

Sixty-fourth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2005

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 and to amend and reenact sections 54-11-13 and 57-20-07.2 of the North Dakota Century
3 Code, relating to the salary of the state treasurer and state-paid property tax relief credit.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
6 as may be necessary, are appropriated out of any moneys in the general fund in the state
7 treasury, not otherwise appropriated, and from special funds derived from federal funds and
8 other income, to the state treasurer for the purpose of defraying the expenses of that agency,
9 for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
12 Salaries and wages	\$1,396,437	\$111,228	\$1,507,665
13 Accrued leave payments	13,038	(13,038)	0
14 Operating expenses	135,356	101,658	237,014
15 Coal severance payments	252,800	(7,800)	245,000
16 Property tax relief credits	0	226,800,000	226,800,000
17 Total general fund	\$1,797,631	\$226,992,048	\$228,789,679
18 <u>Salaries and wages</u>	<u>\$1,396,437</u>	<u>\$105,205</u>	<u>\$1,501,642</u>
19 <u>Accrued leave payments</u>	<u>13,038</u>	<u>(13,038)</u>	<u>0</u>
20 <u>Operating expenses</u>	<u>135,356</u>	<u>175,357</u>	<u>310,713</u>
21 <u>Coal severance payments</u>	<u>252,800</u>	<u>(7,800)</u>	<u>245,000</u>
22 <u>Property tax relief credits</u>	<u>0</u>	<u>250,000,000</u>	<u>250,000,000</u>
23 <u>Total general fund</u>	<u>\$1,797,631</u>	<u>\$250,259,724</u>	<u>\$252,057,355</u>
24 Full-time equivalent positions	8.00	0.00	8.00

1 **SECTION 2.ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-**

2 **FIFTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items
3 approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17
4 one-time funding items included in the appropriation in section 1 of this Act:

5	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
6	IT developmental costs	\$377,591	\$0
7	Property tax relief	200,000,000	226,800,000
8	Township road distributions	8,760,000	0
9	Township distribution correction	385,000	0
10	Information technology costs	13,247	0
11	Nonoil transportation funding	100,000,000	0
12	Total general fund	\$309,535,838	\$226,800,000
13	IT developmental costs	\$377,591	\$0
14	Property tax relief	200,000,000	250,000,000
15	Township road distributions	8,760,000	0
16	Township distribution correction	385,000	0
17	Information technology costs	13,247	73,699
18	Nonoil transportation funding	100,000,000	0
19	Total general fund	\$309,535,838	\$250,073,699

20 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the
21 2017-19 biennium. The state treasurer shall report to the appropriations committees of the
22 sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning
23 July 1, 2015, and ending June 30, 2017.

24 **SECTION 3. PROPERTY TAX RELIEF CREDITS.** The ~~\$226,800,000~~\$250,000,000
25 appropriated in the property tax relief credits line item of section 1 of this Act, or so much of the
26 sum as may be necessary, must be used for the purpose of state-paid property tax relief credits
27 under section 57-20-07.2, for the biennium beginning July 1, 2015, and ending June 30, 2017.

28 **SECTION 4. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **54-11-13. Salary of state treasurer.**

2 The annual salary of the state treasurer is ~~ninety-one~~ninety-six thousand ~~four~~nine hundred
3 ~~six~~seventy-two dollars through June 30, ~~2014~~2016, and ~~ninety-four~~ninety-nine thousand
4 ~~one~~eight hundred ~~forty-eight~~eighty-one dollars thereafter.

5 **SECTION 5. AMENDMENT.** Section 57-20-07.2 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-20-07.2. (Effective for the first two taxable years beginning after December 31,**
8 ~~2012~~2014) **State-paid property tax relief credit.**

- 9 1. The owner of taxable property is entitled to a credit against property taxes levied
10 against the total amount of property or mobile home taxes in dollars levied against the
11 taxable value of the property. The credit is equal to ~~twelve~~eleven percent of property or
12 mobile home taxes levied in dollars against that property.
- 13 2. The owner, operator, or lessee of railroad property assessed by the state board of
14 equalization under chapter 57-05 or public utility operative property assessed by the
15 state board of equalization under chapter 57-06 is entitled to a credit against property
16 taxes levied within each county against that property in the amount provided in
17 subsection 1 against property taxes levied in dollars against that property in that
18 county.
- 19 3. The owner, operator, or lessee of operative property of an air carrier transportation
20 company assessed and taxed under chapter 57-32 is entitled to a credit in the amount
21 provided in subsection 1 against property taxes in dollars levied against that property.
22 The tax commissioner shall determine the total amount of credits under this
23 subsection and certify the amount to the state treasurer for transfer from the general
24 fund to the air transportation fund. The credit for each air transportation company must
25 be allocated to each city or municipal airport authority where that company makes
26 regularly scheduled landings, in the same manner as the tax collected from that
27 company is allocated.
- 28 4. The tax commissioner shall estimate the amount necessary to provide each county
29 advance payment of seventy-five percent of the amount the county and the taxing
30 districts in the county will ultimately receive for a taxable year under this section and
31 certify the estimated amounts to the state treasurer by March fifteenth for transfer by

1 April first to the county treasurer and distribution to the county and taxing districts in
2 the county as provided in subsection 5.

3 5. The tax commissioner shall determine the total amount of credits under this section for
4 each county from the abstract of the tax list filed by the county auditor under section
5 57-20-04, as audited and corrected by the tax commissioner. The tax commissioner
6 shall certify to the state treasurer for payment, by June first following receipt of the
7 abstract of the tax list, the amount determined for each county under this subsection.
8 No penalty or interest applies to any state payment under this section, regardless of
9 when the payment is made. The tax commissioner shall reduce the June certification
10 of payments to reflect the April estimated payments previously made to counties under
11 subsection 4.

12 6. Upon receipt of the payment from the state treasurer under subsections 4 and 5, the
13 county treasurer shall apportion and distribute it to the county and the taxing districts
14 in the county on the basis on which the general real estate tax for the preceding year
15 is apportioned and distributed.

16 7. After payments to counties under subsection 5 have been made, the tax commissioner
17 shall certify to the state treasurer as necessary any supplemental amounts payable to
18 counties or the air transportation fund or any amounts that must be returned by
19 counties or returned from the air transportation fund for deposit in the state general
20 fund to correct any errors in payments or reflect any abatement or compromise of
21 taxes, court-ordered tax reduction or increase, or levy of taxes against omitted
22 property. The county auditor shall provide any supplemental information requested by
23 the tax commissioner after submission of the abstract of the tax list. The county
24 treasurer shall apply to the tax commissioner for any supplemental payments to which
25 the county treasurer believes the county is entitled.

26 8. Notwithstanding any other provision of law, for any property other than mobile homes,
27 the property tax credit under this section does not apply to any property subject to
28 payments or taxes that are stated by law to be in lieu of personal or real property
29 taxes.