

PROPOSED AMENDMENTS TO HOUSE CONCURRENT RESOLUTION NO. 3024

Page 2, after line 9, insert:

- “4. The legislative assembly shall create a property tax revenue replacement fund in the state treasury for the purpose of making annual property tax revenue replacement payments to political subdivisions.
5. The legislative assembly shall impose an additional sales tax at a rate sufficient to generate revenue equal to the total amount of the annual property tax revenue replacement payments to political subdivisions for deposit into the property tax revenue replacement fund.”

Page 5, line 13, replace “2025” with “2027”

Renumber accordingly

23.3078.01000

Sixty-eighth  
Legislative Assembly  
of North Dakota

**HOUSE CONCURRENT RESOLUTION NO. 3024**

Introduced by

Representatives Hoverson, Bellew, Schatz, VanWinkle  
Senator Magrum

1 A concurrent resolution to amend and reenact sections 1, 14, 15, 16, and 27 of article X  
2 of the Constitution of North Dakota, relating to prohibiting the levy of property tax except  
3 for limited purposes, prohibiting the issuance of general obligation bonds secured with  
4 property tax, and providing for a state transfer tax on real property; to repeal sections 4,  
5 5, 7, 9, and 10 of article X of the Constitution of North Dakota, relating to prohibiting the  
6 levy of property tax; and to provide an effective date.

7 **STATEMENT OF INTENT**

8 This measure prohibits the levy of property tax, except for limited purposes, prohibits the  
9 issuance of general obligation bonds secured with property tax, and permits imposition  
10 by the state of a transfer tax on real property.

11 **BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH**  
12 **DAKOTA, THE SENATE CONCURRING THEREIN:**

13 That the following proposed amendments to sections 1, 14, 15, 16, and 27 of  
14 article X of the Constitution of North Dakota, and the proposed repeal of sections 4, 5, 7,  
15 9, and 10 of article X of the Constitution of North Dakota are agreed to and must be  
16 submitted to the qualified electors of North Dakota at the general election to be held in  
17 2024, in accordance with section 16 of article IV of the Constitution of North Dakota.

18 **SECTION 1. AMENDMENT.** Section 1 of article X of the Constitution of North  
19 Dakota is amended and reenacted as follows:

20 **Section 1.** The

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construct, acquire, equip, improve, and extend facilities for converting natural resources into power and generating and transmitting such power, and to acquire real and personal property and water and mineral rights needed for such facilities.

2. The state may issue general obligation bonds for this purpose to an amount ~~which~~that, with all outstanding general obligation bonds, less the amount of all money on hand and taxes in process of collection which are appropriated for their payment, will not exceed five percent of the full and true value of all of the ~~taxable~~real property in the state, to be ascertained by the last assessment made for state and county purposes; ~~but nothing herein shall.~~ The provision does not increase or diminish the limitations established by other provisions of the constitution on the amount of bonds therein authorized to be issued.

3. The state also may also issue revenue bonds for the purpose of providing part or all of the funds required for any project undertaken under subsection 1, payable solely from sums realized from payments of principal and interest on money loaned for such project, and from other similar projects if so determined by the ~~legislature~~legislative assembly, and from the liquidation of security given for such payments. Revenue bonds issued for any project ~~shall~~may not exceed the cost ~~thereof~~of the project, including all expenses reasonably incurred to complete and finance the project, but ~~shall~~may not be subject to any other limitation of amount.

4. The full faith and credit of the state ~~shall~~must be pledged for the prompt and full payment of all bonds issued under subsection 2. Its obligation with respect to bonds issued under subsection 3 ~~shall~~must be limited to the prompt and full performance of such covenants as the ~~legislature~~legislative assembly may authorize to be made respecting the enforcing of the provisions of underlying loan agreements and the segregation, accounting, and application of bond proceeds and of loan



1 indebtedness ~~three per centum~~ one and one-half percent on such ~~assessed~~ full and true  
2 value beyond ~~said five per centum~~ the two and one-half percent limit, and a school  
3 district, by a majority vote may increase such indebtedness ~~five~~ two and one-half percent  
4 on such ~~assessed~~ full and true value beyond ~~said five per centum~~ the two and one-half  
5 percent limit; provided also that any county or city by a majority vote may issue  
6 bonds upon any revenue-producing utility owned by such county or city, or for the  
7 purchasing or acquiring the same or building or establishment thereof, in amounts not  
8 exceeding the physical value of such utility, industry or enterprise.

9 In estimating the indebtedness which a city, county, township, school district, or  
10 any other political subdivision may incur, the entire amount, exclusive of the bonds upon  
11 said revenue-producing utilities, whether contracted prior or subsequent to the adoption  
12 of this constitution, ~~shall~~ must be included; provided further that any incorporated city  
13 may become indebted in any amount not exceeding ~~four per centum~~ two percent of such  
14 ~~assessed~~ full and true value without regard to the existing indebtedness of such city for  
15 the purpose of constructing or purchasing waterworks for furnishing a supply of water to  
16 the inhabitants of such city, or for the purpose of constructing sewers, and for no other  
17 purposes whatever. All bonds and obligations in excess of the amount of indebtedness  
18 permitted by this constitution, given by any city, county, township, ~~town~~, school district,  
19 or any other political subdivision shall be void.

20 **SECTION 4. AMENDMENT.** Section 16 of article X of the Constitution of North  
21 Dakota is amended and reenacted as follows:

22 **Section 16.** Any city, county, township, ~~town~~, school district, or any other political  
23 subdivision incurring indebtedness shall, at or before the time of so doing, shall provide  
24 for ~~the collection of an annual tax~~ revenues sufficient to pay the interest and also the  
25 principal thereof when due, and all laws or ordinances providing for the payment of the  
26 interest or principal of any debt ~~shall be~~ irrepealable until such debt be paid. A  
27 political subdivision may not issue general obligation bonds secured with tax levied on  
28 the assessed value of property on or after the effective date of this amendment.

29 **SECTION 5. AMENDMENT.** Section 27 of article X of the ~~Constitution of North~~  
30 Dakota is amended and reenacted as follows: