

**2023 HOUSE HUMAN SERVICES**

**HB 1365**

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Human Services Committee Pioneer Room, State Capitol

HB 1365  
1/25/2023

Relating to rural ambulance service district levies and ambulance operations areas.

Chairman Weisz called the meeting to order at 2:31 PM.

Chairman Robin Weisz, Vice Chairman Matthew Ruby, Reps. Karen A. Anderson, Mike Beltz, Clayton Fegley, Kathy Frelich, Dawson Holle, Dwight Kiefert, Carrie McLeod, Brandon Prichard, Karen M. Rohr, and Jayme Davis present. Reps. Gretchen Dobervich and Todd Porter not present.

### **Discussion Topics:**

- Rural ambulance taxing district
- Tax exemption for unserved area
- Emergency clause

Rep. Fegley introduced HB 1365 with supportive testimony (#16852).

Adam Parker, chairman of the North Dakota Emergency Medical Services Association's advocacy committee, spoke in support of bill.

Aaron Burst, North Dakota Association of Counties, spoke in favor of bill.

Chairman Weisz adjourned the meeting at 2:43 PM.

*Phillip Jacobs, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Human Services Committee Pioneer Room, State Capitol

HB 1365  
2/13/2023

Relating to rural ambulance service district levies and ambulance operations areas.

Chairman Weisz called the meeting to order at 4:01 PM.

Chairman Robin Weisz, Vice Chairman Matthew Ruby, Reps. Karen A. Anderson, Mike Beltz, Clayton Fegley, Kathy Frelich, Dawson Holle, Dwight Kiefert, Carrie McLeod, Todd Porter, Brandon Prichard, Karen M. Rohr, Jayme Davis, and Gretchen Dobervich. All present.

### Discussion Topics:

- Committee work
- Amendment (23.0823.01002)
- Financial support for rural ambulance services

Chairman called for a discussion of amendment 23.0823.01002 #27883).

Representative Dobervich moved to adopt amendment to HB 1365. (23.0823.01002)

Seconded by Representative Rohr

Voice vote: Motion carries

Representative Dobervich moved a do pass as amended on HB 1365.

Seconded by Representative Fegley.

Roll Call Vote:

Representatives	Vote
Representative Robin Weisz	Y
Representative Matthew Ruby	Y
Representative Karen A. Anderson	Y
Representative Mike Beltz	Y
Representative Jayme Davis	Y
Representative Gretchen Dobervich	Y
Representative Clayton Fegley	Y
Representative Kathy Frelich	Y
Representative Dawson Holle	Y
Representative Dwight Kiefert	Y
Representative Carrie McLeod	Y
Representative Todd Porter	Y
Representative Brandon Prichard	Y
Representative Karen M. Rohr	Y

House Human Services Committee

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Motion carries 14-0-0.

Bill carrier: Representative Fegley.

Chairman Weisz adjourned the meeting at 4:13 PM.

*Phillip Jacobs, Committee Clerk By: Leah Kuball*



February 14, 2023

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PROPOSED AMENDMENTS TO HOUSE BILL NO. 1365

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 11-28.3 and a new section to chapter 23-27 of the North Dakota Century Code, relating to the discharge of a rural ambulance service's financial obligations and required formation of rural ambulance service districts without vote;"

Page 1, line 1, after "sections" insert "11-28.3-05, 11-28.3-06,"

Page 1, line 1, after "11-28.3-09" insert ", 11-28.3-13, 11-28.3-16, 23-27-04.2, 23-46-04,"

Page 1, line 1, replace "23-46-03" with "57-15-50"

Page 1, line 2, after "district" insert "formation,"

Page 1, line 2, after "levies" insert ", and dissolution procedures,"

Page 1, line 2, remove "and"

Page 1, line 3, after "areas" insert ", state financial assistance for emergency medical services, and county emergency medical service levy"

Page 1, after line 4, insert:

