

SENATE BILL NO. 2318

Introduced by

Senators Lyson, Kinnoin

Representative DeKrey

1 A BILL for an Act to amend and reenact section 57-40.6-02 of the North Dakota Century Code,
2 relating to ballot measures on the question of excise taxes on telephone access lines.

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

4 **SECTION 1. AMENDMENT.** Section 57-40.6-02 of the 1997 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **57-40.6-02. Authority of counties or cities to impose excise tax on telephone**
7 **access lines - Procedure.** The governing body of a county or city may impose an excise tax
8 on the use of telephone access lines in accordance with the following requirements:

- 9 1. The governing body shall adopt a resolution that proposes the adoption of the
10 excise tax permitted under this section. The resolution must specify an effective
11 date for the tax which is no more than two years before the expected
12 implementation date of the emergency services communication system to be
13 funded by the excise tax. The resolution must include a provision for submitting
14 the proposed excise tax to the electors of the county or city before the imposition of
15 the tax is effective. The resolution must specify a tax that does not exceed one
16 dollar per month per telephone access line.
- 17 2. The question of the adoption of the excise tax must be submitted on a ballot on
18 which the ballot title of the proposition includes the maximum monthly rate of the
19 proposed tax authorized under subsection 1. The question of the adoption of the
20 excise tax may be submitted to electors at a general, primary, or special election or
21 at a school district election if the boundaries of the school district are coterminous
22 with the boundaries of the governing body adopting the resolution proposing the
23 adoption of the excise tax. The tax is not effective unless it is approved by a

- 1 majority of the electors voting on the proposition. The ballot must be worded so
2 that a "yes" vote authorizes imposition of the tax for an initial six-year period.
- 3 3. Any political subdivision that desires to increase the tax, subject to the limitations in
4 subsection 1, before the end of the six-year term, must use the same ballot
5 procedure originally used to authorize the tax. The new ballot question may apply
6 to only the proposed increase and not to the original amount or the original term. If
7 the increase is approved, the new amount may be collected for the balance of the
8 original six-year term. If the tax authorized by this section is approved by the
9 electors, the tax may be reimposed for six additional years without resubmitting the
10 question to the electors.
- 11 4. In any geographic area, only one political subdivision may impose the excise tax.
- 12 5. In the interest of public safety, where the customers exchange boundary and the
13 boundary of the political subdivision imposing the tax do not coincide, and where
14 all of the political subdivisions within the exchange boundary have not complied
15 with subsection 1, and where a majority of the E911 subscribers within the
16 exchange boundary have voted for the tax, an exchange customer residing outside
17 the political subdivision may receive E911 services by signing a contract
18 agreement with the political subdivision providing the emergency
19 telecommunications system. The telephone company may collect an additional
20 tax, equal in amount to the basic tax on those subscribers within the exchange
21 boundary. The additional tax amounts collected must be remitted as provided in
22 this chapter.