Representatives Simons, Becker, Ertelt, Hoverson, McWilliams, Paulson, Vetter

1 A BILL for an Act to create and enact a new section to chapter 28-34 of the North Dakota
2 Century Code, relating to appeals from decisions of local governing bodies; to amend and
3 reenact subsection 1 of section 28-34-01, section 57-12-01.1, and subsection 2 of section
4 57-23-06; of the North Dakota Century Code, relating to notice filings and property valuation
5 spot checks; ~~and~~ to provide for application; and to provide an effective date.

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

7 **SECTION 1. AMENDMENT.** Subsection 1 of section 28-34-01 of the North Dakota Century
8 Code is amended and reenacted as follows:

9 1. The notice of appeal must be filed with the clerk of the court within ~~thirty~~forty-five days
10 after the decision of the local governing body. A copy of the notice of appeal must be
11 served on the local governing body within forty-five days after the decision of the local
12 governing body in the manner provided by rule 4 of the North Dakota Rules of Civil
13 Procedure.

14 **SECTION 2.** A new section to chapter 28-34 of the North Dakota Century Code is created
15 and enacted as follows:

16 **Appeals from local property valuation decisions - Exception.**

17 An applicant appealing a decision of a local governing body pertaining to property valuation
18 which had an appeal rejected due to failure to comply with the requirement under subsection 1
19 of section 28-34-01 to serve timely a copy of the notice of appeal on the local governing body.
20 may reinstitute an appeal in accordance with the procedure in section 28-34-01. For purposes
21 of complying with the procedures in subsection 1 of section 28-34-01, the notice required to be
22 filed with the clerk of court and served on the local governing body must be filed or served
23 within thirty days after the effective date of this Act.

1 **SECTION 3. AMENDMENT.** Section 57-12-01.1 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **57-12-01.1. Spot checks of real property.**

4 Prior to the annual meeting of the county board of equalization, the board of county
5 commissioners of each county within this state shall provide for random spot checks ~~upon~~
6 ~~property~~ of no less than ten percent of the properties within each county for which an application
7 for correction of assessment has been made with the city board of equalization pursuant to
8 section 57-11-04 to properly verify the accuracy of the real property listings and valuations. No
9 fewer than two properties in each residential and commercial classification must be reviewed
10 unless fewer than two applications for correction of assessment were submitted for a property
11 classification. The board of county commissioners shall select a licensed appraiser as defined in
12 section 43-23.3-01 to conduct spot checks under this section, and any other persons or
13 agencies as may be necessary to carry out the provisions of this section, and provide for their
14 compensation. The licensed appraiser shall determine the market value of each property
15 selected for review. The spot checks must be reviewed by the county boards of equalization at
16 their annual meeting in June and ~~such~~ the boards shall make the necessary corrections in the
17 property assessment listings and valuations. ~~Such~~ to ensure the true and full value of each
18 property reviewed does not exceed the market value determined by the appraiser. The changes
19 in the assessments must be made in accordance with the provisions of this chapter.

20 In case any person whose duty it is to list property with the assessor refuses to list such
21 property or intentionally omits a portion of such property in the person's listing as indicated by
22 the spot check, the county boards of equalization, as a penalty for such refusal or omission,
23 may make an added assessment on such property of twenty-five percent in excess of its true
24 valuation.

25 ~~The board of county commissioners may select such persons or agencies as may be~~
26 ~~necessary to carry out the provisions of this section and provide for their compensation.~~ After
27 November first of each year, the board of county commissioners of each county within this state
28 shall provide for random spot checks of no less than ten percent of the properties within each
29 county for which an application for abatement was received pursuant to section 57-23-05. No
30 fewer than two properties in each residential and commercial classification must be reviewed
31 unless fewer than two applications for abatement were submitted for a property classification.

The spot checks must be reviewed by each board of county commissioners and each board shall make the necessary corrections to ensure the true and full value of each property reviewed does not exceed the market value determined by the appraiser. The corrections to the assessments must be made in accordance with chapter 57-23.

This section does not limit the board of county commissioners from using spot checks to review properties for which the valuation has not been contested.

SECTION 4. AMENDMENT. Subsection 2 of section 57-23-06 of the North Dakota Century Code is amended and reenacted as follows:

2. At the next regular meeting of the board of county commissioners following the filing of an application for abatement or, if forthcoming, at the next regular meeting of the board of county commissioners following transmittal of the recommendations of the governing body of the municipality, the applicant may appear, in person or by a representative or attorney, and may present such evidence as may bear on the application. The applicant shall furnish any additional information or evidence requested by the board of county commissioners. The recommendations of the governing body of the municipality in which such assessed property is located must be endorsed upon or attached to every application for an abatement or refund, and the board of county commissioners shall give consideration to such recommendations. The board of county commissioners, by a majority vote, either shall approve or reject the application, in whole or in part. If rejected, in whole or in part, a written explanation of the rationale for the decision, signed by the chairman of the board, must be attached to the application, and a copy thereof must be ~~mailed~~served on the applicant by the county auditor ~~to the applicant at the post-office address specified in the application~~within fifteen days after the application is rejected in the manner provided by rule 4 of the North Dakota Rules of Civil Procedure.

SECTION 5. APPLICATION. Section 2 of this Act applies to appeals for which the first notice of appeal was filed with the clerk of court after December 31, 2014, but before June 1, 2019.

SECTION 6. EFFECTIVE DATE. ~~This~~Sections 3 and 4 of this Act ~~is~~are effective for taxable years beginning after December 31, 2018.