

**Sixty-seventh Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 5, 2021**

HOUSE BILL NO. 1186  
(Representatives Nehring, Fegley, Porter, Thomas)

AN ACT to create and enact sections 11-28.3-15 and 11-28.3-16 of the North Dakota Century Code, relating to rural ambulance service districts; and to amend and reenact sections 11-28.3-01, 11-28.3-02, 11-28.3-03, 11-28.3-05, 11-28.3-06, 11-28.3-07, 11-28.3-09, 11-28.3-12, 11-28.3-13, 11-28.3-14, and 57-15-30.2 of the North Dakota Century Code, relating to rural ambulance service districts.

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

**SECTION 1. AMENDMENT.** Section 11-28.3-01 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-01. Territory to be organized - Petition.**

Whenever ~~twentyfive~~ qualified electors, or if there are fewer than fifty qualified electors, ~~fifty~~ percent of the qualified electors, ~~as determined by the vote cast in the last preceding gubernatorial election,~~ residing in any rural territory, ~~as defined by the state department of health,~~ equivalent in area to one township or more not presently served by an existing ~~emergency medical~~ ambulance service district, elect to form, organize, establish, equip, and maintain a rural ambulance service district, ~~they~~ the qualified electors shall signify their intention by presenting to the county auditor of the county or counties in which the territory is situated a petition setting forth the desires and purposes of the petitioners. The petition ~~shall~~ must contain the full names and post-office addresses of the petitioners, the suggested name of the proposed district, the area in square miles [hectares] to be included therein, and a complete description according to government survey, wherever possible, of the boundaries of the real properties intended to be embraced in the proposed rural ambulance service district. A plat or map showing the suggested boundaries of the proposed district ~~shall~~ must accompany the petition, and the petitioner also shall ~~also~~ deposit with the county auditor a sum sufficient to defray the expense of publishing the notices required by sections 11-28.3-02 and 11-28.3-03. Provided further that any city located within the area, whether such city has emergency medical services or not, may be included in the rural ambulance district if twenty percent or more of the qualified electors residing in the city sign the petition.

**SECTION 2. AMENDMENT.** Section 11-28.3-02 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-02. Election in affected counties.**

When a petition is filed in the office of the county auditor pursuant to section 11-28.3-01, the county auditor shall determine and certify that the petition has been signed by at least ~~twentyfive~~ qualified electors, or if there are fewer than fifty qualified electors ~~residing in the territory,~~ fifty percent of the qualified electors voting at the last general election for governor and eligible voters residing within the boundaries of the proposed district. If the proposed district is situated within two or more counties, the county auditor of the county wherein most of the petitioners reside shall confer with the other affected county auditors for the purpose of determining the adequacy of the petitions in all the counties affected.

If the county auditor or county auditors determine ~~that~~ the petitions submitted are adequate according to the provisions of this chapter, the question of whether the rural ambulance service district ~~shall~~ is to be formed and organized ~~shall~~ must be submitted to a vote of the qualified electors residing in the proposed district at the next ensuing countywide special, primary, or general election. The election provided for by this chapter ~~shall~~ must be conducted in the same manner as other county elections are conducted, except as otherwise provided by this chapter.

**SECTION 3. AMENDMENT.** Section 11-28.3-03 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-03. Notice of election.**

In addition to the usual requirements of notices of election, the notice for an election at which the question provided for in this chapter will be voted upon ~~shall~~must include a statement describing the boundaries of the proposed rural ambulance service district, expressed, wherever possible, in terms of the government survey, a statement setting forth a ~~specified~~maximum allowed mill levy for the proposed district, which levy ~~shall~~may not exceed the limitation in section 11-28.3-09. The notice of election ~~shall~~ also must state the voting areas in which the question provided by this chapter will be on the ballot.

**SECTION 4. AMENDMENT.** Section 11-28.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-05. Notice by county auditor of meeting to organize district.**

If a rural ambulance service district is approved as provided in this chapter, the county auditor of the county in which the proposed district is located shall issue notice of a public meeting to organize the rural ambulance service district. The notice ~~shall~~must be given by publication once a week for two consecutive weeks, the last notice appearing seven days before the date of the meeting in a newspaper of general circulation within the proposed district. The notice ~~shall~~must be addressed to all qualified electors residing within the boundaries of the district, ~~shall~~ describe the boundaries of the district, and ~~shall~~ state the date, time, and place of the meeting. If the district is located within two or more counties, the county auditors of the counties shall confer and set the date, time, and place of the meeting and shall cause the publication of the meeting notice in each of said counties.

