

2025 HOUSE FINANCE AND TAXATION

HB 1482

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1482
1/27/2025

Relating to the requirements of a municipal bond election.
--

10:32 a.m. Chairman Headland opened the hearing.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman

Discussion Topics:

- Public bonding projects
- Special elections
- Proper planning
- Voter turn out
- Voters at the polls

10:34 a.m. Representative Scott Wagner introduced the bill and submitted testimony #31678.

10:50 a.m. Mike Blessum testified in favor.

10:52 a.m. Aimee Copas, Executive Director, ND Council of Educational Leaders, testified in opposition and submitted testimony #31644.

10:57 a.m. Paul Stremick, Lobbyist, ND School Study Council, testified in opposition and submitted testimony #31669.

Additional written testimony:

Dustin Gawrylow, ND Watchdog Network, submitted testimony in favor #31452.

10:59 a.m. Chairman Headland closed the hearing.

Janae Pinks, Committee Clerk

HCR 1482 - Testimony by Dustin Gawrylow, ND Watchdog Network (#266)

Mr. Chairman and Members of the Committee,

Requiring all political subdivisions to budget and plan well enough to ask voters to take on debt at a primary or general election will ensure more voters are involved with these decisions.

Too often, special elections are used to drive down voter turnout.

So long as this concept applies to all political subdivisions, it will be an improvement.



1 HB 1482 Municipal Bond Election – Opposition

2 Chair Hetland and Members of the Committee,

3 I am here today to testify in opposition to HB 1482. While I understand the intent behind this
4 legislation, I have several concerns regarding its implications for school districts and local
5 governance.

6 One of the most significant issues with HB 1482 is the prolonged period between potential
7 election dates. Under the proposed changes, after the November 2024 election, there would not
8 be another opportunity for an election until June 2026. This 19-month gap is highly problematic
9 for school districts and other local entities that may need to seek voter approval for critical
10 initiatives. The inability to call an election for such an extended period could severely hinder the
11 ability of school districts to respond to urgent financial or operational needs, potentially
12 impacting the quality of education and essential services. Furthermore, this delay to critical
13 projects for over a year may result in increased costs, deferred infrastructure improvements, and
14 challenges in addressing emergent needs in communities.

15 Furthermore, the proposed requirement that bond elections that all political subs achieve a 60%
16 supermajority presents another hurdle. This higher threshold may prevent necessary projects
17 from moving forward, even when supported by a significant majority of voters. In contrast,
18 allowing a simple majority in primary and general elections would align with democratic
19 principles and ensure that critical projects can proceed with the community's support. A
20 practical compromise to consider would be allowing voter decisions to take place during primary
21 or general elections, with a simple majority rule of 50% +1 voter determining the outcome. This
22 approach balances fiscal responsibility with the flexibility necessary for local entities to address
23 time-sensitive issues.

24 I urge the committee to carefully consider the practical implications of HB 1482 and explore
25 potential amendments that would provide districts with the flexibility they need to meet the
26 demands of their constituents while maintaining voter oversight and fiscal responsibility.

27 Thank you for your time and consideration. I am happy to answer any questions the committee
28 may have.

1 North Dakota School Study Council Testimony in Opposition to HB 1482 –
2 Bond Elections

3 Chairman Headland and Members of the Committee,

4 Thank you for the opportunity to provide testimony on HB 1482. The
5 schools I represent are opposed to this bill.

6 The amount of time between votes/elections is too long. There will be over
7 19 months between the Nov 2024 general election and June 2026
8 primary. This is too long to wait if a district needs to address facility issues
9 and other issues.

10 Also, if the bond election does pass in November, it would be too late to
11 submit the increase to the county auditor. School must certify their levy by
12 October 10th. The one year delay could cost taxpayers money due to
13 increased costs and inflation.

14 If you would like to see more bond elections on the general election or
15 primary ballot, perhaps you could incentivize districts to put elections on
16 these dates by saying if you do – only 50% plus one is required to pass.
17 This is the basic standard to pass many measures.

18 We ask for a “Do Not Pass” on HB 1482. Thank you for your consideration!

19 

20 Dr. Paul Stremick

Good morning, Chairman Headland and members of the House Finance and Taxation Committee.

My name is Scott Wagner, and I represent district 45 in our legislative assembly.

I'm also the prime sponsor of HB1482.

HB1482 seeks to amend and reenact current sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

For the purposes of this chapter a "Municipality" is defined as a county, city, township, public school district, park district, recreational service district, or rural fire protection district empowered to borrow money and issue written obligations to repay the same out of public funds or revenues (21-03-01(3)).

HB1482 seeks to make one specific change to this section. It seeks to change the timing of an election that requires a public vote for the issuance of bonds.

Currently, "Municipalities" have the option of conducting the required election under this section in either a special or general election. This proposed change in law would simply remove the special election option and replace it with a primary election option.

The goal of HB1482 is to require public votes to take place when the largest percentage of eligible voters show up at the polls. This change in state law seeks to get the greatest engagement of our citizens and taxpayers on public bonding projects that require a public vote.

I would urge this committee to give HB1482 a **do pass recommendation**.

Thank you, Chairman Headland and House Finance and Taxation members. I would be glad to answer any questions.

Respectfully,

Rep. Scott Wagner, District 45

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1482
2/4/2025

Relating to the requirements of a municipal bond election.
--

3:27 p.m. Chairman Headland called the meeting to order.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner
Members Absent: Representatives D. Anderson, Toman

Discussion Topics:

- Primary General Elections

3:28 p.m. Representative Dockter moved for a Do Pass.

3:28 p.m. Representative Motschenbacher seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	AB
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	Y
Representative Jeremy Olson	Y
Representative Todd Porter	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	AB
Representative Austin Foss	Y
Representative Zachary Ista	N

3:30 p.m. Motion passed 11-1-2.

3:30 p.m. Representative Dockter will carry the bill.

3:30 p.m. Chairman Headland closed the meeting.

Janae Pinks, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1482 ([25.0546.01000](#))

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **DO PASS** (11 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). HB 1482 was placed on the Eleventh order on the calendar.

2025 SENATE FINANCE AND TAXATION

HB 1482

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1482
3/10/2025

A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

2:34 p.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Powers, Senator Walen

Members absent: Senator Patten

Discussion Topics:

- Voting thresholds and election cycles
- Timeframe for projects

2:34 p.m. Representative Wagner, District 45, introduced HB 1482, testified in favor and submitted testimony #39906.

2:48 p.m. Erik Nygren testified in favor and submitted testimony #40004.

2:54 p.m. Paul Stremick, Lobbyist, North Dakota School Study Council, testified in opposition and submitted testimony #39916.

3:03 p.m. Aimee Copas, Executive Director, North Dakota Council of Educational Leaders, testified in favor.

3:05 p.m. Amy De Kok, Executive Director, North Dakota School Boards Association, testified in opposition and submitted testimony #40015.

3:08 p.m. Michael Heilman, North Dakota Small Organized Schools, testified in opposition and submitted testimony #40045.

Additional written testimony:

Brandon Baumbach, Business Manager, Grand Forks Public Schools, submitted written testimony in favor #39940.

3:16 p.m. Chairman Weber adjourned the meeting.

Chance Anderson, Committee Clerk

Good morning, Chairman Weber and members of the Senate Finance and Taxation Committee.

My name is Scott Wagner, and I represent district 45 in the North Dakota House of Representatives. I'm also the prime sponsor of HB1482.

HB1482 seeks to amend and reenact current sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

For the purposes of this chapter a "Municipality" is defined as a county, city, township, public school district, park district, recreational service district, or rural fire protection district empowered to borrow money and issue written obligations to repay the same out of public funds or revenues (21-03-01(3)).

HB1482 seeks to make one specific change to this section. It seeks to change the timing of an election that requires a public vote for the issuance of bonds.

Currently, "Municipalities" have the option of conducting the required election under this section in either a special or general election. This proposed change in law would simply remove the special election option and replace it with a primary election option.

The goal of HB1482 is to require public votes to take place when the largest percentage of eligible voters show up at the polls. This change in state law seeks to get the greatest engagement of our citizens and taxpayers on public bonding projects that require a public vote.

I would urge this committee to give HB1482 a **do pass recommendation**.

Thank you, Chairman Weber and Senate Finance and Taxation members. I would be glad to answer any questions.

Respectfully,

Rep. Scott Wagner, District 45

1 North Dakota School Study Council Testimony in Opposition to HB 1482 – Bond
2 Elections

3 Chairman Weber and Members of the Committee,

4 Thank you for the opportunity to provide testimony on HB 1482. The schools I
5 represent are opposed to this bill.

6 I am writing to express my strong opposition to HB 1482. This bill would
7 significantly extend the time between elections, creating unnecessary delays and
8 financial burdens for school districts and taxpayers alike.

9 Under HB 1482, there would be over 19 months between the November 2024
10 general election and the June 2026 primary. This extended gap is far too long,
11 especially if a school district needs to address urgent facility issues or other
12 critical matters. The inability to bring these issues to voters in a timely manner
13 could negatively impact students, staff, and communities.

14 Additionally, if a bond election were to pass in November, it would be too late to
15 submit the increase to the county auditor. Schools must certify their levies by
16 October 10th, meaning a one-year delay in implementing voter-approved
17 funding. This delay could cost taxpayers significantly more due to rising costs
18 and inflation, ultimately making school improvements more expensive in the long
19 run.

20 If the intent of HB 1482 is to encourage bond elections to align with general or
21 primary elections, a more effective approach would be to incentivize districts to
22 place elections on these dates rather than restricting their ability to call elections
23 when necessary. One possible solution would be to allow bond measures on
24 general or primary election ballots to pass with a simple majority (50% plus one),
25 which is a common standard for many other measures.

26 I urge you to reconsider HB 1482 and the unintended consequences it would
27 have on school districts and local communities. Thank you for your time and
28 consideration. I would be happy to provide additional information or answer any
29 questions.

30 Again, we ask for a “Do Not Pass” on HB 1482. Thank you for your
31 consideration!

32 

33 Dr. Paul Stremick



Brandon Baumbach
Business Manager

Department Phone: 701.787.4885
Direct Phone: 701.746.2205, Ext. 7126
Fax: 701.772.7739
bbaumbach020@mygfschools.org

Chairperson and Members of the Committee,

I appreciate the opportunity to provide testimony in opposition to House Bill 1482. As a school administrator, I am concerned about the potential negative impact this bill could have on school districts' ability to responsibly plan and finance critical infrastructure projects through municipal bonds.

