

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1624

Introduced by

Representatives Nathe, Heinert, Jonas, Martinson, Novak, Richter, Stemen, Conmy

Senators Axtman, Schaible, Roers, Bekkedahl

1 A BILL ~~for an Act to create and enact two new sections to chapter 15.1-07 of the North Dakota~~
2 ~~Century Code, relating to offering school breakfast and lunch at no cost and the school meals~~
3 ~~fund; to provide an appropriation; to provide for a transfer; and to provide an effective date for~~
4 an Act to amend and reenact subsection 1 of section 57-02-08.9 of the North Dakota Century
5 Code, relating to the primary residence credit; to provide an appropriation; to provide for a
6 transfer; and to provide an effective date.

7 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

8 ~~— **SECTION 1.** A new section to chapter 15.1-07 of the North Dakota Century Code is created~~
9 ~~and enacted as follows:~~

10 ~~— **School breakfast and lunch - Provided at no cost - State reimbursement.**~~

11 ~~— 1. A public school district, public school, and public charter school shall provide one~~
12 ~~breakfast and one lunch each school day to an enrolled student, upon request of the~~
13 ~~student, at no cost to the student or the student's parent or guardian.~~

14 ~~— 2. A nonpublic school, tribal school, and school funded by the bureau of Indian education~~
15 ~~may provide one breakfast and one lunch each school day to an enrolled student,~~
16 ~~upon request of the student, at no cost to the student or the student's parent or~~
17 ~~guardian.~~

18 ~~— 3. To be eligible for reimbursement under subsection 4 for the provision of breakfasts and~~
19 ~~lunches under subsection 1 or 2, a school district or school shall:~~

1 ~~_____ a. Participate in an applicable child nutrition program and food distribution program,~~
2 ~~as defined under chapter 15.1-35; and~~

3 ~~_____ b. Encourage the parent or guardian of a student to apply for free or reduced price~~
4 ~~school meals;~~

5 ~~_____ 4. The superintendent of public instruction shall reimburse an eligible school district and~~
6 ~~school for the difference between:~~

7 ~~_____ a. The maximum federal reimbursement rates for lunches and breakfasts, as~~
8 ~~annually adjusted and published by the United States department of agriculture,~~
9 ~~multiplied by the number of lunches and breakfasts served, respectively; and~~

10 ~~_____ b. The amount of federal reimbursement actually received for providing breakfasts~~
11 ~~and lunches;~~

12 ~~_____ 5. If the United States department of agriculture does not publish the maximum federal~~
13 ~~reimbursement rates, the superintendent of public instruction shall choose an~~
14 ~~alternative equivalent inflationary measure to adjust the maximum federal~~
15 ~~reimbursement rate under subsection 4.~~

16 ~~_____ 6. The superintendent of public instruction may adopt rules to ensure timely~~
17 ~~implementation of this section.~~

18 ~~_____ 7. Other laws may be enacted and rules may be adopted to facilitate, safeguard, or~~
19 ~~implement this section, but not to hamper, restrict, or impair it. If a conflict exists~~
20 ~~between any provision of this section and any other provision of state law, the~~
21 ~~provisions of this section control. This section must be construed liberally to fulfill its~~
22 ~~purposes.~~

23 ~~_____ **SECTION 2.** A new section to chapter 15.1-07 of the North Dakota Century Code is created~~
24 ~~and enacted as follows:~~

25 ~~_____ **School meals fund.**~~

26 ~~_____ There is created in the state treasury the school meals fund. The fund consists of all~~
27 ~~moneys transferred from the strategic investment and improvements fund and transfers from~~
28 ~~other funds as authorized by the legislative assembly. Moneys in the fund may be spent~~
29 ~~pursuant to legislative appropriations for providing school breakfast and lunch at no cost to~~
30 ~~students or their parents or guardians.~~

~~SECTION 3. APPROPRIATION -- SCHOOL MEALS FUND -- SUPERINTENDENT OF PUBLIC INSTRUCTION -- SCHOOL MEALS.~~ There is appropriated out of any moneys in the school meals fund in the state treasury, not otherwise appropriated, the sum of \$65,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing school breakfast and lunch at no cost to students or their parents or guardians, for the biennium beginning July 1, 2025, and ending June 30, 2027.

~~SECTION 4. TRANSFER -- STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO SCHOOL MEALS FUND.~~ During the period beginning with the effective date of this Act, and ending June 30, 2027, the office of management and budget shall transfer the sum of \$65,000,000 from the strategic investment and improvements fund to the school meals fund.

~~SECTION 5. EFFECTIVE DATE.~~ This Act becomes effective on July 1, 2026.

SECTION 1. AMENDMENT. Subsection 1 of section 57-02-08.9 of the North Dakota Century Code is amended and reenacted as follows:

1. A taxpayer is entitled to a credit against the property tax due on the taxpayer's parcel of primary residential property as provided in this section. The credit:
 - a. Is limited to ~~one thousand six hundred~~ **two thousand fifty** dollars.
 - b. May not reduce the liability for special assessments levied upon any property.
 - c. May not exceed the amount of property tax due against the parcel of primary residential property.
 - d. Must be applied to reduce the property tax owed on the parcel of primary residential property after other exemptions or credits under this chapter have been applied.

SECTION 2. APPROPRIATION - LEGACY PROPERTY TAX RELIEF FUND - TAX COMMISSIONER - PRIMARY RESIDENCE CREDIT. There is appropriated out of any moneys in the legacy property tax relief fund, not otherwise appropriated, the sum of \$65,000,000, or so much of the sum as may be necessary, to the tax commissioner for the state reimbursement under the primary residence credit for the period beginning with the effective date of this Act and ending June 30, 2027. If the tax commissioner anticipates expenditures will exceed the combined amount appropriated under this section and under section 29 of chapter 555 of the 2025 Session Laws, the tax commissioner may use unspent funding appropriated in the homestead tax credit line item or the disabled veterans' credit line item in House Bill No. 1006,

1 as approved by the sixty-ninth legislative assembly, to provide any additional funding needed for
2 the primary residence credit and shall request a deficiency appropriation from the seventieth
3 legislative assembly for any remaining amount needed for the primary residence credit. The tax
4 commissioner shall report to the office of management and budget and the legislative council
5 any amounts used from the homestead tax credit and disabled veterans' credit line items for the
6 primary residence credit.

7 **SECTION 3. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
8 **LEGACY PROPERTY TAX RELIEF FUND.** No earlier than January 1, 2027, the office of
9 management and budget shall transfer the sum of \$65,000,000 from the strategic investment
10 and improvements fund to the legacy property tax relief fund for the period beginning with the
11 effective date of this Act and ending June 30, 2027.

12 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
13 December 31, 2025.