

Introduced by

1 A BILL for an Act to amend and reenact section 57-15-17 of the North Dakota Century Code,
2 relating to the disposition of the building fund tax.

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

4 **SECTION 1. AMENDMENT.** Section 57-15-17 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-15-17. Disposition of building fund tax.** Revenue raised for building purposes
7 ~~shall~~ must be disposed of as follows:

8 1. a. All revenue accruing from appropriations or tax levies for a school building
9 fund together with ~~such~~ amounts ~~as may be realized~~ for building purposes
10 from all other sources; must be placed in a separate fund known as a school
11 building fund, and must be deposited, held, or invested in the same manner
12 as the sinking funds of ~~such~~ the school district or in the purchase of shares or
13 securities of federal or state-chartered savings and loan associations within
14 the limits of federal insurance.

15 b. The funds may only be used for the following purposes:

16 (1) The erection of new school buildings or facilities, or additions to old
17 school buildings or facilities, or the making of major repairs to existing
18 buildings or facilities, or improvements to school land and site. For
19 purposes of this paragraph, ~~facilities may~~ "facilities" include parking
20 lots, athletic complexes, ~~or~~ and any other real property owned by the
21 school district.

22 (2) The payment of rentals upon contracts with the state board of public
23 school education.

- 1 fund for building purposes ~~shall~~ must be considered as having been paid from the
2 funds first acquired.
- 3 4. ~~Whenever~~ If collections from the taxes levied for the current budget and other
4 income are insufficient to meet the requirements for general operating expenses, a
5 ~~majority of the governing body~~ the board of a school district may transfer
6 unobligated funds from the school building fund into the general fund of the ~~school~~
7 district if the ~~school~~ district has issued certificates of indebtedness equal to fifty
8 percent of the outstanding uncollected general fund property tax. ~~No~~ A school
9 district may not transfer funds from the school building fund into the general fund
10 for more than two years.