

Introduced by

Representatives Toman, Christensen, Motschenbacher, Rios

Senator Larsen

1 A BILL for an Act to amend and reenact section 21-03-07 and subsection 3 of section
2 21-03-10.1 of the North Dakota Century Code, relating to the threshold for passing a bond
3 within a municipality.

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

5 **SECTION 1. AMENDMENT.** Section 21-03-07 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **21-03-07. Election required - Exceptions.**

8 ~~No~~A municipality, and ~~nor the~~governing board thereof of a municipality, may not issue
9 bonds without being first authorized to do so by a vote equal to ~~sixty percent of all the qualified~~
10 ~~voters~~a majority of the number equal to thirty percent of all qualified electors of such the
11 municipality voting, as determined by the number of qualified electors included in the
12 appropriate voter list or pollbook generated from the central voter file the day before the election
13 and any qualified electors added to the voter list or pollbook on election day, upon the question
14 of such issue except:

- 15 1. As otherwise provided in section 21-03-04.
- 16 2. The governing body may issue bonds of the municipality for the purpose and within
17 the limitations specified by subdivision e of subsection 1 of section 21-03-06,
18 subdivision g of subsection 2 of section 21-03-06, and subsections 4.1 and 7 of
19 section 21-03-06 without an election.
- 20 3. The governing body of any municipality may issue bonds of the municipality for the
21 purpose of providing funds to meet its share of the cost of any highway project
22 undertaken under an agreement entered into by the governing body with the United
23 States government, the director of the department of transportation, the board of
24 county commissioners, or any of them, including the cost of any construction,

1 improvement, financing, planning, and acquisition of right of way of a bridge eligible for
2 matching funds, highway routed through the municipality and of any bridges and
3 controlled access facilities thereon and any necessary additional width or capacity of
4 the bridge or roadway thereof greater than that required for federal or state bridge or
5 highway purposes, and of any necessary relaying of utility mains and conduits, curbs
6 and gutters, and the installation of utility service connections and streetlights. The
7 portion of the total cost of the project to be paid by the municipality under the
8 agreement, including all items of cost incurred directly by the municipality and all
9 amounts to be paid by it for work done or contracted for by other parties to the
10 agreement, may not exceed a sum equal to thirty percent of the total cost, including
11 engineering and other incidental costs, of all construction and reconstruction work to
12 be done plus fifty percent of the total cost of all right of way to be acquired in
13 connection therewith. The initial resolution authorizing issuance of bonds under this
14 subsection must be published in the official newspaper of the municipality. Within sixty
15 days after publication, an owner of taxable property within the municipality may file
16 with the auditor or chief fiscal officer of the municipality a written protest against
17 adoption of the resolution. A protest must describe the property that is the subject of
18 the protest. If the governing body finds protests have been signed by the owners of
19 taxable property having an assessed valuation equal to five percent or more of the
20 assessed valuation of all taxable property in the municipality, as most recently finally
21 equalized, all further proceedings under the initial resolution are barred. Nothing
22 herein may be deemed to prevent any municipality from appropriating funds for or
23 financing out of taxes, special assessments, or utility revenues any work incidental to
24 any such project, in the manner and to the extent otherwise permitted by law, and the
25 cost of any work so financed may not be included in computing the portion of the
26 project cost payable by the municipality, within the meaning of this subsection, unless
27 the work is actually called for by the agreement between the municipality and the other
28 governmental agencies involved.

- 29 4. The governing body of any city may also by resolution adopted by a two-thirds vote
30 authorize and issue general obligation bonds of the city for the purpose of providing
31 funds to pay the cost of any improvement of the types stated below, to the extent that

1 the governing body determines that such cost should be paid by the city and should
2 not be assessed upon property specially benefited thereby; provided that the initial
3 resolution authorizing such bonds must be published in the official newspaper, and
4 any owner of taxable property within the city may, within sixty days after such
5 publication, file with the city auditor a protest against the adoption of the resolution. If
6 the governing body finds such protests to have been signed by the owners of taxable
7 property having an assessed valuation equal to five percent or more of the assessed
8 valuation of all taxable property within the city, as theretofore last finally equalized, all
9 further proceedings under such initial resolution are barred. This procedure is
10 authorized for the financing of the following types of improvements:

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

19 Nothing herein may be deemed to prevent any municipality from appropriating funds
20 for or financing out of taxes, special assessments, or utility revenues any work
21 incidental to any such improvement, in the manner and to the extent otherwise
22 permitted by law.