House Bill 1482 proposes changes that limit local control and could weaken the ability of local school districts to make sound financial decisions that best serve our students, staff, and communities. School bond elections are a vital tool for addressing the needs of aging facilities, expanding capacity to meet enrollment growth, and ensuring students have safe, modern learning environments. By altering the requirements for bond elections, this bill could limit districts' ability to make necessary investments in their schools.

By eliminating a special election option for the voters to weigh in on pressing issues, we can delay possible projects a significant amount of time, often driving up the cost. As an example, if this bill were law today, the next referendum opportunity after the November 2024 election would be June 2026. Furthermore, if the public decides to bond with a yes vote at a general election, it would be too late to add the levy to the next year tax bill. This project may not be able to begin for another year.

I ask for your opposition to HB 1482 and allow local decisions be made by the voters when the need is present. Preserving local administration's ability to ask voters for direction helps in planning and saves on expenses to the public.

Thank you for your time and consideration. I welcome the opportunity to discuss this matter further and advocate for policies that truly benefit all students.

Brandon Baumbach
Business Manager
Grand Forks Public Schools



Mark Sanford Education Center
2400 47th Ave. S
Grand Forks, ND 58201-3405



PO Box 6000
Grand Forks, ND 58206-6000



www.gfschools.org

Equal opportunity employer

Grand Forks School District prohibits discrimination and harassment based on race, color, religion, sex, sexual orientation, gender identity, gender expression, national origin, ancestry, disability, age, or other status protected by law. The District also provides equal access to the Boy Scouts and other designated youth groups, as required by federal law.

In Favor of HB 1482

Chairman Weber and members of the Senate Finance and Tax Committee,

HB 1482 looks to make changes to municipal elections. I am advocating that when elections seek to levy property taxes, they be decided on the primary or general election ballot.

An example from a recent Kindred School District bond measure:

I received a postcard in the mail informing me of an upcoming election on the 2nd Monday in October 2021. Public hearings were scheduled, but very little information was provided on the postcard regarding the plan. After some research, I discovered that while the bond was being sold to increase classroom space, that was only a small part of the plan. Additionally, there were plans for a High School Theater renovation, a middle-school weight room, and a new administrative office suite. The total cost was \$26.4 million. I know that doesn't buy much after 4 years of Bidenomics, but at the time, it was a significant increase in property taxes. And the previous bond measure hadn't even been paid off.

The election was held, and the bond passed with an underwhelming 538 votes.

The merits of the bond measure aside, the problem is that determining when to hold the vote is part of the strategy to ensure the measure passes. We have seen similar situations with the recent Fargodome expansion vote, West Fargo School District vote, etc.

An example from the recent Fargodome expansion vote:

I wrote a letter to the Fargo Forum agreeing with Commissioners Arlette Preston & John Strand when she argued against having the vote in December. I rarely agree with these individuals on anything, but in this instance, they were right and for the right reasons. Some in our state argue that requiring a photo ID is voter suppression. If that's the case, what is holding a vote at a time when the proponents believe fewer voters are engaged?

It's not unreasonable to regulate that municipal bond measure votes be held on the primary or general election ballot. This would help with the property tax debate because more voters would participate, creating awareness. At the same time, it would force local officials to keep their spending in check because someone may actually see what they are trying to slip by the voters.

An example from the recent West Fargo School District vote:

After failing the initial vote in September 2023, the West Fargo School District decided to try again and hold a new vote in February 2025. Both dates occurred in years without a primary or general election. For the February vote, the only polling locations were inside district

buildings. The only officials administering the election were also proponents of the measure passing. We should not allow for municipal elections to occur more frequently than elections for city, county, state, or federal officials.

The “local control” argument falls flat when local controllers attempt to manipulate the system. These bad faith actors can be recalled or voted out of office, and they should be, but in many cases, the damage is already done. As much as the election of the President, Governor, and most importantly, local legislators affect the lives of citizens, these bond measures have a direct impact on voters’ pocketbooks. We allow the same officials who put together the plan, determine polling locations, and set the election date to run the election and count the votes. Are we in California or Minnesota?

Having the county elections official administer the election alongside the general or primary allows voters to vote by absentee ballot, go to their regular polling locations, and feel confident in a process with necessary checks and balances.

I support this bill and ask for a “Do Pass” recommendation and encourage the Legislature to enact future legislation regulating local government elections in the voters' interests.

Respectfully,

Erik Nygren
Walcott, ND



NDSBA
NORTH DAKOTA SCHOOL
BOARDS ASSOCIATION

1224 West Owens Avenue
Bismarck ND 58501
1-800-932-8791 • (701)255-4127
www.ndsba.org

HB 1482
Testimony of Amy De Kok
Senate Finance & Taxation Committee
March 10, 2025

Chairman Weber and members of the Senate Finance & Taxation Committee, my name is Amy De Kok. I am the executive director of the North Dakota School Boards Association. NDSBA represents all 168 North Dakota public school districts and their governing boards. I appreciate the opportunity to provide testimony in opposition to HB 1482, which would require school districts seeking to increase their limit of indebtedness and/or authorize the issuance of bonds to hold the required election at either a statewide primary election or the November general election. While the intent of the bill—to increase voter participation in these elections—is understandable, the practical implications pose significant challenges for school districts and their ability to address urgent facility needs in a timely manner.

Concerns with HB 1482:

1. Potential Administrative Issues with Election Management:

The majority of school districts currently administer their own elections, including bond elections. While school districts may enter into agreements with county election officials to facilitate the process, counties have the authority to decline such agreements. HB 1482 does not address this issue, potentially leaving school districts without a clear path to conducting elections in compliance with the law.

2. Limited Election Windows Delay Critical Infrastructure Needs:

The bill restricts bond elections to either a statewide primary election in June or the general election in November. These statewide elections occur only every two years, meaning that if a school district misses an election cycle or experiences an unexpected facility emergency requiring bond issuance, it may face a prolonged waiting period before securing the necessary funding. Schools must be able to respond to urgent facility repairs, increased student enrollment, or safety concerns without being constrained to infrequent election dates.

3. Challenges for School Planning and Construction Timelines:

School construction and infrastructure improvements require careful planning and coordination. Limiting bond elections to biennial statewide election dates could cause schools to miss construction cycles,

resulting in increased costs due to inflation, supply chain delays, and seasonal weather constraints. The flexibility to hold bond elections when needed allows school districts to manage their projects more efficiently and cost-effectively.

4. **Potential for Increased Voter Confusion and Overloaded Ballots:**

Bond elections involve detailed financial and infrastructure planning that requires careful voter consideration. When placed on a statewide election ballot alongside numerous other issues and candidate races, these important local matters risk being overlooked or misunderstood by voters. The ability to conduct dedicated bond elections ensures that the public is fully informed and able to focus on the implications for their local schools.

While the goal of HB 1482 to enhance voter participation is commendable, the bill ultimately creates significant challenges for school districts. The restrictions on election timing, the lack of assurance that counties will support election administration, and the impact on school facility planning all contribute to reasons why this bill should not move forward. School districts require flexibility to address their infrastructure and funding needs efficiently and effectively, without being bound by the constraints of statewide election cycles.

I respectfully urge you to oppose HB 1482 to ensure that our schools retain the ability to manage their financial and facility planning in a way that best serves students, educators, and communities.



North Dakota Small Organized Schools

Mr. Michael Heilman
Executive Director
3144 Hampton Street
Bismarck, ND 58504
mheilmanndsos@gmail.com
701-527-4621

Mr. Brandt Dick
President
1929 N. Washington Steet. Ste.A
Bismarck, ND 58501
Brandt.Dick@k12.nd.us
701-415-0441

Mr. Steven Heim
Vice-President
PO Box 256
Drake, ND 58736
Steve.heim@k12.nd.us
701-465-3732

Testimony in Opposition to ND HB 1482

Chairman Weber and Members of the Senate Finance and Taxation Committee,

I am here is opposition to HB 1482, which would eliminate special elections for bond issues and restrict them to primary or general elections. This change would create unnecessary delays—often 19 months or more—between the November general election and the next June primary. These delays would have serious consequences, including increased costs due to inflation and market changes, as well as setbacks to critical infrastructure and school construction projects that serve our communities.

Additionally, HB 1482 is inconsistent with the October 10 budget submission deadline for county auditors, further complicating financial planning for local governments and school districts. Special elections provide a necessary mechanism for addressing urgent community needs in a timely and efficient manner. Restricting this process would hinder our ability to respond to growth, safety concerns, and essential infrastructure improvements.

I respectfully ask the committee to reject HB 1482 to ensure local governments can continue to act responsibly and efficiently in serving the needs of North Dakota residents.

Thank you for your time and consideration.

Mr. Michael Heilman – Executive Director
North Dakota Small Organized Schools
mheilmanndsos@gmail.com
701.527.4621

Board of Directors

Region 1

Mr. Tim Holte, Supt. Stanley
Mr. Kris Kuehn, Supt. Ray

Region 2

Dr. Kelly Peters, Supt. Lakota
Mr. Steven Heim, Anamoose & Drake

Region 3

Dr. Frank Schill, Supt. Edmore
Mr. David Wheeler, Supt. Manvel

Region 4

Mr. Brian Christopherson, Supt. New Salem
Mr. Russ Ziegler, Supt. Elgin-New Leipzig

Region 5

Mr. Rick Diegel, Supt. Kidder Co.
Mr. Brandt Dick, Supt. Burleigh County

Region 6

Mr. Mitch Carlson, Supt. LaMoure
Dr. Steven Johnson, Supt. Ft. Ransom

The mission of NDSOS is to provide leadership for the small/rural schools in North Dakota and to support legislation favorable to their philosophy while opposing legislation that is harmful.

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1482
3/24/2025

A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

8:30 a.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Authority for holding municipal bond elections

8:31 a.m. Vice Chairman Rummel provided information regarding school board authority for municipal bond elections.

8:34 a.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1482
3/25/2025

A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

9:43 a.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Municipal bond election time periods

9:43 a.m. Vice Chairman Rummel updated the committee of potential amendments regarding the inclusion of cities in primary and general elections in county elections.

9:44 a.m. Chairman Weber adjourned the meeting.

Chance Anderson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1482
4/1/2025

A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

9:08 a.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Election voting thresholds
- Special elections

9:08 a.m. Vice Chairman Rummel updated the committee on proposed amendment regarding special elections and submitted testimony in favor #44517.

