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Sixty-fourth  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2217**

Introduced by

Senators Unruh, Cook, Dotzenrod

Representatives Dockter, Nathe, Streyle

1 A BILL for an Act to create and enact section 57-15-30.2 of the North Dakota Century Code,  
2 relating to financial reporting requirements for taxing entities authorized to levy property taxes;  
3 to amend and reenact sections 2-06-14, 4-02-27, 4.1-47-14, 4.1-47-25, 11-11.1-04, 11-11.1-06,  
4 11-28-06, 11-28-17, 11-28.3-09, 11-36-14, 11-37-13, 18-10-07, 23-18.2-12, 23-24-09, 23-30-07,  
5 23-35-07, 40-38-02, 40-57.4-04, 50-06.2-05, 57-15-30.2, 61-04.1-26, and 61-16.1-06 of the  
6 North Dakota Century Code, relating to the filing of a financial report with the county auditor  
7 showing the ending balances of each fund held by an unelected governing body seeking  
8 approval of a property tax levy; and to provide an effective date.

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

10 **SECTION 1. AMENDMENT.** Section 2-06-14 of the North Dakota Century Code is amended  
11 and reenacted as follows:

12 **2-06-14. Tax levy may be certified by airport authority or municipality - Financial**  
13 **report.**

14 The airport authority may certify annually to the governing bodies, the amount of tax to be  
15 levied by each municipality participating in the creation of the airport authority, and the  
16 municipality shall levy the amount certified, pursuant to provisions of law authorizing cities and  
17 other political subdivisions of this state to levy taxes for airport purposes. In the year for which  
18 the levy is sought, an airport authority that is not a city or county governing body and which is  
19 seeking approval of a property tax levy of a city or county governing body under this chapter  
20 must file with the auditor of each participating city or county, at a time and in a format prescribed  
21 by the auditors, a financial report for the preceding calendar year showing the ending balances  
22 of each fund held by the airport authority during that year. The levy made may not exceed the  
23 maximum levy permitted by the laws of this state for airport purposes. The municipality shall  
24 collect the taxes certified by an airport authority in the same manner as other taxes are levied

1 and collected. The proceeds of such taxes must be deposited in a special account or accounts  
2 in which other revenues of the authority are deposited and may be expended by the authority as  
3 provided for in this chapter. Prior to the issuance of bonds under section 2-06-10 the airport  
4 authority or the municipality may by resolution covenant and agree that the total amount of such  
5 taxes then authorized by law, or such portion thereof as may be specified by the resolution, will  
6 be certified, levied, and deposited annually until the bonds and interest are fully paid.

7 **SECTION 2. AMENDMENT.** Section 4-02-27 of the North Dakota Century Code is amended  
8 and reenacted as follows:

9 **4-02-27. Reports required of county fair associations - Tax levies for support thereof.**

10 Any county fair association receiving the aid provided for in this chapter, at the regular  
11 meeting of the board of county commissioners held in the month of January following the  
12 holding of such county fair, shall make a full report to the board of all moneys received by it from  
13 all sources and of all disbursements. The report must show the amount of the debts and the  
14 amount of moneys in the treasury of the association, and the amount of any deficit after the  
15 payment of its expenses, and must contain an estimate of the amount, if any, which it will be  
16 necessary to raise above the estimated ordinary receipts of the association for the purposes of  
17 its fair for the ensuing year. The report and estimate must be verified by the oath of the  
18 president, or vice president, the secretary, treasurer, and a majority of the board of directors of  
19 the association. After the filing and approval of the report, the board of county commissioners  
20 shall levy a tax for the current year equal to the estimate contained in the association's report, if  
21 the report filed shows that the funds have been expended legally and if the levy has been  
22 approved by the voters or the board of county commissioners, as required by law. In the year  
23 for which the levy is sought, a county fair association seeking approval of a property tax levy  
24 under this chapter must file with the county auditor, at a time and in a format prescribed by the  
25 county auditor, a financial report for the preceding calendar year showing the ending balances  
26 of each fund held by the association during that year. The tax levied for the current year may not  
27 exceed the limitation in section 57-15-06.7, and the amount levied must be paid to the  
28 association as provided in section 4-02-26.

