

Introduced by

Representative Marschall

1 A BILL for an Act to amend and reenact section 57-39.2-26.1 of the North Dakota Century
2 Code, relating to the timing of state aid distribution fund allocations among political subdivisions;
3 to provide a continuing appropriation; and to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-39.2-26.1 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 ~~57-39.2-26.1. Allocation of revenues among political subdivisions~~State aid
8 distribution fund - State treasurer - Continuing appropriation.

9 Notwithstanding any other provision of law, a portion of sales, gross receipts, use, and
10 motor vehicle excise tax collections, equal to forty-three and one-half percent of an amount
11 determined by multiplying the quotient of one percent divided by the general sales tax rate, that
12 was in effect when the taxes were collected, times the net sales, gross receipts, use, and motor
13 vehicle excise tax collections under chapters 57-39.2, 57-39.5, 57-39.6, 57-40.2, and 57-40.3
14 must be deposited by the state treasurer in the state aid distribution fund. The state tax
15 commissioner shall certify to the state treasurer the portion of sales, gross receipts, use, and
16 motor vehicle excise tax net revenues that must be deposited in the state aid distribution fund
17 as determined under this section. Revenues deposited in the state aid distribution fund are
18 ~~provided as a standing and continuing appropriation~~appropriated to the state treasurer on a
19 continuing basis and must be allocated monthly as follows:

- 20 1. Fifty-three and seven-tenths percent of the revenues must be allocated to counties ~~in~~
21 ~~the first month after each quarterly period~~ as provided in this subsection.
- 22 a. Sixty-four percent of the amount must be allocated among the seventeen
23 counties with the greatest population, in the following manner:

1 (1) Thirty-two percent of the amount must be allocated equally among the
2 counties; and

3 (2) The remaining amount must be allocated based upon the proportion each
4 such county's population bears to the total population of all such counties.

5 b. Thirty-six percent of the amount must be allocated among all counties, excluding
6 the seventeen counties with the greatest population, in the following manner:

7 (1) Forty percent of the amount must be allocated equally among the counties;
8 and

9 (2) The remaining amount must be allocated based upon the proportion each
10 such county's population bears to the total population of all such counties.

11 A county shall deposit all revenues received under this subsection in the county
12 general fund. Each county shall reserve a portion of its allocation under this
13 subsection for further distribution to, or expenditure on behalf of, townships, rural fire
14 protection districts, rural ambulance districts, soil conservation districts, county
15 recreation service districts, county hospital districts, the Garrison Diversion
16 Conservancy District, the southwest water authority, and other taxing districts within
17 the county, excluding school districts, cities, and taxing districts within cities. The share
18 of the county allocation under this subsection to be distributed to a township must be
19 equal to the percentage of the county share of state aid distribution fund allocations
20 that township received during calendar year 1996. The governing boards of the county
21 and township may agree to a different distribution.

22 2. Forty-six and three-tenths percent of the revenues must be allocated to cities ~~in the~~
23 ~~first month after each quarterly period~~ based upon the proportion each city's
24 population bears to the total population of all cities.

25 A city shall deposit all revenues received under this subsection in the city general
26 fund. Each city shall reserve a portion of its allocation under this subsection for further
27 distribution to, or expenditure on behalf of, park districts and other taxing districts
28 within the city, excluding school districts. The share of the city allocation under this
29 subsection to be distributed to a park district must be equal to the percentage of the
30 city share of state aid distribution fund allocations that park district received during

1 calendar year 1996, up to a maximum of thirty percent. The governing boards of the
2 city and park district may agree to a different distribution.

3 **SECTION 2. EFFECTIVE DATE.** This Act is effective for net sales, gross receipts, use, and
4 motor vehicle excise tax collections deposited in the state aid distribution fund after June 30,
5 2021.