Sixty-second Legislative Assembly of North Dakota FIRST DRAFT: Prepared by the Legislative Council staff for the Taxation Committee

Introduced by

September 2010

1 A BILL for an Act to amend and reenact section 21-06-10 of the North Dakota Century Code,

2 relating to allocation of revenues from the leasing of federal flood control lands; and to provide

3 an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 21-06-10 of the North Dakota Century Code is 6 amended and reenacted as follows:

21-06-10. Moneys received through leasing of lands acquired by United States for
flood control distributed to counties for schools and roads. The state treasurer shall pay
the moneys allocated to the state under 33 U.S.C. 701(c)(3) to the counties entitled to receive
them in proportion to the area of the land in the county acquired by the United States for which
compensation is being provided under 33 U.S.C. 701(c)(3) as that area bears to the total of
these federal lands in the state. A county receiving an allocation under this section shall
disburse the moneys received as follows:

- 14 One-half must be paid to the school districts in the county which have lost land 1. subject to taxation because of the acquisition of lands by the United States for 15 which compensation is being provided under 33 U.S.C. 701(c)(3) in proportion to 16 17 the area of these federal lands in each district as that area bears to the total of 18 such lands in all of the school districts in the county. If, however, all of the land in a 19 district has been acquired by the United States, that district's proportionate share 20 of the funds allocated under this subsection must be paid into the county tuition 21 fund and expended according to the law governing that fund.
- One-quarter must be paid to the county for road purposes to be expended as the
   county commissioners shall determine.

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- 1 The final quarter must be allocated among the organized townships, if any, which 3. 2 have lost land subject to taxation because of land acquisitions by the United States 3 for which compensation is being provided under 33 U.S.C. 701(c)(3) and the 4 county for road purposes in proportion to the area of these lands in each township 5 as that area bears to the total area of these federal lands in the county. The 6 county must be allocated a similar proportionate share based on the area of these 7 lands in the county not within an organized township. 8 This section applies to all funds heretofore received or to be received by the counties entitled
- 9 thereto.
- 10 SECTION 2. EFFECTIVE DATE. This Act is effective for revenue allocated to the state
- 11 under 33 U.S.C. 701(c)(3) after December 31, 2011.

**NOTE:** This bill draft contains no changes to existing law and in this form is not suitable for introduction.