29 **SECTION 3. AMENDMENT.** Section 4.1-47-14 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1           **4.1-47-14. County noxious weed control program - Payment of expenses - Financial**  
2 **report - Mill levy authorization.**

- 3           1. The board of county commissioners may pay the expenses of a county noxious weed  
4 control program authorized under this chapter from the county general fund, the  
5 noxious weed control fund, or both.
- 6           2. a. The county weed board may annually certify to the board of county  
7 commissioners a tax, not to exceed two mills on the taxable valuation of all  
8 property in the county, other than that which lies within the boundaries of a city  
9 having a noxious weed control program under this chapter. In the year for which  
10 the levy is sought, a county weed board seeking approval of a property tax levy  
11 under this chapter must file with the county auditor, at a time and in a format  
12 prescribed by the county auditor, a financial report for the preceding calendar  
13 year showing the ending balances of each fund held by the county weed board  
14 during that year.
- 15           b. In addition to the levy authorized in subdivision a, the board of county  
16 commissioners may levy an amount not to exceed two mills per dollar on the  
17 taxable valuation of all property in the county, other than that which lies within the  
18 boundaries of a city having a noxious weed control program under this chapter.
- 19           c. The board of county commissioners shall levy the taxes authorized by this  
20 subsection and shall place those moneys in a separate fund designated as the  
21 noxious weed control fund, which is used to pay the expenses of a county  
22 noxious weed control program.
- 23           d. The tax may be levied in excess of the mill levy limit prescribed by law for general  
24 purposes.
- 25           3. For purposes of this section, the expenses of a county noxious weed control program  
26 include compensation for and the reimbursement of expenses incurred by the county  
27 weed board, the county weed control officer, and other employees of the board, and  
28 expenses incurred in the provision of noxious weed control, as authorized by this  
29 chapter.

30           **SECTION 4. AMENDMENT.** Section 4.1-47-25 of the North Dakota Century Code is  
31 amended and reenacted as follows:

1           **4.1-47-25. City noxious weed control program - Payment of expenses - Financial**  
2 **report - Mill levy authorization.**

- 3           1. The governing body of a city may pay the expenses of a city noxious weed control  
4 program authorized under this chapter from the city general fund, the noxious weed  
5 control fund, or both.
- 6           2. a. The city weed board may annually certify to the governing body of a city a tax,  
7 not to exceed two mills on the taxable valuation of all property in the city. In the  
8 year for which the levy is sought, a city weed board seeking approval of a  
9 property tax levy under this chapter must file with the city auditor, at a time and in  
10 a format prescribed by the city auditor, a financial report for the preceding  
11 calendar year showing the ending balances of each fund held by the city weed  
12 board during that year.
- 13           b. In addition to the levy authorized in subdivision a, the governing body of a city  
14 may levy an amount not to exceed two mills per dollar on the taxable valuation of  
15 all property in the city.
- 16           c. The governing body of a city shall levy the taxes authorized by this subsection  
17 and shall place those moneys in a separate fund designated as the noxious weed  
18 control fund, which is used to pay the expenses of a city noxious weed control  
19 program.
- 20           d. The tax may be levied in excess of the mill levy limit prescribed by law for general  
21 purposes.
- 22           3. For purposes of this section, the expenses of a city noxious weed control program  
23 include compensation for and the reimbursement of expenses incurred by the city  
24 weed board, the city weed control officer, and other employees of the board, and  
25 expenses incurred in the provision of noxious weed control, as authorized by this  
26 chapter.

27           **SECTION 5. AMENDMENT.** Section 11-11.1-04 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29           **11-11.1-04. Tax levy for job development authorities - Financial report.**

30           The board of county commissioners of a county which has a job development authority or  
31 joint job development authority shall establish a job development authority fund and may levy a

1 tax not exceeding the limitations in subsection 29 of section 57-15-06.7. In the year for which  
2 the levy is sought, a job development authority or joint job development authority seeking  
3 approval of a property tax levy under this chapter must file with the county auditor, at a time and  
4 in a format prescribed by the county auditor, a financial report for the preceding calendar year  
5 showing the ending balances of each fund held by the job development authority or joint job  
6 development authority during that year. The county treasurer shall keep the job development  
7 authority fund separate from other money of the county. If directed by the board of county  
8 commissioners, the county treasurer shall keep a separate fund for the job development  
9 authority for the proceeds of any designated portion of the levy for promotion of tourism by the  
10 job development authority. The county treasurer shall transmit all funds received pursuant to  
11 this section within thirty days to the board of directors of the authority. The funds when paid to  
12 the authority must be deposited in a special account, or special accounts if the authority  
13 chooses to maintain a separate account for promotion of tourism, in which other revenues of the  
14 authority are deposited. Moneys received by the job development authority from any other  
15 source must also be deposited in the special accounts. The moneys in the special accounts  
16 may be expended by the authority as provided in sections 11-11.1-02 and 11-11.1-03.

