

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1286**

Introduced by

Representatives Kasper, Beadle, Brabandt, Dosch, Headland, Ruby, Streyle, Thoreson
Senators Burckhard, Campbell, Klein, Wardner

1 A BILL for an Act to create and enact section 21-03-06.1 of the North Dakota Century Code,
2 relating to voter approval of school district building projects funded through a building authority
3 or other indirect means.

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

5 **SECTION 1.** Section 21-03-06.1 of the North Dakota Century Code is created and enacted
6 as follows:

7 **21-03-06.1. School district voter approval of building authority or other indirect**
8 **funding methods - Building construction project approval.**

- 9 1. Notwithstanding any other provision of law, a school board may not enter an
10 agreement pursuant to internal revenue service revenue ruling 63-20 under which
11 payments of any kind would be required by the school district to any building authority
12 or other entity that incurs indebtedness or other obligation in connection with
13 acquisition, improvements, or construction of any property or structure at a total cost of
14 four million dollars or more to be used by the school district unless the agreement has
15 been approved by a vote of a majority of the qualified electors of the school district
16 voting on the question at a regular or special school district election if the agreement is
17 for acquisition, improvements, or construction of any property or structure for which an
18 election would be required if the school district undertook the acquisition,
19 improvements, or construction project through issuance of bonds of the school district.
20 2. The school board of a school district may not enter an agreement pursuant to internal
21 revenue service revenue ruling 63-20 under which payments of any kind would be
22 required by the school district to any building authority or other entity that incurs
23 indebtedness or other obligation regarding construction, purchase, repair,
24 improvement, modernization, or renovation of any building or facility to be used by the

1 school district without approval by the superintendent of public instruction in the
2 manner provided in section 15.1-36-01, if the approval by the superintendent of public
3 instruction would be required for the project under section 15.1-36-01 if the school
4 district undertook the project itself.