

Sixty-fourth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2005

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;  
2 and to amend and reenact sections 54-11-13 and 57-20-07.2 of the North Dakota Century  
3 Code, relating to the salary of the state treasurer and state-paid property tax relief credit.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
6 as may be necessary, are appropriated out of any moneys in the general fund in the state  
7 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
8 other income, to the state treasurer for the purpose of defraying the expenses of that agency,  
9 for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
12 <del>Salaries and wages</del>	<del>\$1,396,437</del>	<del>\$111,228</del>	<del>\$1,507,665</del>
13 <del>Accrued leave payments</del>	<del>13,038</del>	<del>(13,038)</del>	<del>0</del>
14 <del>Operating expenses</del>	<del>135,356</del>	<del>101,658</del>	<del>237,014</del>
15 <del>Coal severance payments</del>	<del>252,800</del>	<del>(7,800)</del>	<del>245,000</del>
16 <del>Property tax relief credits</del>	<del>0</del>	<del>226,800,000</del>	<del>226,800,000</del>
17 <del>Total general fund</del>	<del>\$1,797,631</del>	<del>\$226,992,048</del>	<del>\$228,789,679</del>
18 <u>Salaries and wages</u>	<u>\$1,396,437</u>	<u>\$105,205</u>	<u>\$1,501,642</u>
19 <u>Accrued leave payments</u>	<u>13,038</u>	<u>(13,038)</u>	<u>0</u>
20 <u>Operating expenses</u>	<u>135,356</u>	<u>121,658</u>	<u>257,014</u>
21 <u>Coal severance payments</u>	<u>252,800</u>	<u>(7,800)</u>	<u>245,000</u>
22 <u>Property tax relief credits</u>	<u>0</u>	<u>250,000,000</u>	<u>250,000,000</u>
23 <u>Total general fund</u>	<u>\$1,797,631</u>	<u>\$250,206,025</u>	<u>\$252,003,656</u>
24 Full-time equivalent positions	8.00	0.00	8.00

1       **SECTION 2.ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-**

2 **FIFTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items  
3 approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17  
4 one-time funding items included in the appropriation in section 1 of this Act:

5	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
6	<del>IT developmental costs</del>	<del>\$377,591</del>	<del>\$0</del>
7	<del>Property tax relief</del>	<del>200,000,000</del>	<del>226,800,000</del>
8	<del>Township road distributions</del>	<del>8,760,000</del>	<del>0</del>
9	<del>Township distribution correction</del>	<del>385,000</del>	<del>0</del>
10	<del>Information technology costs</del>	<del>13,247</del>	<del>0</del>
11	<del>Nonoil transportation funding</del>	<del>100,000,000</del>	<del>0</del>
12	<del>Total general fund</del>	<del>\$309,535,838</del>	<del>\$226,800,000</del>
13	<u>IT developmental costs</u>	<u>\$377,591</u>	<u>\$0</u>
14	<u>Property tax relief</u>	<u>200,000,000</u>	<u>250,000,000</u>
15	<u>Township road distributions</u>	<u>8,760,000</u>	<u>0</u>
16	<u>Township distribution correction</u>	<u>385,000</u>	<u>0</u>
17	<u>Information technology costs</u>	<u>13,247</u>	<u>20,000</u>
18	<u>Non-oil transportation funding</u>	<u>100,000,000</u>	<u>0</u>
19	<u>Total general fund</u>	<u>\$309,535,838</u>	<u>\$250,020,000</u>

20 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the  
21 2017-19 biennium. The state treasurer shall report to the appropriations committees of the  
22 sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning  
23 July 1, 2015, and ending June 30, 2017.

24       **SECTION 3. PROPERTY TAX RELIEF CREDITS.** The ~~\$226,800,000~~\$250,000,000  
25 appropriated in the property tax relief credits line item of section 1 of this Act, or so much of the  
26 sum as may be necessary, must be used for the purpose of state-paid property tax relief credits  
27 under section 57-20-07.2, for the biennium beginning July 1, 2015, and ending June 30, 2017.