9:12 a.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk

25.0546.01002
Title.

Prepared by the Legislative Council
staff for Senator Rummel
March 31, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1482

Introduced by

Representatives Wagner, Dockter, Heinert, J. Johnson, McLeod, Meier, D. Ruby, Schreiber-Beck, Swiontek, Warrey

Senators Sorvaag, Weber

1 A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota
2 Century Code, relating to the requirements of a municipal bond election.

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

4 **SECTION 1. AMENDMENT.** Section 21-03-04 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **21-03-04. Grant of power to borrow - General limitations of indebtedness.**

7 Every

8 1. A municipality may borrow money and issue municipal obligations thereof for the
9 purpose specified and by the procedure provided in this chapter, and for no other
10 purpose and in no other manner, except as otherwise provided in section 21-03-02.
11 ~~No~~A municipality may not incur indebtedness in any manner or for any purpose in an
12 amount which, with all other outstanding indebtedness of the municipality, exceeds
13 five percent of the assessed value of the taxable property ~~therein~~ in the municipality,
14 except:

15 ~~1. Any~~

16 a. An incorporated city, by a two-thirds vote of the qualified voters ~~thereof~~ of the city
17 voting upon ~~said~~ the question at a special election or a majority of the qualified
18 voters of the city voting upon the question at a statewide primary or general or
19 special election, may increase ~~such~~ the limit of indebtedness three percent on
20 ~~such~~ the assessed value beyond ~~said~~ the five percent limit, and a school district,

by a majority vote of the qualified voters ~~thereof~~ of the school district voting upon
said~~the~~ question at a primary or general ~~or special~~ election, may increase
such~~the~~ limitation of indebtedness five percent on such~~the~~ assessed value
beyond the said five percent limit.

2. Any

b. A county or city, when authorized by a majority vote of the qualified voters
~~thereof~~ of the county or city voting upon said~~the~~ question at a primary-~~or~~ general, or special
election, may issue bonds upon any revenue-producing utility owned
by such~~a~~ county or city, for the purchase or acquisition of such~~the~~ utility, or the
building or establishment ~~thereof~~ of the utility, in amounts not exceeding the
physical value of such~~the~~ utility, industry, or enterprise.

3. Any

c. An incorporated city, if authorized by a majority vote of the qualified voters
~~thereof~~ of the city voting upon said~~the~~ question at a primary-~~or~~ general, or special
election, may become indebted in any amount not exceeding four percent of
such~~the~~ assessed value, without regard to the existing indebtedness of said~~the~~
city, for the purpose of constructing or purchasing waterworks for furnishing a
supply of water to the inhabitants of such~~the~~ city or for the purpose of
constructing sewers, and for no other purposes ~~whatever~~, but the aggregate of
such~~the~~ additional indebtedness for waterworks and sewers ~~never~~ may not
exceed such four percent over ~~and above~~ the limitations of indebtedness in this
section heretofore prescribed.

2. All bonds or obligations in excess of the amount of indebtedness permitted by this
chapter, given by any municipality as ~~herein~~ defined in this chapter, are void.

SECTION 2. AMENDMENT. Section 21-03-07 of the North Dakota Century Code is
amended and reenacted as follows:

21-03-07. Election required - Exceptions.

~~No~~ A municipality, ~~and no~~ or governing board ~~thereof~~, of a municipality may not issue bonds
without being first authorized to do so at a primary or general election by a vote equal to a
majority of all the qualified voters of the municipality voting upon the question of issuing the

1 bonds, or at a special election by a vote equal to sixty percent of all the qualified voters of
2 ~~such~~the municipality voting upon the question of ~~such issue~~issuing the bonds, except:

3 1. As otherwise provided in section 21-03-04.

4 2. The governing body may issue bonds of the municipality for the purpose and within
5 the limitations specified by subdivision e of subsection 1 of section 21-03-06,
6 subdivision g of subsection 2 of section 21-03-06, and subsections 4.1 and 7 of
7 section 21-03-06 without an election.

8 3. The governing body of any municipality may issue bonds of the municipality for the
9 purpose of providing funds to meet its share of the cost of any highway project
10 undertaken under an agreement entered into by the governing body with the United
11 States government, the director of the department of transportation, the board of
12 county commissioners, or any of them, including the cost of any construction,
13 improvement, financing, planning, and acquisition of right of way of a bridge eligible for
14 matching funds, highway routed through the municipality and of any bridges and
15 controlled access facilities thereon and any necessary additional width or capacity of
16 the bridge or roadway thereof greater than that required for federal or state bridge or
17 highway purposes, and of any necessary relaying of utility mains and conduits, curbs
18 and gutters, and the installation of utility service connections and streetlights.

19 a. The portion of the total cost of the project to be paid by the municipality under the
20 agreement, including all items of cost incurred directly by the municipality and all
21 amounts to be paid by it for work done or contracted for by other parties to the
22 agreement, may not exceed a sum equal to thirty percent of the total cost,
23 including engineering and other incidental costs, of all construction and
24 reconstruction work to be done plus fifty percent of the total cost of all right of
25 way to be acquired in connection therewith.

26 b. The initial resolution authorizing issuance of bonds under this subsection must be
27 published in the official newspaper of the municipality. Within sixty days after
28 publication, an owner of taxable property within the municipality may file with the
29 auditor or chief fiscal officer of the municipality a written protest against adoption
30 of the resolution.

1 c. A protest must describe the property that is the subject of the protest. If the
2 governing body finds protests have been signed by the owners of taxable
3 property having an assessed valuation equal to five percent or more of the
4 assessed valuation of all taxable property in the municipality, as most recently
5 finally equalized, all further proceedings under the initial resolution are barred.

6 d. ~~Nothing herein~~in this This section may not be deemed to prevent any municipality
7 from appropriating funds for or financing out of taxes, special assessments, or
8 utility revenues any work incidental to ~~any such~~the project, in the manner and to
9 the extent otherwise permitted by law, and the cost of any work so financed may
10 not be included in computing the portion of the project cost payable by the
11 municipality, within the meaning of this subsection, unless the work is actually
12 called for by the agreement between the municipality and the other governmental
13 agencies involved.

14 4. a. The governing body of any city may ~~also~~, by resolution adopted by a two-thirds
15 vote, authorize and issue general obligation bonds of the city for the purpose of
16 providing funds to pay the cost of any improvement of the types stated below, to
17 the extent that the governing body determines that ~~such~~the cost should be paid
18 by the city and should not be assessed upon property specially benefited
19 thereby; provided that the initial resolution authorizing ~~such~~the bonds must be
20 published in the official newspaper, and any owner of taxable property within the
21 city may, within sixty days after ~~such~~the publication, file with the city auditor a
22 protest against the adoption of the resolution. If the governing body finds ~~such~~the
23 protests to have been signed by the owners of taxable property having an
24 assessed valuation equal to five percent or more of the assessed valuation of all
25 taxable property within the city, as ~~theretofore~~ last finally equalized, all further
26 proceedings under ~~such~~the initial resolution are barred. This procedure is
27 authorized for the financing of the following types of improvements:

28 a. (1) Any street improvement, as defined in subsection 2 of section 40-22-01, to
29 be made in or upon any federal or state highway or any other street
30 designated by ordinance as an arterial street.

b. (2) The construction of a bridge, culvert, overpass, or underpass at the intersection of any street with a stream, watercourse, drain, or railway, and the acquisition of any land or easement required for that purpose.

e. (3) Any improvement incidental to the carrying out of an urban renewal project, the issuance of bonds for which is authorized by subsection 4 of section 40-58-13.

~~Nothing herein~~

b. This section may not be deemed to prevent any municipality from appropriating funds for or financing out of taxes, special assessments, or utility revenues any work incidental to ~~any such~~ an improvement, in the manner and to the extent otherwise permitted by law.

5. The governing body of any city may ~~also~~ by resolution adopted by a two-thirds vote, dedicate the mill levy authorized by section 57-15-42 and ~~may~~ authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds for the purchase, construction, reconstruction, or repair of public buildings or fire stations; provided, that the initial resolution authorizing the mill levy dedication and general obligation bonds must be published in the official newspaper, and any owner of taxable property within the city may, within sixty days after publication, file with the city auditor a protest against the adoption of the resolution.

a. Protests must be in writing and must describe the property ~~which~~ that is the subject of the protest.

b. If the governing body finds ~~such~~ the protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the city, as ~~therefore~~ last finally equalized, all further proceedings under the initial resolution are barred.

6. The governing body of any county may ~~also~~ by resolution adopted by a two-thirds vote, dedicate the tax levies authorized by section 57-15-06.6 and subsection 5 of section 57-15-06.7 and ~~may~~ authorize and issue general obligation bonds to be paid by the dedicated levy for the purposes identified under section 57-15-06.6 and subsection 5 of section 57-15-06.7; provided, that the initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official

newspaper, and any owner of taxable property within the county may, within sixty days after publication, file with the county auditor a protest against the adoption of the resolution.

a. Protests must be in writing and ~~must~~ describe the property ~~which~~that is the subject of the protest.

b. If the governing body finds ~~such~~the protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the county, as last finally equalized, all further proceedings under the initial resolution are barred.

7. The governing body of any public school district may ~~also~~, by resolution adopted by a two-thirds vote, dedicate the tax levies as authorized by section 15.1-09-47, 15.1-09-49, or 57-15-16 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair of public school buildings or for the construction or improvement of a project under section 15.1-36-02 or 15.1-36-08.

a. The initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper of the school district, and any owner of taxable property within the school district may, within sixty days after publication, file with the business manager of the school district a protest against the adoption of the resolution.

b. Protests must be in writing and ~~must~~ describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the school district, as ~~therefore~~ last finally equalized, all further proceedings under the initial resolution are barred.

8. The governing body of any city having a population of twenty-five thousand persons or more may use the provisions of subsection 3 to provide funds to participate in the cost of any construction, improvement, financing, and planning of any bypass routes, interchanges, or other intersection improvements on a federal or state highway system

which is situated in whole or in part outside of the corporate limits of the city; provided, that the governing body ~~thereof~~of the city shall determine by resolution that the undertaking of ~~such~~the work is in the best interest of the city for the purpose of providing access and relieving congestion or improving traffic flow on municipal streets.