**SECTION 5. AMENDMENT.** Section 11-28.3-06 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-06. Organization - Board of directors.**

At the time and place fixed by the county auditor for the public meeting as provided in section 11-28.3-05, the qualified electors present who reside within the boundaries of the district shall proceed to organize the district. Permanent organization must be effected by the election of a board of directors consisting of not less than five nor more than ten residents of the district. The board of directors shall meet as soon after the organizational meeting as possible to elect a president, a vice president, and a secretary-treasurer. All directors and officers must be elected for two years and hold office until their successors have been elected and qualified, except that at the first election the vice president must be elected as provided in this section for a one-year term, and one-half, or as close to one-half as possible depending upon the total number of directors, of the directors elected at the first election after July 1, 1977, must be selected by lot in the presence of a majority of such directors to serve one-year terms. A district may specify in its bylaws a specified number of directors within the limitations in this section, provided each township or group of townships receives equal representation on the board with respect to the regions. The bylaws also may allow for a combination of regional directors and at-large directors. If a vacancy occurs in a board position due to a resignation, a special meeting must be called and held within sixty days of the resignation for the purpose of electing a director to serve the remainder of the term. All officers and directors shall serve without pay, except the secretary-treasurer, who may be paid a salary determined by the board of directors.

**SECTION 6. AMENDMENT.** Section 11-28.3-07 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-07. Regular meeting to be held - Special meeting.**

~~A regular~~An annual meeting of the electors who reside within the boundaries of a district ~~shall~~must be held in the first quarter of each calendar year, ~~and special meetings may be called by the board of directors at any time.~~ The secretary-treasurer shall give notice of the annual meeting by one publication

in a legal newspaper of general circulation in each county in which the district is situated. The meeting shall be held not less than seven nor more than fourteen days after the date of publication of the notice. With proper notice as required under section 44-04-20, the board of directors may call special meetings as necessary.

**SECTION 7. AMENDMENT.** Section 11-28.3-09 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-09. Emergency medical service policy - Levy - Financial report.**

1. The board of directors shall establish a general emergency medical service policy for the district and annually shall ~~annually~~ estimate the probable expense for carrying out that policy. The estimate ~~shall~~must be certified by the president and secretary to the proper county auditor or county auditors, on or before June thirtieth of each year. In the year for which the levy is sought, a board of directors of a rural ambulance service district seeking approval of a property tax levy under this chapter ~~must~~shall file with the county auditor of the counties within the rural ambulance service district, at a time and in a format prescribed by the county auditors, a financial report for the preceding calendar year showing the ending balances of each fund held by the rural ambulance service district during that year. The board or boards of county commissioners may levy a tax not to exceed the mill rate approved by the electors of the district under section 11-28.3-04, ~~and in no event exceeding.~~ If the board wishes to levy a tax in excess of that approved by the electors, the board, upon its own motion, may place the question of increasing the maximum allowable mill levy for the electors to approve at a regular or special election. The amount levied under this section may not exceed a mill rate of fifteen mills upon the taxable property within the district for the maintenance of the rural ambulance service district for the fiscal year as provided by law. A rural ambulance service district may be dissolved by approval of electors of the district as provided in section 11-28.3-13.
2. The tax levied for a rural ambulance service district ~~shall~~must be:
  - a. Collected as other taxes are collected in the county.
  - b. Turned over to the secretary-treasurer of the rural ambulance service district, who ~~shall~~must be bonded in the amount of at least five thousand dollars.
  - c. Deposited by the secretary-treasurer in a state or national bank in a district account.
  - d. Paid out upon warrants drawn upon the district account by authority of the board of directors of the district, bearing the signature of the secretary-treasurer and the countersignature of the president.
3. ~~In no case shall the~~The amount of the tax levy may not exceed the amount of funds required to defray the expenses of the district for a period of one year as embraced in the annual estimate of expense, including the amount of principal and interest upon the indebtedness of the district for the ensuing year. The district may include in its operating budget no more than ten percent of its annual operating budget as a depreciation expense to be set aside in a dedicated emergency medical services sinking fund deposited with the treasurer for the replacement of equipment and ambulances. The ten percent emergency medical services sinking fund may be in addition to the actual annual operating budget, but the total of the annual operating budget and the annual ten percent emergency medical services sinking fund shall not exceed the amount of revenue that would be generated by application of the maximum mill levy approved by the electors.