17 **SECTION 6. AMENDMENT.** Section 11-11.1-06 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **11-11.1-06. Alternative levy for industrial development organizations - Financial**  
20 **report.**

21 In lieu of establishing a job development authority or joint job development authority as  
22 provided in sections 11-11.1-01 through 11-11.1-05, the board of county commissioners in a  
23 county where an active industrial development organization exists may levy a tax not exceeding  
24 the limitation in subsection 29 of section 57-15-06.7. In the year for which the levy is sought, an  
25 industrial development organization seeking approval of a property tax levy for funding a  
26 contract under this chapter must file with the county auditor, at a time and in a format prescribed  
27 by the county auditor, a financial report for the preceding calendar year showing the ending  
28 balances of each fund held by the industrial development organization during that year. The  
29 funds from the levy may be used to enter into a contract with the industrial development  
30 organization for performance of the functions of a job development authority or joint job  
31 development authority as provided in sections 11-11.1-01 through 11-11.1-05.

1       **SECTION 7. AMENDMENT.** Section 11-28-06 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **11-28-06. Tax levy by board of county commissioners - Financial report.**

4       At the time of levying taxes for other county purposes, the board of county commissioners  
5 shall consider the certificate and budget statement of the board of county park commissioners  
6 and ~~shall~~may levy each year upon all taxable property in the county a tax sufficient in amount to  
7 pay the actual necessary expenses and activities program of the board of county park  
8 commissioners, including construction, improvement, repair, operation, and maintenance of the  
9 park and recreational areas and their facilities under its control and those recreational activities  
10 of benefit to the general populace of the county which are under the control of a city or a city  
11 park district within the county, not exceeding the limitation in subsection 10 of section  
12 57-15-06.7. No levy in excess of this limitation shall be made without approval of the eligible  
13 voters in the county at a special or general election. In the year for which the levy is sought, a  
14 board of county park commissioners seeking approval of a property tax levy under this chapter  
15 must file with the county auditor, at a time and in a format prescribed by the county auditor, a  
16 financial report for the preceding calendar year showing the ending balances of each fund held  
17 by the board of county park commissioners during that year. The county auditor shall credit the  
18 proceeds of such tax to the separate fund of the board of county park commissioners. This levy  
19 shall not apply to cities that already have a park levy unless the governing body of the city by  
20 resolution consents to the levy.

21       **SECTION 8. AMENDMENT.** Section 11-28-17 of the North Dakota Century Code is  
22 amended and reenacted as follows:

23       **11-28-17. District budget - Financial report - Tax levy - Election.**

24       The board of joint park commissioners shall request the respective boards of county  
25 commissioners of the counties within the joint park district to submit to the electors of the joint  
26 county park district at any general election the question of a maximum tax levy therein for park  
27 purposes. The question shall be submitted as follows: Shall the board of county commissioners  
28 be authorized to levy a tax of not to exceed \_\_\_\_\_ mills for joint county park district  
29 purposes? The rate proposed shall in no event exceed three mills. If a majority of the vote cast  
30 thereon is favorable to such levy, the board of joint park commissioners shall meet annually  
31 during the month of July and at such meeting shall prepare a budget for the ensuing year,

1 estimating and itemizing the expenses and obligations of the joint county park district. Upon  
2 completion and adoption of such budget, the board shall make a tax levy in mills, within the limit  
3 of the authorization, to meet such budget. Such levy shall be in the form of a resolution adopted  
4 by a majority vote of the members of the board and thereafter prior to the first day of July of  
5 each year such levy shall be certified to the county auditor of each county within the joint park  
6 district by the secretary of the board. In the year for which the levy is sought, a board of joint  
7 park commissioners seeking approval of a property tax levy under this chapter must file with the  
8 county auditor of the counties within the joint park district, at a time and in a format prescribed  
9 by the county auditors, a financial report for the preceding calendar year showing the ending  
10 balances of each fund held by the board of joint park commissioners during that year. At the  
11 time of levying taxes for other county purposes, the respective boards of county commissioners  
12 of each county within the joint park district ~~shall~~may levy the tax certified by the board of joint  
13 park commissioners upon all taxable property in the county in the same manner other taxes are  
14 levied. The question of the maximum levy may be submitted from time to time by the board of  
15 joint park commissioners.