9. The governing body of a municipality or other political subdivision, located at least in part within a county that is included within a disaster or emergency executive order or proclamation of the governor under chapter 37-17.1, may by resolution adopted by a two-thirds vote authorize and issue general obligation bonds of the political subdivision without an election for the purpose of providing funds to pay costs associated with the emergency condition. The political subdivision may dedicate and levy taxes for retirement of bonds under this subsection and ~~such~~the levies are not subject to limitations as otherwise provided by law.

10. The governing board of any county, city, public school district, park district, or township may, by resolution adopted by a two-thirds vote, dedicate the tax levy authorized by section 57-15-41 and authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds to prepay outstanding special assessments made in accordance with the provisions of title 40 against property owned by the county, city, public school district, park district, or township.

11. The governing body of any park district that constitutes a distinct municipality may issue general obligation bonds of the park district for the purpose of providing funds to acquire, lay out, and improve parks, parkways, boulevards, and pleasure drives, and to acquire land for these purposes, but the indebtedness may not at any time exceed one percent of the assessed valuation of the taxable property in the park district.

a. The initial resolution authorizing the issuance of general obligation bonds under this subsection must be published in the official newspaper of the park district, and any owner of taxable property within the park district may, within sixty days after publication, file with the clerk of the park district a protest against the adoption of the resolution.

b. Protests must be in writing and ~~must~~ describe the property that is the subject of the protest.

- 1 c. If the governing body finds the protests have been signed by the owners of
- 2 taxable property having an assessed valuation equal to five percent or more of
- 3 the assessed valuation of all taxable property within the park district, as last
- 4 finally equalized, all further proceedings under the initial resolution are barred.

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1482
4/8/2025

A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

9:03 a.m. Chairman Weber called the meeting to order.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Authority to issue municipal bonds
- Election details

9:03 a.m. Vice Chairman Rummel presented proposed amendment regarding municipal bond elections.

9:11 a.m. Vice Chairman Rummel moved Amendment LC#25.0546.01003.

9:11 a.m. Senator Patten seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

9:16 a.m. Senator Walen moved a Do Pass as Amended.

9:16 a.m. Vice Chairman Rummel seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

Vice Chairman Rummel will carry the bill.

Additional written testimony:

Representative Wagner, District 45, submitted written testimony in favor #44767.

9:20 a.m. Chairman Weber adjourned the meeting.

Reconsidered on 04/14/25

Chance Anderson, Committee Clerk

25.0546.01003
Title.

Prepared by the Legislative Council
staff for Representative Wagner
April 7, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1482

Introduced by

Representatives Wagner, Dockter, Heinert, J. Johnson, McLeod, Meier, D. Ruby, Schreiber-Beck, Swiontek, Warrey

Senators Sorvaag, Weber

1 A BILL for an Act to amend and reenact sections 15.1-07-03, 15.1-07-04, 21-03-04 ~~and~~,
2 21-03-07, 21-03-11, and 21-03-13 of the North Dakota Century Code, relating to a school
3 district debt limit election, the requirements of a municipal bond election, and the contents of a
4 ballot.

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

6 **SECTION 1. AMENDMENT.** Section 15.1-07-03 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-07-03. District's limit of indebtedness - Resolution.**

- 9 1. The board of a school district may by resolution place on the ballot of any
10 ~~regular~~primary or ~~special~~general election the question of increasing the district's limit
11 of indebtedness, beyond that fixed by the constitution, by five percent of the assessed
12 valuation of all taxable property in the district.
- 13 2. The board of a school district shall place on the ballot of the next ~~regular~~primary or
14 ~~special~~general election the question of increasing the district's limit of indebtedness,
15 beyond that fixed by the constitution, by five percent of the assessed valuation of all
16 taxable property in the district, if the board receives a petition requesting the increase
17 and signed by qualified electors of the district equal in number to at least one-third of
18 those who voted at the most recent annual school district election.

19 **SECTION 2. AMENDMENT.** Section 15.1-07-04 of the North Dakota Century Code is
20 amended and reenacted as follows:

15.1-07-04. District's limit of indebtedness - Election - Notice.

If an election is to include a question regarding an increase in the school district's limit of indebtedness, the board of the school district shall ensure ~~that~~ the question is clearly stated in the notice of election. ~~If the board calls a special election to vote on the question of increasing the district's limit of indebtedness, the board shall publish notice of the election in the official newspaper of the district, at least fourteen days before the date of the election.~~

SECTION 3. AMENDMENT. Section 21-03-04 of the North Dakota Century Code is amended and reenacted as follows:

21-03-04. Grant of power to borrow - General limitations of indebtedness.

Every

1. A municipality may borrow money and issue municipal obligations thereof for the purpose specified and by the procedure provided in this chapter, and for no other purpose and in no other manner, except as otherwise provided in section 21-03-02. ~~No~~A municipality may not incur indebtedness in any manner or for any purpose in an amount which, with all other outstanding indebtedness of the municipality, exceeds five percent of the assessed value of the taxable property ~~therein~~ in the municipality, except:

~~1. Any~~

a. An incorporated city, by a two-thirds vote of the qualified voters ~~thereof~~ of the city voting upon ~~said~~ the question at a primary or general ~~or special~~ election, may increase ~~sueh~~ the limit of indebtedness three percent on ~~sueh~~ the assessed value beyond ~~said~~ the five percent limit, and a school district, by a majority vote of the qualified voters ~~thereof~~ of the school district voting upon ~~said~~ the question at a primary or general ~~or special~~ election, may increase ~~sueh~~ the limitation of indebtedness five percent on ~~sueh~~ the assessed value beyond the ~~said~~ five percent limit.

~~2. Any~~

b. A county or city, when authorized by a majority vote of the qualified voters ~~thereof~~ of the county or city voting upon ~~said~~ the question at a primary or general ~~or special~~ election, may issue bonds upon any revenue-producing utility owned by ~~sueh~~ a county or city, for the purchase or acquisition of ~~sueh~~ the utility, or the

building or establishment thereof ~~of the utility~~, in amounts not exceeding the physical value of ~~such~~the utility, industry, or enterprise.

~~3. Any~~

c. An incorporated city, if authorized by a majority vote of the qualified voters thereof ~~of the city~~ voting upon said~~the~~ question at a primary or general or special election, may become indebted in any amount not exceeding four percent of ~~such~~the assessed value, without regard to the existing indebtedness of said~~the~~ city, for the purpose of constructing or purchasing waterworks for furnishing a supply of water to the inhabitants of ~~such~~the city or for the purpose of constructing sewers, and for no other purposes ~~whatever~~, but the aggregate of ~~such~~the additional indebtedness for waterworks and sewers ~~never~~ may not exceed ~~such~~ four percent over and ~~above~~ the limitations of indebtedness in this section ~~heretofore prescribed~~.

2. All bonds or obligations in excess of the amount of indebtedness permitted by this chapter, given by any municipality as ~~herein~~ defined in this chapter, are void.

SECTION 4. AMENDMENT. Section 21-03-07 of the North Dakota Century Code is amended and reenacted as follows:

21-03-07. Election required - Exceptions.

~~No~~A municipality, ~~and no~~ or governing board thereof, ~~of a municipality~~ may not issue bonds without being first authorized to do so, at a primary or general election if the municipality is a county, city, public school district, or park district, by a vote equal to sixty percent of all the qualified voters of ~~such~~the municipality voting upon the question of ~~such issue~~issuing the bonds except:

1. As otherwise provided in section 21-03-04.
2. The governing body may issue bonds of the municipality for the purpose and within the limitations specified by subdivision e of subsection 1 of section 21-03-06, subdivision g of subsection 2 of section 21-03-06, and subsections 4.1 and 7 of section 21-03-06 without an election.
3. The governing body of any municipality may issue bonds of the municipality for the purpose of providing funds to meet its share of the cost of any highway project undertaken under an agreement entered ~~into~~ by the governing body with the United

1 States government, the director of the department of transportation, the board of
2 county commissioners, or any of them, including the cost of any construction,
3 improvement, financing, planning, and acquisition of right of way of a bridge eligible for
4 matching funds, highway routed through the municipality and of any bridges and
5 controlled access facilities thereon and any necessary additional width or capacity of
6 the bridge or roadway thereof greater than that required for federal or state bridge or
7 highway purposes, and of any necessary relaying of utility mains and conduits, curbs
8 and gutters, and the installation of utility service connections and streetlights.

9 a. The portion of the total cost of the project to be paid by the municipality under the
10 agreement, including all items of cost incurred directly by the municipality and all
11 amounts to be paid by it for work done or contracted for by other parties to the
12 agreement, may not exceed a sum equal to thirty percent of the total cost,
13 including engineering and other incidental costs, of all construction and
14 reconstruction work to be done plus fifty percent of the total cost of all right of
15 way to be acquired in connection therewith.

16 b. The initial resolution authorizing issuance of bonds under this subsection must be
17 published in the official newspaper of the municipality. Within sixty days after
18 publication, an owner of taxable property within the municipality may file with the
19 auditor or chief fiscal officer of the municipality a written protest against adoption
20 of the resolution.

21 c. A protest must describe the property that is the subject of the protest. If the
22 governing body finds protests have been signed by the owners of taxable
23 property having an assessed valuation equal to five percent or more of the
24 assessed valuation of all taxable property in the municipality, as most recently
25 finally equalized, all further proceedings under the initial resolution are barred.

26 d. Nothing ~~herein~~in this section may be deemed to prevent any municipality from
27 appropriating funds for or financing out of taxes, special assessments, or utility
28 revenues any work incidental to ~~any such~~the project, in the manner and to the
29 extent otherwise permitted by law, and the cost of any work so financed may not
30 be included in computing the portion of the project cost payable by the
31 municipality, within the meaning of this subsection, unless the work is actually

called for by the agreement between the municipality and the other governmental agencies involved.

4. a. The governing body of any city may also, by resolution adopted by a two-thirds vote, authorize and issue general obligation bonds of the city for the purpose of providing funds to pay the cost of any improvement of the types stated below, to the extent that the governing body determines that ~~such~~the cost should be paid by the city and should not be assessed upon property specially benefited thereby; provided that the initial resolution authorizing ~~such~~the bonds must be published in the official newspaper, and any owner of taxable property within the city may, within sixty days after ~~such~~the publication, file with the city auditor a protest against the adoption of the resolution. If the governing body finds ~~such~~the protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the city, as ~~theretofore~~ last finally equalized, all further proceedings under ~~such~~the initial resolution are barred. This procedure is authorized for the financing of the following types of improvements:

- a. (1) Any street improvement, as defined in subsection 2 of section 40-22-01, to be made in or upon any federal or state highway or any other street designated by ordinance as an arterial street.
- b. (2) The construction of a bridge, culvert, overpass, or underpass at the intersection of any street with a stream, watercourse, drain, or railway, and the acquisition of any land or easement required for that purpose.
- c. (3) Any improvement incidental to the carrying out of an urban renewal project, the issuance of bonds for which is authorized by subsection 4 of section 40-58-13.

