

**Sixty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 5, 2021**

HOUSE BILL NO. 1116
(Representatives Klemin, Heinert)
(Senators Bekkedahl, Patten)

AN ACT to amend and reenact subsection 6 of section 21-03-07 and sections 57-15-06.6 and 57-47-02 of the North Dakota Century Code, relating to the issuance of general obligation bonds and the authorized uses of the county capital projects levy; to provide an effective date; and to provide a contingent effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 6 of section 21-03-07 of the North Dakota Century Code is amended and reenacted as follows:

6. The governing body of any county may also by resolution adopted by a two-thirds vote dedicate the tax levy levies authorized by section 57-15-06.6 and subsection 5 of section 57-15-06.7 and may authorize and issue general obligation bonds to be paid by the dedicated levy for the purpose of providing funds for the purchase, construction, reconstruction, or repair of regional or county correction centers, or parks and recreational facilities purposes identified under section 57-15-06.6 and subsection 5 of section 57-15-06.7; provided, that the initial resolution authorizing the tax levy dedication and general obligation bonds must be published in the official newspaper, and any owner of taxable property within the county may, within sixty days after publication, file with the county auditor a protest against the adoption of the resolution. Protests must be in writing and must describe the property which is the subject of the protest. If the governing body finds such protests to have been signed by the owners of taxable property having an assessed valuation equal to five percent or more of the assessed valuation of all taxable property within the county, as ~~theretofore~~ last finally equalized, all further proceedings under the initial resolution are barred.

SECTION 2. AMENDMENT. Section 57-15-06.6 of the North Dakota Century Code is amended and reenacted as follows:

57-15-06.6. County capital projects levy.

1. The board of county commissioners of each county may levy an annual tax not exceeding ten mills plus any voter-approved additional levy as provided in subsection 8 of section 57-15-06.7 for the purpose of the following capital projects:
 4. a. Constructing ~~and~~, equipping, and maintaining structural and mechanical components of regional or county corrections centers or for the purpose of contracting for corrections center space capacity from another public or private entity.
 2. b. Acquiring real estate as a site for public parks and construction ~~and~~, equipping, and maintaining structural and mechanical components of recreational facilities under section 11-28-06.
 3. c. Acquiring real estate as a site for county buildings and operations and constructing ~~and~~, equipping, and maintaining structural and mechanical components of county buildings and property.
 4. d. Acquiring real estate as a site for county fair buildings and operations and constructing ~~and~~, equipping, and maintaining structural and mechanical components of county fair buildings and property as provided in section 4-02-26.

5. e. Acquiring and developing real estate, capital improvements, buildings, pavement, equipment, and debt service associated with financing for county supported airports or airport authorities.
 6. f. Expenditures for the cost of leasing as an alternative means of financing for any of the purposes for which expenditures are authorized under ~~subsections 1~~subdivisions a through ~~5e~~.
 - g. Improvement of the county road system, including the acquisition of land; construction of new paved and unpaved roads, bridges, or public places; replacement of existing paved and unpaved roads, bridges, or public places; and maintenance and repair of existing paved and unpaved roads, bridges, or public places.
2. Any voter-approved levy for the purposes specified in this section approved by the electors before January 1, 2015, remains effective through 2024 or the period of time for which it was approved by the electors, whichever is less, under the provisions of law in effect at the time it was approved. After January 1, 2015, approval or reauthorization by electors of increased levy authority under this section may not be effective for more than ten taxable years.

SECTION 3. AMENDMENT. Section 57-47-02 of the North Dakota Century Code is amended and reenacted as follows:

57-47-02. County authorized to borrow - Term - Interest rate.

Whenever in the judgment of the board of county commissioners all taxes authorized to be levied in any one year for general or special county purposes are insufficient to carry on the primary governmental functions, or to pay the mandatory obligations imposed by law upon a county, then such a county may borrow money in such an amount as the board ~~shall determine to be~~determines necessary to meet the deficiencies existing in its general or special funds, or to carry on primary governmental functions, and to pay mandatory obligations. For the purpose of borrowing, a county may issue evidences of indebtedness, which must consist of an agreement by the county to pay a stated sum on a specified date, or on or before a specified date, not more than five years in the future, or twenty years for loans issued under section 6-09-49, together with interest ~~thereon~~ at a rate or rates resulting in an average annual net interest cost not to exceed twelve percent per annum if sold privately, or with no interest rate ceiling if sold at a public sale or to the state of North Dakota or any of its agencies or instrumentalities. A public sale must comply with the procedures set out in chapter 21-03. There is no requirement for an advertisement for bids if an evidence of indebtedness is sold privately or to the state of North Dakota or any of its agencies or instrumentalities.

SECTION 4. AMENDMENT. Section 57-47-02 of the North Dakota Century Code is amended and reenacted as follows:

57-47-02. County authorized to borrow - Term - Interest rate.

Whenever in the judgment of the board of county commissioners all taxes authorized to be levied in any one year for general or special county purposes are insufficient to carry on the primary governmental functions, or to pay the mandatory obligations imposed by law upon a county, then such a county may borrow money in an amount the board determines necessary to meet the deficiencies existing in its general or special funds, or to carry on primary governmental functions, and to pay mandatory obligations. For the purpose of borrowing, a county may issue evidences of indebtedness, which must consist of an agreement by the county to pay a stated sum on a specified date, or on or before a specified date, not more than five years in the future, or twenty years for loans issued under section 6-09-49 or 6-09-49.1, together with interest at a rate or rates resulting in an average annual net interest cost not to exceed twelve percent per annum if sold privately, or with no interest rate ceiling if sold at a public sale or to the state of North Dakota or any of its agencies or instrumentalities. A public sale must comply with the procedures set out in chapter 21-03. There is no requirement for an advertisement for bids if an evidence of indebtedness is sold privately or to the state of North Dakota or any of its agencies or instrumentalities.

SECTION 5. EFFECTIVE DATE. Sections 2 and 3 of this Act are effective for taxable years beginning after December 31, 2020.

SECTION 6. CONTINGENT EFFECTIVE DATE. Section 4 of this Act is effective at the time provided in Section 5 of this Act if section 6-09-49.1, as created by House Bill No. 1425, is approved by the sixty-seventh legislative assembly.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1116.

House Vote: Yeas 84 Nays 9 Absent 1

Senate Vote: Yeas 45 Nays 2 Absent 0

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2021.

Approved at _____ M. on _____, 2021.

Governor

Filed in this office this _____ day of _____, 2021,

at _____ o'clock _____ M.

Secretary of State