16 **SECTION 9. AMENDMENT.** Section 11-28.3-09 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 **11-28.3-09. Emergency medical service policy to be determined - Financial report.**

19 The board of directors shall establish a general emergency medical service policy for the  
20 district and shall annually estimate the probable expense for carrying out that policy. The  
21 estimate shall be certified by the president and secretary to the proper county auditor or county  
22 auditors, on or before June thirtieth of each year. In the year for which the levy is sought, a  
23 board of directors of a rural ambulance service district seeking approval of a property tax levy  
24 under this chapter must file with the county auditor of the counties within the rural ambulance  
25 service district, at a time and in a format prescribed by the county auditors, a financial report for  
26 the preceding calendar year showing the ending balances of each fund held by the rural  
27 ambulance service district during that year. The auditor or auditors ~~shall~~may levy a tax not to  
28 exceed ten mills upon the taxable property within the district for the maintenance of the  
29 ambulance service district for the fiscal year as provided by law. The tax shall be:

30 1. Collected as other taxes are collected in the county.

- 1           2.    Turned over to the secretary-treasurer of the rural ambulance service district, who
- 2                   shall be bonded in the amount of at least five thousand dollars.
- 3           3.    Deposited by the secretary-treasurer in a state or national bank in a district account.
- 4           4.    Paid out upon warrants drawn upon the district account by authority of the board of
- 5                   directors of the district, bearing the signature of the secretary-treasurer and the
- 6                   countersignature of the president.

7    In no case shall the amount of the tax levy exceed the amount of funds required to defray the  
8    expenses of the district for a period of one year as embraced in the annual estimate of expense,  
9    including the amount of principal and interest upon the indebtedness of the district for the  
10   ensuing year. The district may include in its operating budget no more than ten percent of its  
11   annual operating budget as a depreciation expense to be set aside in a dedicated emergency  
12   medical services sinking fund deposited with the treasurer for the replacement of equipment  
13   and ambulances. The ten percent emergency medical services sinking fund may be in addition  
14   to the actual annual operating budget, but the total of the annual operating budget and the  
15   annual ten percent emergency medical services sinking fund shall not exceed the approved mill  
16   levy.

17       **SECTION 10. AMENDMENT.** Section 11-36-14 of the North Dakota Century Code is  
18   amended and reenacted as follows:

19       **11-36-14. Tax levy may be certified by port authority or municipality - Financial report.**

20       The port authority may certify annually to the governing bodies the amount of tax to be  
21   levied by each municipality participating in the creation of the port authority, and the municipality  
22   shall levy the amount certified, pursuant to provisions of law authorizing political subdivisions of  
23   this state to levy taxes for port purposes. The levy made may not exceed the maximum levy  
24   permitted by the laws of this state for port purposes. In the year for which the levy is sought, a  
25   port authority seeking approval of a property tax levy under this chapter must file with the  
26   auditor of each participating municipality, at a time and in a format prescribed by the auditors, a  
27   financial report for the preceding calendar year showing the ending balances of each fund held  
28   by the port authority during that year. The municipality shall collect the taxes certified by a port  
29   authority in the same manner as other taxes are levied and collected. The proceeds of such  
30   taxes must be deposited in a special account or accounts in which other revenues of the port  
31   authority are deposited and may be expended by the port authority as provided in this chapter.

1 Before issuance of bonds under section 11-36-10, the port authority or the municipality by  
2 resolution may covenant and agree that the total amount of the taxes then authorized by law, or  
3 such portion of the taxes as may be specified by the resolution, will be certified, levied, and  
4 deposited annually until the bonds and interest are fully paid.

5 **SECTION 11. AMENDMENT.** Section 11-37-13 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **11-37-13. Tax levy by political subdivision - Financial report.**

8 The commerce authority may certify annually to the governing bodies the amount of tax  
9 requested to be levied by each political subdivision participating in the commerce authority. In  
10 the year for which the levy is sought, a commerce authority seeking approval of a property tax  
11 levy under this chapter must file with the auditor of each participating political subdivision, at a  
12 time and in a format prescribed by the auditors, a financial report for the preceding calendar  
13 year showing the ending balances of each fund held by the commerce authority during that  
14 year. The governing body of each political subdivision shall consider the levy request of the  
15 commerce authority and determine the amount to be levied. The levy may not exceed the  
16 maximum levy permitted for commerce authority purposes. Each political subdivision shall  
17 collect the taxes levied on behalf of a commerce authority in the same manner as other taxes  
18 are levied and collected. The proceeds of the taxes must be deposited in a special account or  
19 accounts in which other revenues of the commerce authority are deposited and may be  
20 expended by the commerce authority as provided in this chapter. Before issuance of bonds  
21 under section 11-37-09, the commerce authority by resolution may covenant and agree that the  
22 total amount of the taxes authorized by law, or the portion of the taxes specified by the  
23 resolution, will be certified and deposited annually until the bonds and interest are fully paid.