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

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

5 6. The governing body of any county may also by resolution adopted by a two-thirds vote
6 dedicate the tax levies authorized by section 57-15-06.6 and subsection 5 of section
7 57-15-06.7 and may authorize and issue general obligation bonds to be paid by the
8 dedicated levy for the purposes identified under section 57-15-06.6 and subsection 5
9 of section 57-15-06.7; provided, that the initial resolution authorizing the tax levy
10 dedication and general obligation bonds must be published in the official newspaper,
11 and any owner of taxable property within the county may, within sixty days after
12 publication, file with the county auditor a protest against the adoption of the resolution.
13 Protests must be in writing and must describe the property which is the subject of the
14 protest. If the governing body finds such protests to have been signed by the owners
15 of taxable property having an assessed valuation equal to five percent or more of the
16 assessed valuation of all taxable property within the county, as last finally equalized,
17 all further proceedings under the initial resolution are barred.

18 7. The governing body of any public school district may also by resolution adopted by a
19 two-thirds vote dedicate the tax levies as authorized by section 15.1-09-47,
20 15.1-09-49, or 57-15-16 and may authorize and issue general obligation bonds to be
21 paid by these dedicated levies for the purpose of providing funds for the purchase,
22 construction, reconstruction, or repair of public school buildings or for the construction
23 or improvement of a project under section 15.1-36-02 or 15.1-36-08. The initial
24 resolution authorizing the tax levy dedication and general obligation bonds must be
25 published in the official newspaper of the school district, and any owner of taxable
26 property within the school district may, within sixty days after publication, file with the
27 business manager of the school district a protest against the adoption of the
28 resolution. Protests must be in writing and must describe the property that is the
29 subject of the protest. If the governing body finds the protests have been signed by the
30 owners of taxable property having an assessed valuation equal to five percent or more
31 of the assessed valuation of all taxable property within the school district, as

1 theretofore last finally equalized, all further proceedings under the initial resolution are
2 barred.

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

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

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

25 11. The governing body of any park district that constitutes a distinct municipality may
26 issue general obligation bonds of the park district for the purpose of providing funds to
27 acquire, lay out, and improve parks, parkways, boulevards, and pleasure drives, and
28 to acquire land for these purposes, but the indebtedness may not at any time exceed
29 one percent of the assessed valuation of the taxable property in the park district. The
30 initial resolution authorizing the issuance of general obligation bonds under this
31 subsection must be published in the official newspaper of the park district, and any

1 owner of taxable property within the park district may, within sixty days after
2 publication, file with the clerk of the park district a protest against the adoption of the
3 resolution. Protests must be in writing and must describe the property that is the
4 subject of the protest. If the governing body finds the protests have been signed by the
5 owners of taxable property having an assessed valuation equal to five percent or more
6 of the assessed valuation of all taxable property within the park district, as last finally
7 equalized, all further proceedings under the initial resolution are barred.

8 **SECTION 2. AMENDMENT.** Subsection 3 of section 21-03-10.1 of the North Dakota
9 Century Code is amended and reenacted as follows:

- 10 3. After approval of the bond issue, no change may be made in the purpose of
11 expenditure of the bond proceeds except that, upon a favorable vote of ~~sixty percent~~
12 of the qualified electors the majority of the number equal to thirty percent of the
13 qualified electors, as determined by the number of qualified electors included in the
14 appropriate voter list or pollbook generated from the central voter file the day before
15 the election and any qualified electors added to the voter list or pollbook on election
16 day, residing in any specific area intended to be served as provided in subsection 1,
17 material changes may be made in such plan as it affects said area to the extent such
18 changes do not conflict with contractual obligations incurred.