



North Dakota Legislative Council

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LC# 25.9306.01000
August 2024

2024 GENERAL ELECTION BALLOT MEASURES

This memorandum summarizes the initiated constitutional ballot measure and the initiated statutory measure scheduled to be included on the 2024 general election ballot.

INITIATED CONSTITUTIONAL MEASURE NO. 4 - AD VALOREM PROPERTY TAX PROHIBITION

The [initiated constitutional measure](#) would prohibit political subdivisions from raising revenue through the levying of any tax on the assessed value of real or personal property. An exception to the prohibition would allow a political subdivision to continue to levy tax on the assessed value of real property if the tax was dedicated for the payment of bonded indebtedness incurred before the end of the 30-day period following the date of voter approval of the amendment, until the debt is paid. The measure would require the state to provide annual property tax revenue replacement payments to political subdivisions in an amount equal to no less than the amount of tax levied on real property in the political subdivisions, excluding payments for bonded indebtedness, during the calendar year during which the amendment is approved by the voters.

The measure would alter the manner in which the state's allowable debt limit threshold is calculated. Currently, the calculation of the state's allowable debt limit threshold is 5 percent of the full and true value of all taxable property as provided in Section 14 of Article X of the Constitution of North Dakota. Under the measure, reference to "taxable property" as it relates to calculation of the debt limit would be changed to "real property." This change would result in a state debt limit calculation of 5 percent of the full and true value of all real property.

The measure also would alter the manner in which the allowable debt limit thresholds for political subdivisions are calculated. Currently, the constitutional debt limits for political subdivisions are calculated as a percentage of the assessed value of taxable property. The measure would change "assessed value" to "full and true value" and reduce the percentages to be applied to the full and true value by half for purposes of calculating the debt limits. Additionally, references to "taxable property" as it relates to calculation of the debt limits would be changed to "real property."

The measure would remove the requirement to specifically use tax revenue to pay political subdivision debt. Current law requires a political subdivision to provide for an annual tax sufficient to pay the interest and principal on indebtedness incurred by the political subdivision. The measure would change the requirement for "the collection of an annual tax" sufficient to pay the interest and principal on the debt when due to "annual revenues" sufficient to pay the interest and principal on the debt when due. The measure also would expressly prohibit a political subdivision from issuing general obligation bonds secured with tax levied on the assessed value of property on or after the effective date of the amendment.

The measure would repeal various constitutional provisions in Article X of the Constitution of North Dakota, including provisions that require assessment of all taxable property and uniform taxation upon the same class of property, the constitutional one-mill levy for the state medical center, and the constitutional authority for the Legislative Assembly to levy and collect an acreage tax on certain property and to provide for the levy of tax for the purpose of creating a fund to insure the owners of growing crops against losses by hail.

If approved by the voters, the constitutional changes in the measure would take effect on January 1, 2025, except for Section 4 of the measure, which, in part, would prohibit a political subdivision from issuing additional general obligation bonds secured with ad valorem property tax. Section 4 would take effect 30 days following the election pursuant to Section 8 of Article III of the Constitution of North Dakota.

INITIATED STATUTORY MEASURE NO. 5 - LEGALIZATION AND REGULATIONS OF CANNABIS

The [initiated statutory measure](#) relating to the legalization and regulation of cannabis creates North Dakota Century Code Chapter 19-24.2 to allow for the possession, use, production, processing, and sale of cannabis by individuals who are 21 years of age or older. The measure also would direct the state to regulate and register adult-use cannabis production, businesses, dispensaries, and their agents and permit an individual to possess a specified amount of cannabis product. The measure would allow an individual who is 21 years of age or older to possess 1 ounce [28.35 grams] of adult-use cannabis, 4 grams of an adult-use cannabinoid concentrate, 1,500 milligrams of total tetrahydrocannabinol in the form of an adult-use cannabinoid product, no more than 300 milligrams of adult-use cannabinoid edible product, and three cannabis plants and the cannabis produced by the plants if the cannabis produced is kept at the same location as the plant.

The measure would subject an individual who possesses, produces, or without consideration, delivers, distributes, or dispenses to an individual who is at least 21 years of age more than the allowable amount of cannabis but not more than twice the allowable amount of cannabis to a fine not to exceed \$300. The measure would create a Class C felony offense for a dispensary or adult-use cannabis agent who distributes adult-use cannabis products to an individual who the agent knows is under 21 years of age or in an amount the agent knows would cause the adult-use cannabis consumer to purchase or possess more than the amount of product authorized.