24 **SECTION 12. AMENDMENT.** Section 18-10-07 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **18-10-07. Fire protection policy to be determined - Financial report - Tax levy.**

27 The board of directors shall determine a general fire protection policy for the district and  
28 shall annually estimate the probable expense for carrying out the contemplated program. The  
29 annual estimate of probable expense may include an amount determined by the board of  
30 directors to be necessary to be carried over to a future year for purchase of firefighting  
31 equipment, ambulances, or other emergency vehicles. The estimate must be certified by the

1 president and secretary to the proper county auditor or county auditors, on or before June  
2 thirtieth of each year, who shall levy a tax upon the taxable property within the district for the  
3 maintenance of the fire protection district for the fiscal year as provided by law. In the year for  
4 which the levy is sought, a board of directors of a rural fire protection district seeking approval of  
5 a property tax levy under this chapter must file with the county auditor of the counties within the  
6 rural fire district, at a time and in a format prescribed by the county auditors, a financial report  
7 for the preceding calendar year showing the ending balances of each fund held by the rural fire  
8 protection district during that year. The tax may not exceed the limitation in section 57-15-26.3.  
9 No signature on the petition may be considered valid if made more than ninety days prior to  
10 receipt of the petition. The tax must be:

- 11 1. Collected as other taxes are collected in the county.
- 12 2. Turned over to the secretary-treasurer of the rural fire protection district, who shall  
13 have a surety bond in the amount of at least five thousand dollars.
- 14 3. Placed to the credit of the rural fire protection district so authorizing the same by its  
15 secretary-treasurer in a state or national bank, except amounts to be carried over to a  
16 future year for purchase of firefighting equipment, ambulances, or other emergency  
17 vehicles may be invested to earn the maximum return available.
- 18 4. Paid out upon warrants drawn upon the fund by authority of the board of directors of  
19 the district, bearing the signature of the secretary-treasurer and the countersignature  
20 of the president of the rural fire protection district.

21 The amount of tax levy may not exceed the amount of funds required to defray the expenses of  
22 the district for a period of one year as embraced in the annual estimate of expense, including  
23 the amount of principal and interest upon the indebtedness of the district for the ensuing year  
24 and including any amount determined by the board of directors to be necessary to be carried  
25 over to a future year for purchase of firefighting equipment, ambulances, or other emergency  
26 vehicles.

27 **SECTION 13. AMENDMENT.** Section 23-18.2-12 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29 **23-18.2-12. Tax levy may be certified by nursing home authority - Financial report.**

30 The nursing home authority may certify annually to the board of county commissioners a tax  
31 not exceeding the limitation in subsection 13 of section 57-15-06.7 for a nursing home fund

1 which tax may be levied by the board of county commissioners. In the year for which the levy is  
2 sought, a nursing home authority seeking approval of a property tax levy under this chapter  
3 must file with the county auditor, at a time and in a format prescribed by the county auditor, a  
4 financial report for the preceding calendar year showing the ending balances of each fund held  
5 by the nursing home authority during that year. The proceeds of the tax collected in the fund  
6 must be used first for the payment of principal and interest on any bonds, issued under the  
7 provisions of this chapter, which may be due or about to become due. The remaining proceeds  
8 in the fund may also be used for any other corporate purpose of the authority, including, but not  
9 limited to, costs of operation and costs of obligations entered into with private nursing homes.

10 **SECTION 14. AMENDMENT.** Section 23-24-09 of the North Dakota Century Code is  
11 amended and reenacted as follows:

12 **23-24-09. District budget - Financial report - Tax levy.**

13 When a vector control district has been created and a board of commissioners has been  
14 organized, the board shall estimate the expenses of the district from the date of its  
15 establishment until the end of the ensuing fiscal year and before July first in each year and  
16 thereafter shall estimate district expenses for the fiscal year ensuing. Estimates of district  
17 expenses may include all outlays necessary to carry out the powers of the board herein  
18 provided for. Upon completion and adoption of a budget covering necessary expenses, the  
19 board of commissioners shall send a copy of such budget to the county auditor of each county  
20 in the district. If a district is situated in more than one county, the estimate must be apportioned  
21 to the counties affected. Such county auditor shall transmit the same to the board of  
22 commissioners of the auditor's county. In the year for which the levy is sought, a vector control  
23 district seeking approval of a property tax levy under this chapter must file with the county  
24 auditor of each county within the vector control district, at a time and in a format prescribed by  
25 the county auditors, a financial report for the preceding calendar year showing the ending  
26 balances of each fund held by the vector control district during that year. The board of county  
27 commissioners of each county in which the district is situated shall by resolution levy, authorize,  
28 and direct their county auditor to extend and spread upon the tax roll of the county a tax not  
29 exceeding the limitation in section 57-15-26.2. Funds produced each year by such tax levy must  
30 be available until expended and if such tax levy in any year will not produce sufficient revenue  
31 to cover district expenses a fund sufficient to pay the same may be accumulated.