**SECTION 8. AMENDMENT.** Section 11-28.3-12 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-12. Rural ambulance service district may enter into contract.**

Any rural ambulance service district may enter into a contract with another rural ambulance service district, or other emergency service operation, to consolidate or cooperate for mutual ambulance services or emergency vehicle services, or may enter into a contract with any federal, state, or local government agency for ambulance services or emergency vehicle services, upon terms suitable to all concerned.

**SECTION 9. AMENDMENT.** Section 11-28.3-13 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-13. Boundaries of rural ambulance service district - Dissolution of the district.**

The boundaries of any rural ambulance service district organized under the provisions of this chapter may be changed in the manner prescribed by ~~sections 11-28.3-01 through 11-28.3-06~~section 11-28.3-15 or 11-28.3-16, but a change in the boundary of a district does not impair or affect its organization or its right in or to property; nor does it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it might be liable had such change of boundaries not been made. ~~When a boundary change is requested, the petition, notice of election, and ballot must all indicate that the purpose of the election is to alter the boundaries of an existing rural ambulance service district. The petition and notice of election must describe with particularity both the present and the proposed boundaries of the district.~~

Dissolution of a rural ambulance service district may be accomplished in the manner prescribed by ~~sections 11-28.3-01 through 11-28.3-04~~section 11-28.3-15 or 11-28.3-16. The petition and notice of election must state that the purpose of the election is to dissolve the rural ambulance service district and must describe its boundaries. The ballot to dissolve a rural ambulance service district must be in substantially the following form:

Shall (name of taxing district or districts) cease to levy a tax for the purpose of maintaining a rural ambulance service district, and shall such district be dissolved?

Yes

No

If a majority of all votes cast on the question are in favor of dissolution, ~~then~~ the district is dissolved thirty days after the canvass of the votes. After all debts and obligations of the district are paid, any remaining funds must be deposited in the general fund of the county in which the district was contained. If the dissolved district was located in more than one county, ~~then~~ any funds remaining after all debts and obligations are paid must be divided among those counties in the same proportion as the geographical area of the district in each county bears to the total geographical area of the dissolved district.

**SECTION 10. AMENDMENT.** Section 11-28.3-14 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-14. Payments by certain organizations.**

Any property tax-exempt club, lodge, chapter, charitable home, dormitory, state or county fair association, or like organization located within a rural ambulance service district and outside the boundaries of any city shall pay to the board of directors of the district annually for emergency medical service an amount agreed upon, but not less than twenty-five percent of the amount which would be levied against the property under the provisions of this chapter if the property were subject to levy.

Funds derived from such payments ~~shall~~must be expended by the district for emergency medical service supplies and equipment and the training of emergency medical service personnel.