28       **SECTION 4. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is  
29 amended and reenacted as follows:

1       **54-11-13. Salary of state treasurer.**

2       The annual salary of the state treasurer is ~~ninety-one~~ninety-six thousand ~~four~~nine hundred  
3 ~~six~~seventy-two dollars through June 30, ~~2014~~2016, and ~~ninety-four~~ninety-nine thousand  
4 ~~one~~eight hundred ~~forty-eight~~eighty-one dollars thereafter.

5       **SECTION 5. AMENDMENT.** Section 57-20-07.2 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7       **57-20-07.2. (Effective for the first two taxable years beginning after December 31,**  
8 ~~2012~~2014) **State-paid property tax relief credit.**

- 9       1. The owner of taxable property is entitled to a credit against property taxes levied  
10       against the total amount of property or mobile home taxes in dollars levied against the  
11       taxable value of the property. The credit is equal to ~~twelve~~eleven percent of property or  
12       mobile home taxes levied in dollars against that property.
- 13       2. The owner, operator, or lessee of railroad property assessed by the state board of  
14       equalization under chapter 57-05 or public utility operative property assessed by the  
15       state board of equalization under chapter 57-06 is entitled to a credit against property  
16       taxes levied within each county against that property in the amount provided in  
17       subsection 1 against property taxes levied in dollars against that property in that  
18       county.
- 19       3. The owner, operator, or lessee of operative property of an air carrier transportation  
20       company assessed and taxed under chapter 57-32 is entitled to a credit in the amount  
21       provided in subsection 1 against property taxes in dollars levied against that property.  
22       The tax commissioner shall determine the total amount of credits under this  
23       subsection and certify the amount to the state treasurer for transfer from the general  
24       fund to the air transportation fund. The credit for each air transportation company must  
25       be allocated to each city or municipal airport authority where that company makes  
26       regularly scheduled landings, in the same manner as the tax collected from that  
27       company is allocated.
- 28       4. The tax commissioner shall estimate the amount necessary to provide each county  
29       advance payment of seventy-five percent of the amount the county and the taxing  
30       districts in the county will ultimately receive for a taxable year under this section and  
31       certify the estimated amounts to the state treasurer by March fifteenth for transfer by

1 April first to the county treasurer and distribution to the county and taxing districts in  
2 the county as provided in subsection 5.

3 5. The tax commissioner shall determine the total amount of credits under this section for  
4 each county from the abstract of the tax list filed by the county auditor under section  
5 57-20-04, as audited and corrected by the tax commissioner. The tax commissioner  
6 shall certify to the state treasurer for payment, by June first following receipt of the  
7 abstract of the tax list, the amount determined for each county under this subsection.  
8 No penalty or interest applies to any state payment under this section, regardless of  
9 when the payment is made. The tax commissioner shall reduce the June certification  
10 of payments to reflect the April estimated payments previously made to counties under  
11 subsection 4.

12 6. Upon receipt of the payment from the state treasurer under subsections 4 and 5, the  
13 county treasurer shall apportion and distribute it to the county and the taxing districts  
14 in the county on the basis on which the general real estate tax for the preceding year  
15 is apportioned and distributed.

16 7. After payments to counties under subsection 5 have been made, the tax commissioner  
17 shall certify to the state treasurer as necessary any supplemental amounts payable to  
18 counties or the air transportation fund or any amounts that must be returned by  
19 counties or returned from the air transportation fund for deposit in the state general  
20 fund to correct any errors in payments or reflect any abatement or compromise of  
21 taxes, court-ordered tax reduction or increase, or levy of taxes against omitted  
22 property. The county auditor shall provide any supplemental information requested by  
23 the tax commissioner after submission of the abstract of the tax list. The county  
24 treasurer shall apply to the tax commissioner for any supplemental payments to which  
25 the county treasurer believes the county is entitled.

26 8. Notwithstanding any other provision of law, for any property other than mobile homes,  
27 the property tax credit under this section does not apply to any property subject to  
28 payments or taxes that are stated by law to be in lieu of personal or real property  
29 taxes.