1       **SECTION 15. AMENDMENT.** Section 23-30-07 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **23-30-07. Tax levy authorized - Financial report.**

4       The board of directors shall annually estimate the probable expense for operating the  
5 hospital district. The estimate must be certified by the president and secretary to the proper  
6 county auditor or county auditors, on or before June thirtieth of each year. In the year for which  
7 the levy is sought, the board of directors of a hospital district seeking approval of a property tax  
8 levy under this chapter must file with the county auditor of each county within the hospital  
9 district, at a time and in a format prescribed by the county auditors, a financial report for the  
10 preceding calendar year showing the ending balances of each fund held by the hospital district  
11 during that year. The auditor or auditors shall~~may~~ levy a tax not exceeding the limitation in  
12 section 57-15-26.4 for the maintenance of the district for the fiscal year as provided by law. The  
13 tax must be:

- 14       1. Collected as other taxes are collected in the county.
- 15       2. Turned over to the secretary-treasurer of the district, who must have a surety bond set  
16       by the board of directors in the amount of at least five thousand dollars.
- 17       3. Placed to the credit of the district authorizing it by its secretary-treasurer in a state or  
18       national bank qualifying as a public depository.
- 19       4. Paid out upon warrants drawn upon the fund by authority of the board of directors of  
20       the district, bearing the signature of the secretary-treasurer and the countersignature  
21       of the president of the district.

22       The amount of the tax levy may not exceed the amount of funds required to defray the  
23 expenses of the district for a period of one year as embraced in the annual estimate of expense  
24 including the amount of principal and interest upon the indebtedness of the district for the  
25 ensuing year.

26       **SECTION 16. AMENDMENT.** Section 23-35-07 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28       **23-35-07. Health district funds - Financial report.**

- 29       1. Except for a tribal health district, a district board of health shall prepare a budget for  
30       the next fiscal year at the time at which and in the manner in which a county budget is  
31       adopted and shall submit this budget to the joint board of county commissioners for

1 approval. In the year for which the levy is sought, a district board of health, except for  
2 a tribal health district, seeking approval of a property tax levy under this chapter must  
3 file with the county auditor of each county within the health district, at a time and in a  
4 format prescribed by the county auditors, a financial report for the preceding calendar  
5 year showing the ending balances of each fund held by the health district during that  
6 year. The amount budgeted and approved must be prorated in health districts  
7 composed of more than one county among the various counties in the health district  
8 according to the taxable valuation of the respective counties in the health district. For  
9 the purpose of this section, "prorated" means that each member county's contribution  
10 must be based on an equalized mill levy throughout the district, except as otherwise  
11 permitted under subsection 3 of section 23-35-05. Within ten days after approval by  
12 the joint board of county commissioners, the district board of health shall certify the  
13 budget to the respective county auditors and the budget must be included in the levies  
14 of the counties. The budget, not including gifts, grants, donations, and contributions,  
15 may not exceed the amount that can be raised by a levy of five mills on the taxable  
16 valuation, subject to public hearing in each county in the health district at least fifteen  
17 days before an action taken by the joint board of county commissioners. Action taken  
18 by the joint board of county commissioners must be based on the record, including  
19 comments received at the public hearing. A levy under this section is not subject to the  
20 limitation on the county tax levy for general and special county purposes. The amount  
21 derived by a levy under this section must be placed in the health district fund. The  
22 health district fund must be deposited with and disbursed by the treasurer of the  
23 district board of health. Each county in a health district quarterly shall remit and make  
24 settlements with the treasurer. Any funds remaining in the fund at the end of any fiscal  
25 year may be carried over to the next fiscal year.

- 26 2. Except for a tribal health district, the district board of health, or the president and  
27 secretary of the board when authorized or delegated by the board, shall audit all  
28 claims against the health district fund. The treasurer shall pay all claims from the  
29 health district fund. The district board of health shall approve or ratify all claims at the  
30 board's quarterly meetings.