**SECTION 1. AMENDMENT.** Section 11-28.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-05. Notice by county auditor of meeting to organize district.**

If a rural ambulance service district is approved as provided in this chapter or as required by section 8 of this Act, the county auditor of the county in which the proposed district is located shall issue notice of a public meeting to organize the rural ambulance service district. The notice must be given by publication once a week for two consecutive weeks, the last notice appearing seven days before the date of the meeting in a newspaper of general circulation within the proposed district. The notice must be addressed to all qualified electors residing within the boundaries of the district, describe the boundaries of the district, and state the date, time, and place of the meeting. If the district is located within two or more counties, the county auditors of the counties shall confer and set the date, time, and place of the meeting and shall cause the publication of the meeting notice in each of said counties.

**SECTION 2. AMENDMENT.** Section 11-28.3-06 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-06. Organization - Board of directors.**

At the time and place fixed by the county auditor for the public meeting as provided in section 11-28.3-05, the qualified electors present who reside within the boundaries of the district shall proceed to organize the district. Permanent organization must be effected by the election of a board of directors consisting of not less than five nor more than ten residents of the district. The board of directors shall meet as soon after the organizational meeting as possible to elect a president, a vice president, and a secretary-treasurer. All directors and officers must be elected for two years and hold

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office until their successors have been elected and qualified, except that at the first election the vice president must be elected as provided in this section for a one-year term, and one-half, or as close to one-half as possible depending upon the total number of directors, of the directors elected at the first election after July 1, 1977, must be selected by lot in the presence of a majority of such directors to serve one-year terms. A district may specify in its bylaws a specified number of directors within the limitations in this section, provided each township or group of townships receives equal representation on the board with respect to the regions. The bylaws also may allow for a combination of regional directors and at-large directors. If a vacancy occurs in a board position due to a resignation, a special meeting must be called and held within sixty days of the resignation for the purpose of electing a director to serve the remainder of the term. All officers and directors shall serve without pay, except the secretary-treasurer, who may be paid a salary determined by the board of directors. No more than two elected members of the board may be members of the licensed ambulance service serving the district territory and those board members must meet the definition of volunteer in section 23-27-04.1."

Page 1, line 24, overstrike "A rural ambulance"

Page 2, overstrike lines 1 and 2

Page 2, line 25, replace "23-46-03" with "23-27-01"

Page 2, line 27, replace "individuals residing" with "the territory"

Page 2, line 31, after "section" insert ". Changes to the ambulance operations area will not impact the district under this section until the subsequent tax year. The excluded territory remains responsible and must discharge its proportionate share of outstanding obligations pursuant to the procedure under section 6 of this Act"

Page 3, replace lines 1 through 13 with:

**"SECTION 4. AMENDMENT.** Section 11-28.3-13 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-13. Boundaries of rural ambulance service district - Dissolution of the district.**

The boundaries of any rural ambulance service district organized under this chapter may be changed in the manner prescribed by section 11-28.3-15 or 11-28.3-16, but a change in the boundary of a district does not impair or affect its organization or its right in or to property; nor does it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it might be liable had such change of boundaries not been made.

Dissolution of a rural ambulance service district may be accomplished in the manner prescribed by section 11-28.3-15 or 11-28.3-16. The petition and notice of election must state the purpose of the election is to dissolve the rural ambulance service district and must describe its boundaries. The ballot to dissolve a rural ambulance service district must be in substantially the following form:

~~Shall (name of taxing district or districts) cease to levy a tax for the purpose of maintaining a rural ambulance service district, and shall such district be dissolved?~~