~~Nothing herein~~

- b. This section may not be deemed to prevent ~~any~~a municipality from appropriating funds for or financing out of taxes, special assessments, or utility revenues any work incidental to ~~any such~~ an improvement, in the manner and to the extent otherwise permitted by law.

- 1 5. The governing body of any city may ~~also~~, by resolution adopted by a two-thirds vote,
2 dedicate the mill levy authorized by section 57-15-42 and ~~may~~ authorize and issue
3 general obligation bonds to be paid by the dedicated levy for the purpose of providing
4 funds for the purchase, construction, reconstruction, or repair of public buildings or fire
5 stations; provided, that the initial resolution authorizing the mill levy dedication and
6 general obligation bonds must be published in the official newspaper, and any owner
7 of taxable property within the city may, within sixty days after publication, file with the
8 city auditor a protest against the adoption of the resolution.
- 9 a. Protests must be in writing and must describe the property ~~which~~that is the
10 subject of the protest.
- 11 b. If the governing body finds ~~such~~the protests to have been signed by the owners
12 of taxable property having an assessed valuation equal to five percent or more of
13 the assessed valuation of all taxable property within the city, as ~~theretofore~~ last
14 finally equalized, all further proceedings under the initial resolution are barred.
- 15 6. The governing body of any county may ~~also~~, by resolution adopted by a two-thirds
16 vote, dedicate the tax levies authorized by section 57-15-06.6 and subsection 5 of
17 section 57-15-06.7 and ~~may~~ authorize and issue general obligation bonds to be paid
18 by the dedicated levy for the purposes identified under section 57-15-06.6 and
19 subsection 5 of section 57-15-06.7; provided, that the initial resolution authorizing the
20 tax levy dedication and general obligation bonds must be published in the official
21 newspaper, and any owner of taxable property within the county may, within sixty days
22 after publication, file with the county auditor a protest against the adoption of the
23 resolution.
- 24 a. Protests must be in writing and ~~must~~ describe the property ~~which~~that is the
25 subject of the protest.
- 26 b. If the governing body finds ~~such~~the protests to have been signed by the owners
27 of taxable property having an assessed valuation equal to five percent or more of
28 the assessed valuation of all taxable property within the county, as last finally
29 equalized, all further proceedings under the initial resolution are barred.
- 30 7. The governing body of any public school district may ~~also~~, by resolution adopted by a
31 two-thirds vote, dedicate the tax levies as authorized by section 15.1-09-47,

15.1-09-49, or 57-15-16 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair of public school buildings or for the construction or improvement of a project under section 15.1-36-02 or 15.1-36-08.

a. The initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper of the school district, and any owner of taxable property within the school district may, within sixty days after publication, file with the business manager of the school district a protest against the adoption of the resolution.

b. Protests must be in writing and must describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the school district, as ~~therefore~~ last finally equalized, all further proceedings under the initial resolution are barred.

8. The governing body of any city having a population of twenty-five thousand persons or more may use the provisions of subsection 3 to provide funds to participate in the cost of any construction, improvement, financing, and planning of any bypass routes, interchanges, or other intersection improvements on a federal or state highway system which is situated in whole or in part outside of the corporate limits of the city; provided, that the governing body ~~thereof~~ of the city shall determine by resolution that the undertaking of ~~such~~ the work is in the best interest of the city for the purpose of providing access and relieving congestion or improving traffic flow on municipal streets.

9. The governing body of a municipality or other political subdivision, located at least in part within a county that is included within a disaster or emergency executive order or proclamation of the governor under chapter 37-17.1, may by resolution adopted by a two-thirds vote authorize and issue general obligation bonds of the political subdivision without an election for the purpose of providing funds to pay costs associated with the emergency condition. The political subdivision may dedicate and levy taxes for

retirement of bonds under this subsection and ~~such~~the levies are not subject to limitations as otherwise provided by law.

10. The governing board of any county, city, public school district, park district, or township may, by resolution adopted by a two-thirds vote, dedicate the tax levy authorized by section 57-15-41 and authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds to prepay outstanding special assessments made in accordance with the provisions of title 40 against property owned by the county, city, public school district, park district, or township.

11. The governing body of any park district that constitutes a distinct municipality may issue general obligation bonds of the park district for the purpose of providing funds to acquire, lay out, and improve parks, parkways, boulevards, and pleasure drives, and to acquire land for these purposes, but the indebtedness may not at any time exceed one percent of the assessed valuation of the taxable property in the park district.

a. The initial resolution authorizing the issuance of general obligation bonds under this subsection must be published in the official newspaper of the park district, and any owner of taxable property within the park district may, within sixty days after publication, file with the clerk of the park district a protest against the adoption of the resolution.

b. Protests must be in writing and ~~must~~ describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the park district, as last finally equalized, all further proceedings under the initial resolution are barred.

SECTION 5. AMENDMENT. Section 21-03-11 of the North Dakota Century Code is amended and reenacted as follows:

21-03-11. Elections - When and how called and held.

Upon or after the adoption of an initial resolution by the governing body, or at the first meeting of the governing body held after the filing of a petition and proposed initial resolution by the qualified electors as specified in subsection 2 of section 21-03-10, the governing body by resolution shall provide for submitting to the qualified electors of the municipality the question

whether the initial resolution shall be approved. The governing body shall designate the date of the election ~~must be, which may~~ not be less than twenty days after the passage of the initial resolution by the governing body or in the filing of a sufficient petition therefor by the qualified electors. ~~The~~ If the municipality is a county, city, public school district, or park district, the election must be set for the same date as a statewide primary or general election. If a municipality requests to be included on the official ballot prepared under section 16.1-06-03, the county shall include the municipality on the official ballot. If the municipality is not included on the official ballot, the governing body shall designate the date of the election, the polling hours, and polling place, which must be the same as for municipal elections therein, and shall appoint an inspector, two judges, and two clerks of election for each polling place. In case of the absence of any election official, or the official's inability to act at the opening of the polls, the remaining election officials for the polling place shall appoint a qualified elector to fill the vacancy. The election must be conducted and the returns thereof made and canvassed as in the case of elections of members of the governing body of the municipality.

SECTION 6. AMENDMENT. Section 21-03-13 of the North Dakota Century Code is amended and reenacted as follows:

21-03-13. Ballot - Contents.

The ballot for a bond election must be separate from other ballots used on the same day for other elections, ~~and~~ but the separate ballot may be on the same paper or electronic ballot. The ballot must be written or printed, and must state the question in substantially the following form:

Shall the _____ (here inserting the name of the municipality) issue its bonds in the amount of not to exceed \$_____, (here inserting the amount) maturing within a maximum of _____, (here inserting the duration) resulting in an estimated additional millage of _____ (here inserting the number of mills) mills, equal to \$_____ (here inserting the equivalent in dollars) on each \$1,000 of taxable valuation for the first taxable year, for the purpose of _____ (here inserting the purpose)?

Yes

☐

No

☐

Spoiled or blank ballots cast at such election may not be counted for or against the proposed issue.

2025 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

HB 1482
4/14/2025

A BILL for an Act to amend and reenact sections 21-03-04 and 21-03-07 of the North Dakota Century Code, relating to the requirements of a municipal bond election.

9:13 a.m. Chairman Weber opened the hearing.

Members present: Chairman Weber, Vice Chairman Rummel, Senator Marcellais, Senator Patten, Senator Powers, Senator Walen

Discussion Topics:

- Authority to issue municipal bonds
- Election details

9:13 a.m. Vice Chairman Rummel presented proposed amendment regarding municipal bond elections and submitted testimony in favor #44964.

9:28 a.m. Senator Powers moved a Reconsider.

9:28 a.m. Vice Chairman Rummel seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

9:29 a.m. Vice Chairman Rummel moved Amendment LC#25.0546.01005.

9:29 a.m. Senator Walen seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

9:30 a.m. Vice Chairman Rummel moved a Do Pass as Amended.

9:30 a.m. Senator Walen seconded the motion.

Senators	Vote
Senator Mark F. Weber	Y
Senator Dean Rummel	Y
Senator Richard Marcellais	Y
Senator Dale Patten	Y
Senator Michelle Powers	Y
Senator Chuck Walen	Y

Motion passed 6-0-0.

Vice Chairman Rummel will carry the bill.

9:30 a.m. Chairman Weber closed the hearing.

Chance Anderson, Committee Clerk

Sixty-ninth
Legislative Assembly
of North Dakota**PROPOSED AMENDMENTS TO**VC 4/14/25
1000**HOUSE BILL NO. 1482**

Introduced by

Representatives Wagner, Dockter, Heinert, J. Johnson, McLeod, Meier, D. Ruby, Schreiber-Beck, Swiontek, Warrey

Senators Sorvaag, Weber

1 A BILL for an Act to amend and reenact sections 15.1-07-03, 15.1-07-04, 21-03-04 and
 2 21-03-07, 21-03-11, and 21-03-13 of the North Dakota Century Code, relating to a school
 3 district debt limit election, the requirements of a municipal bond election, and the contents of a
 4 ballot.

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

6 **SECTION 1. AMENDMENT.** Section 15.1-07-03 of the North Dakota Century Code is
 7 amended and reenacted as follows:

8 15.1-07-03. District's limit of indebtedness - Resolution.

- 9 1. The board of a school district may by resolution place on the ballot of any
 10 regular primary or special general election the question of increasing the district's limit
 11 of indebtedness, beyond that fixed by the constitution, by five percent of the assessed
 12 valuation of all taxable property in the district.
- 13 2. The board of a school district shall place on the ballot of the next regular primary or
 14 special general election the question of increasing the district's limit of indebtedness,
 15 beyond that fixed by the constitution, by five percent of the assessed valuation of all
 16 taxable property in the district, if the board receives a petition requesting the increase
 17 and signed by qualified electors of the district equal in number to at least one-third of
 18 those who voted at the most recent annual school district election.

19 **SECTION 2. AMENDMENT.** Section 15.1-07-04 of the North Dakota Century Code is
 20 amended and reenacted as follows:

15.1-07-04. District's limit of indebtedness - Election - Notice.

