

CONSTITUTIONAL AMENDMENTS DISAPPROVED

CHAPTER 612

SENATE CONCURRENT RESOLUTION NO. 4013

(Senators Myrdal, Hogue)
(Representatives Cory, Lefor)

CONSTITUTIONAL AMENDMENT PETITION AND APPROVAL PROCESS

A concurrent resolution to amend and reenact sections 2, 3, 4, and 9 of article III of the Constitution of North Dakota, relating to the process for approving initiated constitutional amendments, the requirement of a single subject for each petition and measure, the individuals able to circulate a petition, and the requirement that all ballot measures must be voted on at the primary and general election.

STATEMENT OF INTENT

This measure would restrict circulation of petitions for an initiated constitutional amendment to qualified electors, require all petitions and measures to be limited to a single subject, and require all constitutional initiated measures under article III be voted on at the primary and general election.

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

That the following proposed amendments to sections 2, 3, 4, and 9 of article III of the Constitution of North Dakota are agreed to and must be submitted to the qualified electors of North Dakota at the general election to be held in November of 2024, in accordance with section 16 of article IV of the Constitution of North Dakota.

SECTION 1. AMENDMENT. Section 2 of article III of the Constitution of North Dakota is amended and reenacted as follows:

Section 2. An initiated measure may not embrace or be comprised of more than one subject, as determined by the secretary of state. A petition to initiate or to refer a measure must be presented to the secretary of state for approval as to form and compliance with the single subject requirement. A request for approval must be presented over the names and signatures of twenty-five or more qualified electors as sponsors, one of whom must be designated as chairman of the sponsoring committee. The secretary of state shall approve the petition for circulation if it is in proper form and contains the names and addresses of the sponsors and the full text of the measure.

The legislative assembly may provide by law for a procedure through which the legislative council may establish an appropriate method for determining the fiscal

impact of an initiative measure and for making the information regarding the fiscal impact of the measure available to the public.

SECTION 2. AMENDMENT. Section 3 of article III of the Constitution of North Dakota is amended and reenacted as follows:

Section 3. The petition ~~shall~~may be circulated only by qualified electors. ~~They~~An individual circulating a petition shall swear thereon that the qualified electors who have signed the petition did so in their presence. Each qualified elector signing a petition also shall ~~also~~ write in the date of signing and ~~his post office~~the qualified elector's complete residential address. ~~No~~A law shall ~~may~~not be enacted limiting the number of copies of a petition. The copies ~~shall~~must become part of the original petition when filed.

SECTION 3. AMENDMENT. Section 4 of article III of the Constitution of North Dakota is amended and reenacted as follows:

Section 4. The petition may be submitted to the secretary of state if signed by qualified electors equal in number to two percent of the resident population of the state at the last federal decennial census.

SECTION 4. AMENDMENT. Section 9 of article III of the Constitution of North Dakota is amended and reenacted as follows:

Section 9. A constitutional amendment may be proposed by initiative petition. The petition may be circulated only by qualified electors. The proposed amendment may not embrace or be comprised of more than one subject, as determined by the secretary of state, and the secretary of state may not approve the initiative petition for circulation if the proposed amendment comprises more than one subject. If signed by qualified electors equal in number to ~~four~~five percent of the resident population of the state at the last federal decennial census, the petition may be submitted to the secretary of state. If the secretary of state finds the petition is valid, the secretary of state shall place the measure on the ballot at the next primary election. If the majority of the votes cast on the measure are affirmative in the primary election, the measure must be placed on the ballot at the general election immediately following the primary election for final consideration. If a majority of votes cast for a proposed constitutional amendment are affirmative in the general election, the measure is deemed enacted. If the measure fails to receive the required number of votes to enact the measure at either the primary election or the general election, the measure is deemed failed. All other provisions relating to initiative measures apply hereto to initiative measures for constitutional amendments.

Disapproved November 5, 2024

150,362 to 194,570

NOTE: This was measure No. 2 on the 2024 general election ballot.