Yes



No

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~~If a majority of all votes cast on the question are in favor of dissolution, as provided in this section. If an ambulance service district in whole does not provide emergency medical services under section 23-27-01, whether directly or through a contract under section 11-28.3-12, the district board, upon its own motion and vote, may dissolve the district is dissolved thirty days after the canvass of the votes effective the subsequent tax year. After The territory remains subject to all debts and obligations of the dissolved district are paid, any remaining funds must be deposited in the general fund of the county in which the district was contained. If the dissolved district was located in more than one county, any pursuant to the procedure under section 6 of this Act. Any funds remaining after all debts and obligations are paid must be divided among those counties rural ambulance service districts or political subdivisions responsible for emergency medical service operations in the jurisdiction in the same proportion as the geographical area of the district in each county bears to the total geographical area of the dissolved district.~~

**SECTION 5. AMENDMENT.** Section 11-28.3-16 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-16. Withdrawal from ambulance service district - Restrictions.**

1. Any elector who resides in an area subject to a mill levy under section 11-28.3-09 and wishes to withdraw from the ambulance service district may do so if the territory to be withdrawn from the district:
  - a. Borders on the outer boundary of the district; and
  - b. Has a written agreement with an adjacent emergency medical services operation licensed by the department of health and human services to provide coverage to the territory if the territory is withdrawn successfully.
2. The district shall discharge its financial obligations pursuant to the procedure under section 6 of this Act.
3. Notwithstanding section 57-40.6-10, the district is not obligated to maintain the withdrawn district within the primary response area of the district.
3. ~~The territory to be withdrawn from the district under this section remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the filing of the petition for the withdrawal of the territory. The taxable valuation of property in the territory to be withdrawn bears to the taxable valuation of all property within the district before the withdrawal.~~
4. ~~Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate share of outstanding obligations are paid.~~
5. The proceedings for withdrawal must be initiated by the filing of a petition with the appropriate county auditor or signed by fifty electors, or if there are not fifty electors residing in the area, fifty percent of the qualified electors in the territory sought to be withdrawn and the petition must contain a description of the boundaries of the territory sought to be withdrawn and a map or plat illustrating the area.

- 6-5. The county auditor shall determine whether the petition complies with the requirements of subsection 5. If the petition is accepted, the county auditor promptly shall designate a time and place for an election upon the petition and shall give notice of the election in the manner prescribed by section 11-28.3-03. At the election, any qualified elector residing within the boundaries of the territory to be withdrawn may cast a vote. If the majority cast a vote in favor of the question of withdrawal, the territory is considered withdrawn from the district. HA  
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- 7-6. The county auditor shall determine and certify the respective percentage proportions of the taxable valuation of the territory petitioned to be withdrawn to the taxable valuation of all property in the district before withdrawal to the board of directors of the district withdrawn.
- 8-7. Within thirty days after receipt of the petition, verification, and computation of respective percentage proportions, the board of directors of the district withdrawn shall attach to the petition a statement of outstanding obligations of the district and shall forward the petition to the appropriate board or boards of county commissioners.
9. ~~The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, and shall describe, by written order, the boundaries of the territory withdrawn and the indebtedness of the district assigned to the territory and subject to continued levy under section 11-28.3-09. The order and computation must be filed in the office of the county auditor.~~
10. ~~The annual estimate required under section 11-28.3-09 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn territory.~~

**SECTION 6.** A new section to chapter 11-28.3 of the North Dakota Century Code is created and enacted as follows:

**Discharge of financial obligations.**

1. The territory to be withdrawn, exempted, or dissolved from the district under this chapter remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the withdrawal, exemption, or dissolution. The taxable valuation of property in the territory to be withdrawn, exempt, or dissolved bears to the taxable valuation of all property within the district before the withdrawal, exemption, or dissolution.
2. Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate share of outstanding obligations are paid.
3. The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, exempted, or dissolved, and shall describe, by written order, the boundaries of the territory withdrawn, exempted, or dissolved and the indebtedness of the district assigned to the territory and



subject to continued levy under section 11-28.3-09. The order and computation must be filed in the office of the county auditor.

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4. The annual estimate required under section 11-28.3-09 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn, exempted, or dissolved territory.