If an election is to include a question regarding an increase in the school district's limit of indebtedness, the board of the school district shall ensure ~~that~~ the question is clearly stated in the notice of election. ~~If the board calls a special election to vote on the question of increasing the district's limit of indebtedness, the board shall publish notice of the election in the official newspaper of the district, at least fourteen days before the date of the election.~~

SECTION 3. AMENDMENT. Section 21-03-04 of the North Dakota Century Code is amended and reenacted as follows:

21-03-04. Grant of power to borrow - General limitations of indebtedness.

~~Every~~

1. ~~A~~ municipality may borrow money and issue municipal obligations ~~thereof~~ for the purpose specified and by the procedure provided in this chapter, and for no other purpose and in no other manner, except as otherwise provided in section 21-03-02. ~~No~~A municipality may not incur indebtedness in any manner or for any purpose in an amount which, with all other outstanding indebtedness of the municipality, exceeds five percent of the assessed value of the taxable property ~~therein~~in the municipality, except:

~~1. Any~~

a. ~~An~~ incorporated city, by a two-thirds vote of the qualified voters ~~thereof~~of the city voting upon ~~said~~the question at a primary or general ~~or special~~ election, may increase ~~such~~the limit of indebtedness three percent on ~~such~~the assessed value beyond ~~said~~the five percent limit, and a school district, by a majority vote of the qualified voters ~~thereof~~of the school district voting upon ~~said~~the question at a primary or general ~~or special~~ election, may increase ~~such~~the limitation of indebtedness five percent on ~~such~~the assessed value beyond the ~~said~~ five percent limit.

~~2. Any~~

b. ~~A~~ county or city, when authorized by a majority vote of the qualified voters ~~thereof~~of the county or city voting upon ~~said~~the question at a primary or general ~~or special~~ election, may issue bonds upon any revenue-producing utility owned by ~~such~~a county or city, for the purchase or acquisition of ~~such~~the utility, or the

1 building or establishment ~~thereof of the utility~~, in amounts not exceeding the
2 physical value of ~~such the~~ utility, industry, or enterprise.

3 ~~3. Any~~

4 c. An incorporated city, if authorized by a majority vote of the qualified voters
5 ~~thereof of the city~~ voting upon ~~said the~~ question at a primary or general or special
6 election, may become indebted in any amount not exceeding four percent of
7 ~~such the~~ assessed value, without regard to the existing indebtedness of ~~said the~~
8 city, for the purpose of constructing or purchasing waterworks for furnishing a
9 supply of water to the inhabitants of ~~such the~~ city or for the purpose of
10 constructing sewers, and for no other purposes ~~whatever~~, but the aggregate of
11 ~~such the~~ additional indebtedness for waterworks and sewers ~~never~~ may not
12 exceed ~~such~~ four percent over ~~and above~~ the limitations of indebtedness in this
13 section ~~heretofore prescribed~~.

14 2. All bonds or obligations in excess of the amount of indebtedness permitted by this
15 chapter, given by any municipality as ~~herein~~ defined in this chapter, are void.

16 **SECTION 4. AMENDMENT.** Section 21-03-07 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **21-03-07. Election required - Exceptions.**

19 ~~No~~A municipality, ~~and no~~ or governing board ~~thereof, of a municipality~~ may not issue bonds
20 without being first authorized to do so, at a primary or general election if the municipality is a
21 county, city, public school district, or park district, by a vote equal to sixty percent of all the
22 qualified voters of ~~such the~~ municipality voting upon the question of such issue ~~issuing the bonds~~
23 except:

- 24 1. As otherwise provided in section 21-03-04.
- 25 2. The governing body may issue bonds of the municipality for the purpose and within
26 the limitations specified by subdivision e of subsection 1 of section 21-03-06,
27 subdivision g of subsection 2 of section 21-03-06, and subsections 4.1 and 7 of
28 section 21-03-06 without an election.
- 29 3. The governing body of any municipality may issue bonds of the municipality for the
30 purpose of providing funds to meet its share of the cost of any highway project
31 undertaken under an agreement entered ~~into~~ by the governing body with the United

1 States government, the director of the department of transportation, the board of
2 county commissioners, or any of them, including the cost of any construction,
3 improvement, financing, planning, and acquisition of right of way of a bridge eligible for
4 matching funds, highway routed through the municipality and of any bridges and
5 controlled access facilities thereon and any necessary additional width or capacity of
6 the bridge or roadway thereof greater than that required for federal or state bridge or
7 highway purposes, and of any necessary relaying of utility mains and conduits, curbs
8 and gutters, and the installation of utility service connections and streetlights.

9 a. The portion of the total cost of the project to be paid by the municipality under the
10 agreement, including all items of cost incurred directly by the municipality and all
11 amounts to be paid by it for work done or contracted for by other parties to the
12 agreement, may not exceed a sum equal to thirty percent of the total cost,
13 including engineering and other incidental costs, of all construction and
14 reconstruction work to be done plus fifty percent of the total cost of all right of
15 way to be acquired in connection therewith.

16 b. The initial resolution authorizing issuance of bonds under this subsection must be
17 published in the official newspaper of the municipality. Within sixty days after
18 publication, an owner of taxable property within the municipality may file with the
19 auditor or chief fiscal officer of the municipality a written protest against adoption
20 of the resolution.

21 c. A protest must describe the property that is the subject of the protest. If the
22 governing body finds protests have been signed by the owners of taxable
23 property having an assessed valuation equal to five percent or more of the
24 assessed valuation of all taxable property in the municipality, as most recently
25 finally equalized, all further proceedings under the initial resolution are barred.

26 d. Nothing ~~herein~~ in this section may be deemed to prevent any municipality from
27 appropriating funds for or financing out of taxes, special assessments, or utility
28 revenues any work incidental to ~~any such~~ the project, in the manner and to the
29 extent otherwise permitted by law, and the cost of any work so financed may not
30 be included in computing the portion of the project cost payable by the
31 municipality, within the meaning of this subsection, unless the work is actually

called for by the agreement between the municipality and the other governmental agencies involved.

4. a. The governing body of any city may ~~also~~ by resolution adopted by a two-thirds vote, authorize and issue general obligation bonds of the city for the purpose of providing funds to pay the cost of any improvement of the types stated below, to the extent that the governing body determines that ~~such~~the cost should be paid by the city and should not be assessed upon property specially benefited thereby; provided that the initial resolution authorizing ~~such~~the bonds must be published in the official newspaper, and any owner of taxable property within the city may, within sixty days after ~~such~~the publication, file with the city auditor a protest against the adoption of the resolution. If the governing body finds ~~such~~the protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the city, as ~~theretofore~~ last finally equalized, all further proceedings under ~~such~~the initial resolution are barred. This procedure is authorized for the financing of the following types of improvements:

- ~~a.~~ (1) Any street improvement, as defined in subsection 2 of section 40-22-01, to be made in or upon any federal or state highway or any other street designated by ordinance as an arterial street.
- ~~b.~~ (2) The construction of a bridge, culvert, overpass, or underpass at the intersection of any street with a stream, watercourse, drain, or railway, and the acquisition of any land or easement required for that purpose.
- ~~c.~~ (3) Any improvement incidental to the carrying out of an urban renewal project, the issuance of bonds for which is authorized by subsection 4 of section 40-58-13.

~~Nothing herein~~

- b. This section may not be deemed to prevent ~~any~~a municipality from appropriating funds for or financing out of taxes, special assessments, or utility revenues any work incidental to ~~any such~~ an improvement, in the manner and to the extent otherwise permitted by law.

- 1 5. The governing body of any city may ~~also~~, by resolution adopted by a two-thirds vote,
2 dedicate the mill levy authorized by section 57-15-42 and ~~may~~ authorize and issue
3 general obligation bonds to be paid by the dedicated levy for the purpose of providing
4 funds for the purchase, construction, reconstruction, or repair of public buildings or fire
5 stations; provided, that the initial resolution authorizing the mill levy dedication and
6 general obligation bonds must be published in the official newspaper, and any owner
7 of taxable property within the city may, within sixty days after publication, file with the
8 city auditor a protest against the adoption of the resolution.
- 9 a. Protests must be in writing and must describe the property ~~which~~that is the
10 subject of the protest.
- 11 b. If the governing body finds ~~such~~the protests to have been signed by the owners
12 of taxable property having an assessed valuation equal to five percent or more of
13 the assessed valuation of all taxable property within the city, as ~~theretofore~~ last
14 finally equalized, all further proceedings under the initial resolution are barred.
- 15 6. The governing body of any county may ~~also~~, by resolution adopted by a two-thirds
16 vote, dedicate the tax levies authorized by section 57-15-06.6 and subsection 5 of
17 section 57-15-06.7 and ~~may~~ authorize and issue general obligation bonds to be paid
18 by the dedicated levy for the purposes identified under section 57-15-06.6 and
19 subsection 5 of section 57-15-06.7; provided, that the initial resolution authorizing the
20 tax levy dedication and general obligation bonds must be published in the official
21 newspaper, and any owner of taxable property within the county may, within sixty days
22 after publication, file with the county auditor a protest against the adoption of the
23 resolution.
- 24 a. Protests must be in writing and ~~must~~ describe the property ~~which~~that is the
25 subject of the protest.
- 26 b. If the governing body finds ~~such~~the protests to have been signed by the owners
27 of taxable property having an assessed valuation equal to five percent or more of
28 the assessed valuation of all taxable property within the county, as last finally
29 equalized, all further proceedings under the initial resolution are barred.
- 30 7. The governing body of any public school district may ~~also~~, by resolution adopted by a
31 two-thirds vote, dedicate the tax levies as authorized by section 15.1-09-47,

15.1-09-49, or 57-15-16 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair of public school buildings or for the construction or improvement of a project under section 15.1-36-02 or 15.1-36-08.

a. The initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper of the school district, and any owner of taxable property within the school district may, within sixty days after publication, file with the business manager of the school district a protest against the adoption of the resolution.

b. Protests must be in writing and must describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the school district, as ~~theretofore~~ last finally equalized, all further proceedings under the initial resolution are barred.

8. The governing body of any city having a population of twenty-five thousand persons or more may use the provisions of subsection 3 to provide funds to participate in the cost of any construction, improvement, financing, and planning of any bypass routes, interchanges, or other intersection improvements on a federal or state highway system which is situated in whole or in part outside of the corporate limits of the city; provided, that the governing body ~~thereof~~ of the city shall determine by resolution that the undertaking of ~~such~~ the work is in the best interest of the city for the purpose of providing access and relieving congestion or improving traffic flow on municipal streets.

