

Fifty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO.

Introduced by

Senator Mathern

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota
2 Century Code, relating to allocation of revenues from the disaster relief fund; to amend and
3 reenact section 57-39.2-26 of the North Dakota Century Code, relating to allocation of sales
4 and use tax revenue; to provide a continuing appropriation; to provide an effective date; and to
5 provide and expiration date.

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

7 **SECTION 1. AMENDMENT.** Section 57-39.2-26 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-39.2-26. Allocation of revenue.** All moneys collected and received under this
10 chapter must be paid into the state treasury and must be credited by the state treasurer to the
11 general fund. Moneys deposited with the commissioner as security for the payment of tax,
12 penalties, or costs due must be deposited and accounted for as provided in subsection 3 of
13 section 57-39.2-12. Notwithstanding any other provision of law, and after allocation of revenue
14 as provided in section 57-39.2-26.1 any revenue allocated to the general fund under this
15 section in excess of projections used by the fifty-fifth Legislative Assembly must be credited by
16 the state treasurer to the disaster relief fund. The tax commissioner shall certify to the state
17 treasurer the amount by which collections of sales and use taxes exceed the projected amounts
18 and the state treasurer shall deposit the amount certified in the disaster relief fund.

19 **SECTION 2.** A new section to chapter 57-39.2 of the North Dakota Century Code is
20 created and enacted as follows:

21 **Disaster relief fund allocation.:** Seventy percent of funds in the disaster relief fund
22 shall be allocated by the state treasurer in the same manner funds are distributed from the state
23 aid distribution fund under section 57-39.2-26.1. Thirty percent of the amount in the disaster
24 relief fund must be allocated to political subdivisions to meet demonstrated needs to offset

1 negative impacts from disasters during the years 1997 through 1999. Funds allocated on a
2 need basis under this section must be distributed through the division of emergency
3 management to political subdivisions on a grant basis to offset negative impact of disasters to
4 political subdivisions that have made application for grant funds under this section. The division
5 of emergency management shall evaluate grant fund applications and allocate available funds
6 to alleviate the most significant negative impact from disasters with available funds. Funds
7 allocated through the division of emergency management under this section may be used by
8 political subdivisions only for disaster relief, matching funds for federal funds, and economic
9 development to mitigate disaster impact to the business and industrial community. Funds
10 allocated under this section are provided as a standing and continuing appropriation to the state
11 treasurer and the division of emergency management.

12 **SECTION 3. EFFECTIVE DATE - EXPIRATION DATE.** This Act is effective for taxable
13 events occurring after December 31, 1996, and before July 1, 1999. This Act is ineffective for
14 taxable events occurring after June 30, 1999.