CHAPTER 613

AD VALOREM PROPERTY TAX PROHIBITION

This initiated measure would amend sections 1, 14, 15, and 16 and repeal sections 4, 5, 7, 9 and 10 of Article X of the North Dakota Constitution. It would prohibit political subdivisions from levying any tax on real or personal property except for the payment of bonded indebtedness incurred before the end of the thirty-day period following the date this amendment was approved by the voters, until such debt is paid, and would require the state to provide replacement payments to political subdivisions of no less than the amount of tax levied on real property during the 2024 calendar year. It would limit the debt of a political subdivision to an amount not to exceed two and one-half percent of the full and true value of the real property in the political subdivision, except that an incorporated city, by a two-thirds vote, could increase the indebtedness of the city one and one-half percent beyond the two and one-half percent limit and a school district, by a majority vote, could increase the indebtedness of the school district two and one-half percent beyond the two and one-half percent limit. It would allow an incorporated city, without regard to the existing indebtedness of the city, to become indebted in an amount not exceeding two percent of its full and true value for water and sewer projects. It would require a political subdivision incurring indebtedness to provide for annual revenues to pay the debt payments when due and would prohibit a political subdivision from issuing general obligation bonds secured with tax levied on the assessed value of property on or after January 1, 2025.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF NORTH DAKOTA:

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

Section 1.

1. Except as provided in subsection 2, the legislative assembly and all political subdivisions may not raise shall be prohibited from raising revenue to defray the expenses of the state through the levying of any tax on the assessed value of real or personal property.
2. A political subdivision may continue to levy tax on the assessed value of real property if the tax was dedicated for the payment of bonded indebtedness incurred before the end of the thirty-day period following the date this amendment was approved by the voters, until such debt is paid.
3. The state shall provide annual property tax revenue replacement payments to political subdivisions in an amount equal to no less than the amount of tax levied on real property by the political subdivisions, excluding tax levied on real property for the payment of bonded indebtedness, during the calendar year in which this amendment was approved by the voters.

SECTION 2. AMENDMENT. Section 14 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 14.

1. Notwithstanding any other provision in the constitution, and for the purpose of promoting the economic growth of the state, the development of its natural resources, and the prosperity and welfare of its people, the state may issue bonds and use the proceeds ~~thereof from the bonds~~ to make loans to privately or cooperatively owned enterprises to plan, 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 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 payments and other security pledged for the payment of the bonds. All bonds authorized by subsections 1 to 3, inclusive, ~~shall must~~ mature within forty years from their respective dates of issue, but may be refunded at or before maturity in such manner and for such term and upon such conditions as the ~~legislature~~legislative assembly may direct. Any such bonds may, but need not be, secured by mortgage upon real or personal property acquired with the proceeds of the same or any other issue of general obligation or revenue bonds, or upon other property mortgaged by the debtor. Pledges of revenues and mortgages of property securing bonds of any issue may be prior or subordinate to or on a parity with pledges and mortgages securing any other issue of general obligation or revenue bonds, as determined by the ~~legislature~~legislative assembly from time to time in conformity with any provisions made for the security of outstanding bonds.
5. The ~~legislature~~legislative assembly shall pass such laws as are appropriate to implement this amendment.
6. If any subsection of this amendment, or any part of a subsection, or any application thereof to particular circumstances should be held invalid for any reason, such invalidity ~~shall may~~ not affect the validity of all remaining

provisions of this amendment which may be given effect without that which is declared invalid, as applied to any circumstances and for this purpose all subsections and parts of subsections and applications thereof are declared to be severable.

SECTION 3. AMENDMENT. Section 15 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 15. The debt of any county, township, city, ~~town~~, school district, or any other political subdivision, ~~shall never may exceed five per centum~~ two and one-half percent upon the ~~assessed full and true value of the taxable real property therein;~~ provided that any incorporated city may, by a two-thirds vote, ~~may~~ increase such indebtedness ~~three per centum~~ one and one-half percent on such ~~assessed full and true value beyond said five per centum~~ the two and one-half percent limit, and a school district, by a majority vote may increase such indebtedness ~~five~~ two and one-half percent on such ~~assessed full and true value beyond said five per centum~~ the two and one-half percent limit; provided also that any county or city by a majority vote may issue bonds upon any revenue-producing utility owned by such county or city, or for the purchasing or acquiring the same or building or establishment thereof, in amounts not exceeding the physical value of such utility, industry or enterprise.

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

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

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

SECTION 5. REPEAL. Sections 4, 5, 7, 9, and 10 of article X of the Constitution of North Dakota are repealed.

SECTION 6. EFFECTIVE DATE. If approved by the voters, sections 1, 2, 3, and 5 of this measure become effective on January 1, 2025.

Disapproved November 5, 2024

130,038 to 225,889

NOTE: This was measure No. 4 on the 2024 general election ballot.