9. The governing body of a municipality or other political subdivision, located at least in part within a county that is included within a disaster or emergency executive order or proclamation of the governor under chapter 37-17.1, may by resolution adopted by a two-thirds vote authorize and issue general obligation bonds of the political subdivision without an election for the purpose of providing funds to pay costs associated with the emergency condition. The political subdivision may dedicate and levy taxes for

retirement of bonds under this subsection and ~~such~~the levies are not subject to limitations as otherwise provided by law.

10. The governing board of any county, city, public school district, park district, or township may, by resolution adopted by a two-thirds vote, dedicate the tax levy authorized by section 57-15-41 and authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds to prepay outstanding special assessments made in accordance with the provisions of title 40 against property owned by the county, city, public school district, park district, or township.

11. The governing body of any park district that constitutes a distinct municipality may issue general obligation bonds of the park district for the purpose of providing funds to acquire, lay out, and improve parks, parkways, boulevards, and pleasure drives, and to acquire land for these purposes, but the indebtedness may not at any time exceed one percent of the assessed valuation of the taxable property in the park district.

a. The initial resolution authorizing the issuance of general obligation bonds under this subsection must be published in the official newspaper of the park district, and any owner of taxable property within the park district may, within sixty days after publication, file with the clerk of the park district a protest against the adoption of the resolution.

b. Protests must be in writing and ~~must~~ describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the park district, as last finally equalized, all further proceedings under the initial resolution are barred.

SECTION 5. AMENDMENT. Section 21-03-11 of the North Dakota Century Code is amended and reenacted as follows:

21-03-11. Elections - When and how called and held.

1. Upon or after the adoption of an initial resolution by the governing body, or at the first meeting of the governing body held after the filing of a petition and proposed initial resolution by the qualified electors as specified in subsection 2 of section 21-03-10, the governing body by resolution shall ~~provide for submitting~~submit the initial

resolution to the qualified electors of the municipality ~~the question whether the initial resolution shall be approved~~ for approval.

2. If the municipality is a county, city, public school district, or park district, the election must be set for the same date as a statewide primary or general election. A city, public school district, or park district shall enter an agreement with the governing body of the county or counties in which the municipality lies concerning the use of a single canvassing board, the sharing of election materials, the publishing of legal notices, and the apportioning of election expenses. The city, public school district, or park district shall notify the county auditor in writing, at least sixty-four days before the election, of the question to appear on the primary or general election ballot.

3. For a municipality other than a county, city, public school district, or park district:

a. The date of the election ~~must be not~~ may not be less than ~~twenty~~ sixty-four days after the passage of the initial resolution by the governing body or ~~in the filing date of a sufficient petition therefor by the~~ filed by the qualified electors of the municipality.

b. The governing body shall designate the date of the election, the polling hours, and polling place, which must be the same as for municipal elections therein, ~~and held within the municipality. The governing body shall appoint an inspector, two judges, and two clerks of election for each polling place. In case of the absence of any election official, or the official's inability to act at the opening of the polls,~~

c. If an election official is absent or unable to serve as an election official when a polling place is open, the remaining election officials for the polling place shall appoint a qualified elector to fill the vacancy. The election must be conducted and the election returns ~~thereof must be~~ made and canvassed ~~as in the case in the same manner of~~ elections of members of the governing body of the municipality.

SECTION 6. AMENDMENT. Section 21-03-13 of the North Dakota Century Code is amended and reenacted as follows:

21-03-13. Ballot - Contents.

The ballot for a bond election must be separate from other ballots used on the same day for other elections, ~~and~~ but the separate ballot may be on the same paper or electronic ballot. The ballot must be written or printed, and must state the question in substantially the following form:

Shall the _____ (here inserting the name of the municipality) issue its bonds in the amount of not to exceed \$_____, (here inserting the amount) maturing within a maximum of _____, (here inserting the duration) resulting in an estimated additional millage of _____ (here inserting the number of mills) mills, equal to \$_____ (here inserting the equivalent in dollars) on each \$1,000 of taxable valuation for the first taxable year, for the purpose of _____ (here inserting the purpose)?

Yes

☐

No

☐

~~Spoiled or blank ballots cast at such election may not be counted for or against the proposed issue.~~

**REPORT OF STANDING COMMITTEE
HB 1482**

Finance and Taxation Committee (Sen. Weber, Chairman) recommends **AMENDMENTS** ([25.0546.01005](#)) and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1482 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

25.0546.01005
Title.

Prepared by the Legislative Council
staff for Representative Wagner
April 11, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1482

Introduced by

Representatives Wagner, Dockter, Heinert, J. Johnson, McLeod, Meier, D. Ruby, Schreiber-Beck, Swiontek, Warrey

Senators Sorvaag, Weber

1 A BILL for an Act to amend and reenact sections 15.1-07-03, 15.1-07-04, 21-03-04 ~~and~~,
2 21-03-07, 21-03-11, and 21-03-13 of the North Dakota Century Code, relating to a school
3 district debt limit election, the requirements of a municipal bond election, and the contents of a
4 ballot.

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

6 **SECTION 1. AMENDMENT.** Section 15.1-07-03 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15.1-07-03. District's limit of indebtedness - Resolution.**

- 9 1. The board of a school district may by resolution place on the ballot of any
10 ~~regular~~primary or ~~special~~general election the question of increasing the district's limit
11 of indebtedness, beyond that fixed by the constitution, by five percent of the assessed
12 valuation of all taxable property in the district.
- 13 2. The board of a school district shall place on the ballot of the next ~~regular~~primary or
14 ~~special~~general election the question of increasing the district's limit of indebtedness,
15 beyond that fixed by the constitution, by five percent of the assessed valuation of all
16 taxable property in the district, if the board receives a petition requesting the increase
17 and signed by qualified electors of the district equal in number to at least one-third of
18 those who voted at the most recent annual school district election.

19 **SECTION 2. AMENDMENT.** Section 15.1-07-04 of the North Dakota Century Code is
20 amended and reenacted as follows:

15.1-07-04. District's limit of indebtedness - Election - Notice.

If an election is to include a question regarding an increase in the school district's limit of indebtedness, the board of the school district shall ensure ~~that~~ the question is clearly stated in the notice of election. ~~If the board calls a special election to vote on the question of increasing the district's limit of indebtedness, the board shall publish notice of the election in the official newspaper of the district, at least fourteen days before the date of the election.~~

SECTION 3. AMENDMENT. Section 21-03-04 of the North Dakota Century Code is amended and reenacted as follows:

21-03-04. Grant of power to borrow - General limitations of indebtedness.

Every

1. A municipality may borrow money and issue municipal obligations thereof for the purpose specified and by the procedure provided in this chapter, and for no other purpose and in no other manner, except as otherwise provided in section 21-03-02. ~~No~~A municipality may not incur indebtedness in any manner or for any purpose in an amount which, with all other outstanding indebtedness of the municipality, exceeds five percent of the assessed value of the taxable property ~~therein~~ in the municipality, except:

~~1.~~ Any

a. An incorporated city, by a two-thirds vote of the qualified voters ~~thereof~~ of the city voting upon ~~said~~ the question at a primary or general ~~or special~~ election, may increase ~~sueh~~ the limit of indebtedness three percent on ~~sueh~~ the assessed value beyond ~~said~~ the five percent limit, and a school district, by a majority vote of the qualified voters ~~thereof~~ of the school district voting upon ~~said~~ the question at a primary or general ~~or special~~ election, may increase ~~sueh~~ the limitation of indebtedness five percent on ~~sueh~~ the assessed value beyond the ~~said~~ five percent limit.

~~2.~~ Any

b. A county or city, when authorized by a majority vote of the qualified voters ~~thereof~~ of the county or city voting upon ~~said~~ the question at a primary or general ~~or special~~ election, may issue bonds upon any revenue-producing utility owned by ~~sueh~~ a county or city, for the purchase or acquisition of ~~sueh~~ the utility, or the

building or establishment thereof ~~the~~ utility, in amounts not exceeding the physical value of ~~such~~ the utility, industry, or enterprise.

~~3. Any~~

c. An incorporated city, if authorized by a majority vote of the qualified voters thereof ~~the~~ city voting upon said ~~the~~ question at a primary or general or special election, may become indebted in any amount not exceeding four percent of ~~such~~ the assessed value, without regard to the existing indebtedness of said ~~the~~ city, for the purpose of constructing or purchasing waterworks for furnishing a supply of water to the inhabitants of ~~such~~ the city or for the purpose of constructing sewers, and for no other purposes ~~whatever~~, but the aggregate of ~~such~~ the additional indebtedness for waterworks and sewers ~~never~~ may not exceed ~~such~~ four percent over and above the limitations of indebtedness in this section heretofore prescribed.

2. All bonds or obligations in excess of the amount of indebtedness permitted by this chapter, given by any municipality as ~~herein~~ defined in this chapter, are void.

SECTION 4. AMENDMENT. Section 21-03-07 of the North Dakota Century Code is amended and reenacted as follows:

21-03-07. Election required - Exceptions.

~~No~~ A municipality, and ~~no~~ or governing board thereof, ~~of a municipality~~ may not issue bonds without being first authorized to do so, at a primary or general election if the municipality is a county, city, public school district, or park district, by a vote equal to sixty percent of all the qualified voters of ~~such~~ the municipality voting upon the question of ~~such issue~~ issuing the bonds except:

1. As otherwise provided in section 21-03-04.
2. The governing body may issue bonds of the municipality for the purpose and within the limitations specified by subdivision e of subsection 1 of section 21-03-06, subdivision g of subsection 2 of section 21-03-06, and subsections 4.1 and 7 of section 21-03-06 without an election.
3. The governing body of any municipality may issue bonds of the municipality for the purpose of providing funds to meet its share of the cost of any highway project undertaken under an agreement entered ~~into~~ by the governing body with the United

1 States government, the director of the department of transportation, the board of
2 county commissioners, or any of them, including the cost of any construction,
3 improvement, financing, planning, and acquisition of right of way of a bridge eligible for
4 matching funds, highway routed through the municipality and of any bridges and
5 controlled access facilities thereon and any necessary additional width or capacity of
6 the bridge or roadway thereof greater than that required for federal or state bridge or
7 highway purposes, and of any necessary relaying of utility mains and conduits, curbs
8 and gutters, and the installation of utility service connections and streetlights.