**SECTION 11.** Section 11-28.3-15 of the North Dakota Century Code is created and enacted as follows:

**11-28.3-15. Territory to be annexed.**

1. Any territory adjacent to the boundary of an existing ambulance district may be annexed to the district. If the territory to be annexed is served by the district under section 57-40.6-10, the board, upon its own motion, may annex the territory, provided a majority of qualified electors residing in the existing and proposed territory approve of the annexation at a regular or special election.
2. If the area to be annexed is not serviced by the district under section 57-40.6-10, the proceedings for the annexation may be initiated by a presentation to the county auditor. If more than one county is in the proposed annexed territory, the auditor serving the larger portion shall coordinate with other county auditors to create a petition stating the desires and purposes of the petitioners signed by fifty qualified electors, or if there are not fifty qualified electors in the proposed territory, fifty percent of qualified electors residing within the boundaries of the territory. The petition must contain a description of the boundaries of the territory proposed to be annexed and must be accompanied by a map or plat and a deposit for publication costs.
3. The county auditor shall determine and certify whether the petition complies with the requirements of this section and ensure the qualified electors signing the petition reside within the boundaries. The county auditor shall forward a completed petition, map or plat, and certificate to the board of directors of the district the annexed property is seeking to join.
4. Within thirty days after receiving the petition, map or plat, and certificate of the county auditor, the board of directors shall send a written report approving or denying the proposal to the county auditor.
5. If the report of the board of directors denies the proposal, the petition must be rejected. If the report is favorable, the county auditor promptly shall designate a time and place for an election upon the petition and shall give notice of the election in the manner prescribed by section 11-28.3-03. At the election, any qualified elector residing within the boundaries of the territory to be annexed may cast a vote. If the majority cast a vote in favor of the question of annexation, the new territory must be annexed.

**SECTION 12.** Section 11-28.3-16 of the North Dakota Century Code is created and enacted as follows:

**11-28.3-16. Withdrawal from ambulance service district - Restrictions.**

1. Any elector who resides in an area subject to a mill levy under section 11-28.3-09 and wishes to withdraw from the ambulance service district may do so if the territory to be withdrawn from the district:
  - a. Borders on the outer boundary of the district; and
  - b. Has a written agreement with an adjacent emergency medical services operation licensed by the state department of health to provide coverage to the territory if the territory is withdrawn successfully.
2. Notwithstanding section 57-40.6-10, the district is not obligated to maintain the withdrawn district within the primary response area of the district.
3. The territory to be withdrawn from the district under this section remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the filing of the petition for the withdrawal of the territory. The taxable valuation of

property in the territory to be withdrawn bears to the taxable valuation of all property within the district before the withdrawal.

4. Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate share of outstanding obligations are paid.
5. The proceedings for withdrawal must be initiated by the filing of a petition with the appropriate county auditor or signed by fifty electors, or if there are not fifty electors residing in the area, fifty percent of the qualified electors in the territory sought to be withdrawn and the petition must contain a description of the boundaries of the territory sought to be withdrawn and a map or plat illustrating the area.
6. The county auditor shall determine whether the petition complies with the requirements of subsection 5. If the petition is accepted, the county auditor promptly shall designate a time and place for an election upon the petition and shall give notice of the election in the manner prescribed by section 11-28.3-03. At the election, any qualified elector residing within the boundaries of the territory to be withdrawn may cast a vote. If the majority cast a vote in favor of the question of withdrawal, the territory is considered withdrawn from the district.
7. The county auditor shall determine and certify the respective percentage proportions of the taxable valuation of the territory petitioned to be withdrawn to the taxable valuation of all property in the district before withdrawal to the board of directors of the district withdrawn.
8. Within thirty days after receipt of the petition, verification, and computation of respective percentage proportions, the board of directors of the district withdrawn shall attach to the petition a statement of outstanding obligations of the district and shall forward the petition to the appropriate board or boards of county commissioners.
9. The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, and shall describe, by written order, the boundaries of the territory withdrawn and the indebtedness of the district assigned to the territory and subject to continued levy under section 11-28.3-09. The order and computation must be filed in the office of the county auditor.
10. The annual estimate required under section 11-28.3-09 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn territory.

**SECTION 13. AMENDMENT.** Section 57-15-30.2 of the North Dakota Century Code is amended and reenacted as follows:

**57-15-30.2. Financial reporting requirements for taxing entities.**

The governing body of any county, city, township, school district, park district, recreation service district, rural fire protection district, rural ambulance service district, soil conservation district, conservancy district, water authority, or any other taxing entity authorized to levy property taxes or have property taxes levied on its behalf, in the year for which the levy will apply, ~~must~~shall file with the county auditor of each county in which the taxing entity is located, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund or account held by the taxing entity during that year.

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Chief Clerk of the House

\_\_\_\_\_  
Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1186.

House Vote:    Yeas 90            Nays 4            Absent 0

Senate Vote:    Yeas 46            Nays 1            Absent 0

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Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2021.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2021.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2021,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State