

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2040**

Introduced by

Legislative Management

(Taxation Committee)

1 A BILL for an Act to amend and reenact section 40-22-18 of the North Dakota Century Code,  
2 relating to treatment of property owned by a political subdivision when calculating protests  
3 against the formation of a special improvement district.

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

5 **SECTION 1. AMENDMENT.** Section 40-22-18 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **40-22-18. Protest bar to proceeding - Invalid or insufficient protests - Payment of**  
8 **costs - Tax levy.**

9 If the governing body finds the protests to contain the names of the owners of a majority of  
10 the area of the property included within the improvement district, the protests shall be a bar  
11 against proceeding with any special assessment for the improvement project. However, the  
12 protests do not bar proceeding with the improvement project described in the plans and  
13 specifications if the governing body funds the project with funds other than special  
14 assessments. If the governing body finds the protests to contain the names of the owners of a  
15 majority of any separate property area included within the district, ~~such~~the protests shall be a  
16 bar against proceeding with special assessments to be assessed in whole or in part upon  
17 property within ~~such~~the area, but shall not bar against proceeding with the improvement project  
18 or assessing the cost thereof against other areas within the district, unless ~~such~~the protests  
19 represent a majority of the area of the entire district. If the protests represent a majority of the  
20 area of the entire district, ~~such~~the protests bar any special assessment for the improvement  
21 project. Property owned by a political subdivision is not included when determining whether the  
22 protests contain the names of the owners of a majority of the area included within the  
23 improvement district or a separate property area unless the political subdivision filed a protest.

1       The termination of proceedings, by reason of protest or otherwise, shall not relieve the  
2 municipality of responsibility for payment of costs theretofore incurred and for payment of  
3 ~~such~~the costs a municipality may, if funds on hand and available for the purpose are insufficient,  
4 issue its certificates of indebtedness or warrants, or levy a tax which shall be considered a tax  
5 for a portion of the cost of a special improvement project by general taxation within the meaning  
6 of section 57-15-10. If the protests are found to be insufficient or invalid, the governing body  
7 may cause the improvement to be made and may contract or otherwise provide in accordance  
8 with this title for the construction thereof and the acquisition of property required in connection  
9 therewith and may levy and collect assessments therefor.