

March 18, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED SENATE BILL NO. 2351

Introduced by

Senator Beard

1 A BILL for an Act to amend and reenact ~~section~~sections 15.1-12-02 and 15.1-12-05 of the North
2 Dakota Century Code, relating to annexation of property to a school district; and to declare an
3 emergency.

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

5 **SECTION 1. AMENDMENT.** Section 15.1-12-02 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15.1-12-02. Annexation of property to school district - Exchange - Petition -**
8 **Requirements.**

9 An individual may petition to have property in one school district annexed to another school
10 district by an exchange of property with property in a contiguous school district. In order to be
11 approved:

- 12 1. The petitioner must reside within the boundary of the property to be exchanged;
- 13 2. The petitioner must obtain the written approval of one qualified elector from each
14 residence within the boundary of the property referenced in subsection 1;
- 15 3. The petitioner must obtain written authorization for the exchange of property from the
16 owner of the property to be exchanged in the adjacent district, provided that the owner
17 need not reside on the property to be exchanged;
- 18 4. The difference in the taxable valuation of the property involved in the exchange ~~may-~~
19 ~~not exceed one thousand dollars~~must be agreed upon by both affected school
20 districts;

- 1 5. Each property involved in the exchange is contiguous with the school district to which
- 2 it is being annexed; and
- 3 6. Except as otherwise provided in this section, the annexation by an exchange of
- 4 property under this section is subject to, and meets, all other statutory requirements
- 5 regarding annexations.

6 **SECTION 2. AMENDMENT.** Section 15.1-12-05 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-12-05. Annexation of property to school district - Hearing.**

- 9 1. Upon receiving a petition for the annexation of property to a school district, the county
- 10 superintendent shall schedule and give notice of a public hearing regarding the
- 11 annexation.
- 12 2. ~~The~~ At least ~~fourteen~~ ~~twenty-one~~ days before the date of the public hearing, the county
- 13 superintendent shall provide by certified mail notice regarding the annexation to each
- 14 owner of real property to be annexed and publish notice of the public hearing in the
- 15 official newspaper of the county in which the major portion of each affected school
- 16 district's real property is situated, ~~at least fourteen days before the date of the hearing.~~
- 17 If no newspaper is published in the county, the county superintendent shall publish the
- 18 notice in a newspaper in an adjoining county in this state.
- 19 3. Before the hearing, the county committee shall:
 - 20 a. Determine the number of qualified electors residing on the property to be
 - 21 annexed;
 - 22 b. Ensure that two-thirds of such qualified electors have signed the petition; and
 - 23 c. Ensure that all other statutory requirements regarding the petition have been met.
- 24 4. At the hearing, the county committee shall accept testimony and documentary
- 25 evidence regarding:
 - 26 a. The value and amount of property held by each affected school district;
 - 27 b. The amount of all outstanding bonded and other indebtedness of each affected
 - 28 district;
 - 29 c. The levies for bonded indebtedness to which the property will be subjected or
 - 30 from which the property will be exempted, as provided for in section 15.1-12-08;

- 1 d. The taxable valuation of each affected district and the taxable valuation under the
- 2 proposed annexation;
- 3 e. The size, geographical features, and boundaries of each affected district;
- 4 f. The number of students enrolled in each affected district;
- 5 g. Each school in the district, including its name, location, condition, the grade
- 6 levels it offers, and the distance that students living in the petitioned area would
- 7 have to travel to attend school;
- 8 h. The location and condition of roads, highways, and natural barriers in each
- 9 affected district;
- 10 i. Conditions affecting the welfare of students residing on the property to be
- 11 annexed;
- 12 j. The boundaries of other governmental entities;
- 13 k. The educational needs of communities in each affected district;
- 14 l. Potential savings in school district transportation and administrative services;
- 15 m. The potential for a reduction in per student valuation disparity between the
- 16 affected districts;
- 17 n. The potential to equalize or increase the educational opportunities for students in
- 18 each affected district; ~~and~~
- 19 o. The potential modification to the property tax obligation of the owners of the
- 20 property to be annexed and the concerns of the owners of the property to be
- 21 annexed; and
- 22 p. All other relevant factors.
- 23 5. Following consideration of the testimony and documentary evidence presented at the
- 24 hearing, the committee shall make specific findings of fact and approve or deny the
- 25 annexation. If the annexation is approved, the county superintendent shall forward all
- 26 minutes, records, documentary evidence, and other information regarding the
- 27 proceeding and the county committee's decision to the state board for final approval of
- 28 the annexation.
- 29 6. a. Except as provided in this subsection, the state board shall conduct a hearing
- 30 after publication of a notice in the manner required in subsection 2, accept and

- 1 consider testimony and documentary evidence regarding the proposed
2 annexation, make specific findings, and approve or deny the annexation.
- 3 b. If no opposition is presented to the county committee at the hearing and the
4 county committee approves the annexation, the state board may review the
5 record of the county committee and give final approval to the annexation without
6 holding its own hearing.
- 7 7. If the school districts involved in a proposed annexation include property in more than
8 one county, but the major portion of each district's property is in the same county, the
9 county committee of that county shall consider the annexation petition.
- 10 8. If the school districts involved in a proposed annexation are situated in more than one
11 county and the major portion of each district's property is not in the same county, the
12 county committees of those counties encompassing the major portion of each school
13 district shall jointly consider the annexation petition. The county committees shall vote
14 separately on whether to approve the annexation.
- 15 9. If the state board denies the annexation, another petition involving any of the same
16 property may not be submitted to the county committee for a period of three months
17 after the state board's denial. A petition involving any of the same property cited in the
18 original petition may not be considered by the state board more than twice in a
19 twelve-month period.
- 20 10. Regardless of how many county committees consider the annexation, the decision
21 may be appealed to the state board.
- 22 11. Each annexation must receive final approval from the state board.
- 23 12. The county superintendent with whom the petition has been filed shall forward all
24 minutes, records, documentary evidence, and other information regarding the
25 annexation, and the county committee's decision to the state board for final approval
26 or for consideration of an appeal.
- 27 13. A decision of the state board with respect to an annexation petition may be appealed
28 to the district court of the judicial district in which the property to be annexed is
29 located.

30 **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.