1       **SECTION 17. AMENDMENT.** Section 40-38-02 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **40-38-02. Library fund - Financial report - Levy - Kept separate - Exemption for city**  
4 **levying tax - Increasing levy.**

- 5       1. For the purpose of establishing and maintaining public library service, the governing  
6 body of a municipality or county authorizing the same shall establish a library fund.  
7 The library fund shall consist of annually levying and causing to be collected as other  
8 taxes are collected a municipal or county tax not exceeding the limitations in  
9 subsection 15 of section 57-15-06.7 and subsection 5 of section 57-15-10 and any  
10 other moneys received for library purposes from federal, state, county, municipal, or  
11 private sources. In the year for which the levy is sought, a library board seeking  
12 approval of a property tax levy under this chapter must file with the auditor of each  
13 participating municipality or county, at a time and in a format prescribed by the  
14 auditors, a financial report for the preceding calendar year showing the ending  
15 balances of each fund held for the library board during that year.
- 16       2. The city auditor or county treasurer shall establish and maintain the fund to account for  
17 library revenues and shall make payments from the fund for invoices that have been  
18 submitted and approved by the governing body of the library. In the case of a contract  
19 with another library for service delivery, the city auditor or county treasurer shall  
20 promptly transmit all funds received to the established library fund of the agency  
21 delivering service. On request of the city auditor or county treasurer and during an  
22 audit, the governing board of the library shall supply its records. The records must be  
23 provided on a timely basis. The fund may not revert to the governing body of the city  
24 or county at the end of any fiscal year. The fund must be used exclusively for the  
25 establishment and maintenance of public library service.
- 26       3. Whenever a tax for county library service is levied, any city already levying a tax for  
27 public library service under the provisions of this section or other provisions of law  
28 shall, upon written application to the county board of the county, be exempted from the  
29 county tax levy to the extent that the city making the application levies taxes for a  
30 library fund during the year for which the tax levy is made. If the city has been totally  
31 exempted from participation in any prospective county library program, the phrase "not

1 less than fifty-one percent of the qualified electors of the city or county as determined  
2 by the total number of votes cast at the last general election" as stated in section  
3 40-38-01 shall mean fifty-one percent of the total number of votes cast at the last  
4 general election in the county less the total number of votes cast at the last general  
5 election in the city. If an election on the question is held, the qualified electors of any  
6 city so exempted from the county library tax shall not be entitled to vote on the  
7 establishment or discontinuance of the county library service.

8 4. Upon motion of the governing body or upon petition of not less than twenty-five  
9 percent of the qualified electors in the last general election of any city, school district,  
10 township, or county, filed not less than sixty days before the next election, the  
11 governing body shall submit to the qualified electors at the next election the question  
12 of whether the governing body shall increase the mill levy a specified amount for  
13 public library service above the mill levy limitation set out in this section. The  
14 governing body may call a special election at any time for the purpose of voting on the  
15 question, and the election shall be called, conducted, and certified as are other  
16 elections in that political subdivision. Upon approval by sixty percent of the qualified  
17 electors voting in the election, the governing body shall increase the levy for public  
18 library service in the amount approved by the qualified electors.

19 **SECTION 18. AMENDMENT.** Section 40-57.4-04 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21 **40-57.4-04. Tax levy for city job development authorities - Financial report.**

22 The governing body of a city which has a city job development authority shall establish a  
23 city job development authority fund and may levy a tax not exceeding the limitation in  
24 subsection 28 of section 57-15-10. In the year for which the levy is sought, a job development  
25 authority or industrial development organization seeking approval of a property tax levy under  
26 this chapter must file with the city auditor, at a time and in a format prescribed by the city  
27 auditor, a financial report for the preceding calendar year showing the ending balances of each  
28 fund held by the job development authority or industrial development organization during that  
29 year. The city auditor shall keep the fund separate from other money of the city and transmit all  
30 funds received under this section within thirty days to the board of directors of the city job  
31 development authority. The funds when paid to the city job development authority must be

1 deposited in a special account in which other revenues of the city job development authority are  
2 deposited and may be expended by the city job development authority as provided in sections  
3 40-57.4-02 and 40-57.4-03.

4 In lieu of establishing a job development authority, the governing body of a city where an  
5 active industrial development organization exists may levy a tax not exceeding the limitation in  
6 subsection 28 of section 57-15-10. The funds from the alternative levy may be used to enter into  
7 a contract with the industrial development organization for performance of the functions of a city  
8 job development authority.

9 **SECTION 19. AMENDMENT.** Section 50-06.2-05 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11 **50-06.2-05. Appropriation of county funds - Financial report.**

12 The board of county commissioners of each county shall annually appropriate and make  
13 available to the human services fund an amount sufficient to pay the local expenses of  
14 administration and provision of the human services required by state law and by federal law or  
15 regulation as a condition for the receipt of federal financial participation in programs  
16 administered by county agencies under the provisions of this title. In the year for which the levy  
17 is sought, a county social service board seeking approval of a property tax levy under this  
18 chapter must file with the county auditor of each county within the health district, at a time and  
19 in a format prescribed by the county auditors, a financial report for the preceding calendar year  
20 showing the ending balances of each fund held by the board during that year. For purposes of  
21 this section, the board of county commissioners may levy an annual tax for human services  
22 purposes not exceeding the limitation in subsection 34 of section 57-15-06.7, and if this amount  
23 is not sufficient, may levy for deficiency purposes under chapter 50-03.