9 a. The portion of the total cost of the project to be paid by the municipality under the
10 agreement, including all items of cost incurred directly by the municipality and all
11 amounts to be paid by it for work done or contracted for by other parties to the
12 agreement, may not exceed a sum equal to thirty percent of the total cost,
13 including engineering and other incidental costs, of all construction and
14 reconstruction work to be done plus fifty percent of the total cost of all right of
15 way to be acquired in connection therewith.

16 b. The initial resolution authorizing issuance of bonds under this subsection must be
17 published in the official newspaper of the municipality. Within sixty days after
18 publication, an owner of taxable property within the municipality may file with the
19 auditor or chief fiscal officer of the municipality a written protest against adoption
20 of the resolution.

21 c. A protest must describe the property that is the subject of the protest. If the
22 governing body finds protests have been signed by the owners of taxable
23 property having an assessed valuation equal to five percent or more of the
24 assessed valuation of all taxable property in the municipality, as most recently
25 finally equalized, all further proceedings under the initial resolution are barred.

26 d. Nothing ~~herein~~in this section may be deemed to prevent any municipality from
27 appropriating funds for or financing out of taxes, special assessments, or utility
28 revenues any work incidental to ~~any such~~the project, in the manner and to the
29 extent otherwise permitted by law, and the cost of any work so financed may not
30 be included in computing the portion of the project cost payable by the
31 municipality, within the meaning of this subsection, unless the work is actually

called for by the agreement between the municipality and the other governmental agencies involved.

4. a. The governing body of any city may also, by resolution adopted by a two-thirds vote, authorize and issue general obligation bonds of the city for the purpose of providing funds to pay the cost of any improvement of the types stated below, to the extent that the governing body determines that ~~such~~the cost should be paid by the city and should not be assessed upon property specially benefited thereby; provided that the initial resolution authorizing ~~such~~the bonds must be published in the official newspaper, and any owner of taxable property within the city may, within sixty days after ~~such~~the publication, file with the city auditor a protest against the adoption of the resolution. If the governing body finds ~~such~~the protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the city, as ~~theretofore~~ last finally equalized, all further proceedings under ~~such~~the initial resolution are barred. This procedure is authorized for the financing of the following types of improvements:

- a. (1) Any street improvement, as defined in subsection 2 of section 40-22-01, to be made in or upon any federal or state highway or any other street designated by ordinance as an arterial street.
- b. (2) The construction of a bridge, culvert, overpass, or underpass at the intersection of any street with a stream, watercourse, drain, or railway, and the acquisition of any land or easement required for that purpose.
- c. (3) Any improvement incidental to the carrying out of an urban renewal project, the issuance of bonds for which is authorized by subsection 4 of section 40-58-13.

~~Nothing herein~~

- b. This section may not be deemed to prevent ~~any~~a municipality from appropriating funds for or financing out of taxes, special assessments, or utility revenues any work incidental to ~~any such~~ an improvement, in the manner and to the extent otherwise permitted by law.

- 1 5. The governing body of any city may ~~also~~, by resolution adopted by a two-thirds vote,
2 dedicate the mill levy authorized by section 57-15-42 and ~~may~~ authorize and issue
3 general obligation bonds to be paid by the dedicated levy for the purpose of providing
4 funds for the purchase, construction, reconstruction, or repair of public buildings or fire
5 stations; provided, that the initial resolution authorizing the mill levy dedication and
6 general obligation bonds must be published in the official newspaper, and any owner
7 of taxable property within the city may, within sixty days after publication, file with the
8 city auditor a protest against the adoption of the resolution.
- 9 a. Protests must be in writing and must describe the property ~~which~~that is the
10 subject of the protest.
- 11 b. If the governing body finds ~~such~~the protests to have been signed by the owners
12 of taxable property having an assessed valuation equal to five percent or more of
13 the assessed valuation of all taxable property within the city, as ~~therefore~~ last
14 finally equalized, all further proceedings under the initial resolution are barred.
- 15 6. The governing body of any county may ~~also~~, by resolution adopted by a two-thirds
16 vote, dedicate the tax levies authorized by section 57-15-06.6 and subsection 5 of
17 section 57-15-06.7 and ~~may~~ authorize and issue general obligation bonds to be paid
18 by the dedicated levy for the purposes identified under section 57-15-06.6 and
19 subsection 5 of section 57-15-06.7; provided, that the initial resolution authorizing the
20 tax levy dedication and general obligation bonds must be published in the official
21 newspaper, and any owner of taxable property within the county may, within sixty days
22 after publication, file with the county auditor a protest against the adoption of the
23 resolution.
- 24 a. Protests must be in writing and ~~must~~ describe the property ~~which~~that is the
25 subject of the protest.
- 26 b. If the governing body finds ~~such~~the protests to have been signed by the owners
27 of taxable property having an assessed valuation equal to five percent or more of
28 the assessed valuation of all taxable property within the county, as last finally
29 equalized, all further proceedings under the initial resolution are barred.
- 30 7. The governing body of any public school district may ~~also~~, by resolution adopted by a
31 two-thirds vote, dedicate the tax levies as authorized by section 15.1-09-47,

15.1-09-49, or 57-15-16 and may authorize and issue general obligation bonds to be paid by these dedicated levies for the purpose of providing funds for the purchase, construction, reconstruction, or repair of public school buildings or for the construction or improvement of a project under section 15.1-36-02 or 15.1-36-08.

a. The initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper of the school district, and any owner of taxable property within the school district may, within sixty days after publication, file with the business manager of the school district a protest against the adoption of the resolution.

b. Protests must be in writing and must describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the school district, as ~~therefore~~ last finally equalized, all further proceedings under the initial resolution are barred.

8. The governing body of any city having a population of twenty-five thousand persons or more may use the provisions of subsection 3 to provide funds to participate in the cost of any construction, improvement, financing, and planning of any bypass routes, interchanges, or other intersection improvements on a federal or state highway system which is situated in whole or in part outside of the corporate limits of the city; provided, that the governing body ~~thereof~~ of the city shall determine by resolution that the undertaking of ~~such~~ the work is in the best interest of the city for the purpose of providing access and relieving congestion or improving traffic flow on municipal streets.

9. The governing body of a municipality or other political subdivision, located at least in part within a county that is included within a disaster or emergency executive order or proclamation of the governor under chapter 37-17.1, may by resolution adopted by a two-thirds vote authorize and issue general obligation bonds of the political subdivision without an election for the purpose of providing funds to pay costs associated with the emergency condition. The political subdivision may dedicate and levy taxes for

retirement of bonds under this subsection and ~~such~~the levies are not subject to limitations as otherwise provided by law.

10. The governing board of any county, city, public school district, park district, or township may, by resolution adopted by a two-thirds vote, dedicate the tax levy authorized by section 57-15-41 and authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds to prepay outstanding special assessments made in accordance with the provisions of title 40 against property owned by the county, city, public school district, park district, or township.

11. The governing body of any park district that constitutes a distinct municipality may issue general obligation bonds of the park district for the purpose of providing funds to acquire, lay out, and improve parks, parkways, boulevards, and pleasure drives, and to acquire land for these purposes, but the indebtedness may not at any time exceed one percent of the assessed valuation of the taxable property in the park district.

a. The initial resolution authorizing the issuance of general obligation bonds under this subsection must be published in the official newspaper of the park district, and any owner of taxable property within the park district may, within sixty days after publication, file with the clerk of the park district a protest against the adoption of the resolution.

b. Protests must be in writing and ~~must~~ describe the property that is the subject of the protest.

c. If the governing body finds the protests have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the park district, as last finally equalized, all further proceedings under the initial resolution are barred.

SECTION 5. AMENDMENT. Section 21-03-11 of the North Dakota Century Code is amended and reenacted as follows:

21-03-11. Elections - When and how called and held.

1. Upon or after the adoption of an initial resolution by the governing body, or at the first meeting of the governing body held after the filing of a petition and proposed initial resolution by the qualified electors as specified in subsection 2 of section 21-03-10, the governing body by resolution shall ~~provide for submitting~~submit the initial

resolution to the qualified electors of the municipality ~~the question whether the initial-~~
~~resolution shall be approved~~ for approval.

2. If the municipality is a county, city, public school district, or park district, the election
must be set for the same date as a statewide primary or general election. A city, public
school district, or park district shall enter an agreement with the governing body of the
county or counties in which the municipality lies concerning the use of a single
canvassing board, the sharing of election materials, the publishing of legal notices,
and the apportioning of election expenses. The city, public school district, or park
district shall notify the county auditor in writing, at least sixty-four days before the
election, of the question to appear on the primary or general election ballot.

3. For a municipality other than a county, city, public school district, or park district:

a. The date of the election ~~must be not~~ may not be less than ~~twenty~~ sixty-four days
after the passage of the initial resolution by the governing body or ~~in~~ the filing
date of a sufficient petition ~~therefor by the~~ filed by the qualified electors of the
municipality.

b. The governing body shall designate the date of the election, the polling hours,
and polling place, which must be the same as for municipal elections ~~therein,~~
~~and~~ held within the municipality. The governing body shall appoint an inspector,
two judges, and two clerks of election for each polling place. ~~In case of the~~
~~absence of any election official, or the official's inability to act at the opening of~~
~~the polls,~~

c. If an election official is absent or unable to serve as an election official when a
polling place is open, the remaining election officials for the polling place shall
appoint a qualified elector to fill the vacancy. The election must be conducted and
the election returns ~~thereof~~ must be made and canvassed ~~as in the case~~ in the
same manner of elections of members of the governing body of the
municipality.

SECTION 6. AMENDMENT. Section 21-03-13 of the North Dakota Century Code is
amended and reenacted as follows:

21-03-13. Ballot - Contents.

The ballot for a bond election must be separate from other ballots used on the same day for other elections, ~~and~~ but the separate ballot may be on the same paper or electronic ballot. The ballot must be written or printed, and must state the question in substantially the following form:

Shall the _____ (here inserting the name of the municipality) issue its bonds in the amount of not to exceed \$_____, (here inserting the amount) maturing within a maximum of _____, (here inserting the duration) resulting in an estimated additional millage of _____ (here inserting the number of mills) mills, equal to \$_____ (here inserting the equivalent in dollars) on each \$1,000 of taxable valuation for the first taxable year, for the purpose of _____ (here inserting the purpose)?

Yes

☐

No

☐

~~Spoiled or blank ballots cast at such election may not be counted for or against the proposed issue.~~