27.0302.01000

Seventieth
Legislative Assembly
of North Dakota

BILL NO.

Introduced by

Senator Powers

A BILL for an Act to create and enact a new section to chapter 54-10 of the North Dakota Century Code, relating to the creation of the delinquent audit report withholding fund and withholding of distributions and payments to cities and counties for delinquent audits or annual reports; to amend and reenact section 57-15-32 of the North Dakota Century Code, relating to levy certification requirements; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-10 of the North Dakota Century Code is created and enacted as follows:

Delinquent audit report withholding fund - Continuing appropriation - Delinquent city or county audits and annual reports - Withholding of distributions and payments - Release upon compliance.

1. There is created in the state treasury the delinquent audit report withholding fund. The fund consists of amounts withheld and deposited under subsection 3. All moneys in the fund are appropriated to the state treasurer on a continuing basis for the purpose of allocations to cities or counties upon certification of compliance as provided under subsection 4.
2. If the state auditor determines a city or county has not submitted an audit or annual report in a timely manner as required under section 54-10-14, the state auditor shall certify the delinquency to the state treasurer.
3. Upon certification from the state auditor under subsection 2, the state treasurer shall withhold five percent of the allocation otherwise payable to the city or county from the state aid distribution fund under section 57-39.2-26.1, excluding amounts required to be distributed to another political subdivision, within thirty days after the date of the

certification under subsection 2. The state treasurer shall deposit any amount withheld into the delinquent audit report withholding fund.

4. If a city or county comes into compliance with the requirements of section 54-10-14, the state auditor shall certify to the state treasurer that the city or county is in compliance. Upon receipt of the certification under this subsection, the state treasurer shall cease withholding funding from the city or county and within thirty days of receipt of the certification shall allocate to that city or county an amount equal to the total amount previously withheld under subsection 3.

SECTION 2. AMENDMENT. Section 57-15-32 of the North Dakota Century Code is amended and reenacted as follows:

57-15-32. ~~Certification of levy~~Levy certification.

The taxes levied or voted by ~~any~~a city, township, school district, park district, or other municipality authorized to levy taxes must be certified by the officer acting as business manager or clerk of the governing body of ~~such~~the municipality to the county auditor immediately following the action of the governing body, or within ten days thereafter. The levy certification must include a written declaration by the officer or clerk, made under penalty of perjury, that the taxes certified are within the limitations prescribed by statute.