24 **SECTION 20. AMENDMENT.** Section 57-15-26.3 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **57-15-26.3. General tax levy of fire protection districts - Financial report.**

27 A rural fire protection district may levy a tax in accordance with chapter 18-10 not exceeding  
28 five mills on the taxable valuation of property in the district except upon resolution adopted by  
29 the board of directors after receipt of a petition by not less than twenty percent of the qualified  
30 electors residing within the district, the levy may be made in an amount not exceeding thirteen  
31 mills. In the year for which the levy is sought, a rural fire protection district seeking approval of a

1 property tax levy under chapter 18-10 must file with the county auditor, at a time and in a format  
2 prescribed by the county auditor, a financial report for the preceding calendar year showing the  
3 ending balances of each fund held by the rural fire protection district during that year.

4 **SECTION 21.** Section 57-15-30.2 of the North Dakota Century Code is created and enacted  
5 as follows:

6 **57-15-30.2. Financial reporting requirements for taxing entities.**

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

15 **SECTION 22. AMENDMENT.** Section 61-04.1-26 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **61-04.1-26. Tax may be certified by weather modification authority - Financial report.**

18 The weather modification authority may certify annually to the board of county  
19 commissioners a tax of not to exceed seven mills upon the taxable valuation of the property in  
20 the county for a weather modification fund. If weather modification services are not provided to  
21 the entire county, the weather modification authority may certify annually to the board of county  
22 commissioners a tax for a weather modification fund of not to exceed seven mills upon the  
23 taxable valuation of the property in the county designated to receive weather modification  
24 services. In the year for which the levy is sought, the weather modification authority seeking  
25 approval of a property tax levy under this chapter must file with the county auditor, at a time and  
26 in a format prescribed by the county auditor, a financial report for the preceding calendar year  
27 showing the ending balances of each fund held by the authority during that year. The tax shall  
28 be levied by the board of county commissioners and may be levied in excess of the mill levy  
29 limit fixed by law for taxes for general county purposes. The weather modification fund shall be  
30 used only for weather modification activities in conjunction with the state of North Dakota. The

1 tax certified by the weather modification authority is limited to the period of existence of the  
2 weather modification authority as provided for in this chapter.

3 **SECTION 23. AMENDMENT.** Section 61-16.1-06 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **61-16.1-06. District budget - Financial report - Tax levy - Financing by special**  
6 **assessment.**

7 The fiscal year of the district begins January first and ends December thirty-first. The water  
8 resource board shall estimate the expenses of the district before October first of each year.  
9 Estimates of district expenses may include costs of rights of way, easements, or other interests  
10 in property deemed necessary for the construction, operation, and maintenance of any projects.  
11 The district budget may also include an amount necessary for future projects which are part of a  
12 master plan. In the year for which the levy is sought, a water resource board seeking approval  
13 of a property tax levy under this chapter must file with the county auditor of each county in the  
14 district, at a time and in a format prescribed by the county auditors, a financial report for the  
15 preceding calendar year showing the ending balances of each fund held by the water resource  
16 district during that year. Upon completion and adoption of a budget covering necessary  
17 expenses, the board shall send a copy of the budget to the county auditor of each county in the  
18 district. Each county auditor shall transmit the same to the board of county commissioners of  
19 that county. The board of county commissioners shall either disapprove the budget, amend and  
20 approve the budget as amended, or approve the budget as submitted and, if approved as  
21 amended or as submitted, the board shall, by resolution, levy and authorize and direct the  
22 county auditor to extend and spread upon the tax roll of the county or portion of the county in  
23 the district a tax not exceeding the limitation in section 57-15-26.6 in the same manner, and with  
24 the same effect, as general property taxes are extended and spread. Funds produced each  
25 year by the tax levy shall be available until expended, and if the tax levy in any year will not  
26 produce sufficient revenue to cover district expenses, a fund sufficient to pay the district  
27 expenses may be accumulated. The acquisition of rights of way, easements, and the  
28 construction, operation, and maintenance of a project in a district may, in the discretion of the  
29 water resource board, be financed in whole or in part by special assessments against property  
30 benefited by such project, or from revenues realized from general tax collections, or from net

1 revenues to be derived from service charges to be imposed and collected for the services of the  
2 project, or any combination of such sources.

3 **SECTION 24. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
4 December 31, 2015.