**SECTION 7. AMENDMENT.** Section 23-27-04.2 of the North Dakota Century Code is amended and reenacted as follows:

**23-27-04.2. Emergency medical services - State assistance.**

The department of health and human services shall assist in the training of emergency medical services personnel of certain emergency medical services operations as determined by the department and financially shall assist certain emergency medical services operations as determined by the department in obtaining equipment. Assistance provided under this section must be within the limits of legislative appropriation. The department shall adopt criteria for eligibility for assistance in the training of emergency medical services personnel of various types of emergency medical services operations. ~~To qualify for financial assistance for equipment an emergency medical services operation shall certify, in the manner required by the department, that the operation has fifty percent of the amount of funds necessary for identified equipment acquisitions. The department shall adopt a schedule of eligibility for financial assistance for equipment. The schedule must provide for a direct relationship between the amount of funds certified and the number of responses during the preceding calendar year for the purpose of rendering medical care, transportation, or both, to individuals who were sick or incapacitated. The schedule must require that as the number of responses increases, a greater amount of funds certified is required. The schedule must classify responses and the financial assistance available for various classifications. The department may establish minimum and maximum amounts of financial assistance to be provided to an emergency medical services operation under this section. If applications for financial assistance exceed the amount of allocated and available funds, the department may prorate the funds among the applicants in accordance with criteria adopted by the department. No more than one-half of the funds appropriated by the legislative assembly each biennium and allocated for training assistance may be distributed in the first year of the biennium. For emergency medical service operations subject to section 8 of this Act, after June 20, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.~~

**SECTION 8.** A new section to chapter 23-27 of the North Dakota Century Code is created and enacted as follows:

**Required formation of rural ambulance service district - Organizational meeting - Exemption - Eligibility for relicensure.**

1. Emergency medical service operations licensed under this chapter as a basic life support or advanced life support ambulance service for which a territory has been assigned pursuant to this chapter does not include a city with a population greater than six thousand five hundred according to the 2020 census data published by the United States census bureau, and is



not otherwise exempted, must conduct a rural ambulance service district organizational meeting pursuant to the procedure in 11-28.3-06 prior to June 30, 2025. After such organizational meeting the district shall be deemed organized and operating under the provisions of chapter 11-28.3.

2. The following licensed ambulance services are exempt from this section:
  - a. Licensed ambulance services that are county owned.
  - b. Licensed ambulance services that are city owned.
  - c. Licensed ambulance services that are part of a joint powers agreement with a city or county-owned ambulance.
  - d. Licensed ambulance services owned by tribal or federal government.
  - e. Existing rural ambulance service districts organized pursuant to chapter 11-28.3.
3. Ambulance services not in compliance with this section may not be eligible for relicensure under this chapter.

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**SECTION 9. AMENDMENT.** Section 23-46-04 of the North Dakota Century Code is amended and reenacted as follows:

**23-46-04. State financial assistance for emergency medical services - Confidential information - Annual allocation.**

Emergency medical services operations that request financial assistance from the state must provide requested fiscal information to the department of health and human services for use in financial assistance determinations. All information provided to the department under this section is confidential. The department of health and human services shall determine annually the allocation amount of state financial assistance for each emergency medical services funding area based on the department's determination of the minimum annual funding necessary to operate the emergency medical services operation or service designated to operate in the ambulance funding area, based on the financial needs unique to each emergency medical services funding area. For emergency medical service operations subject to section 8 of this Act, after June 30, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.

**SECTION 10. AMENDMENT.** Section 57-15-50 of the North Dakota Century Code is amended and reenacted as follows:

**57-15-50. County emergency medical service levy.**

Upon petition of ten percent of the number of qualified electors of the county voting in the last election for governor or upon its own motion, the board of county commissioners of each county shall levy annually a tax not exceeding the limitation in subsection 10 of section 57-15-06.7, for the purpose of subsidizing county emergency medical services; provided, that this tax must be approved by a majority of the qualified electors of the county voting on the question at a regular or special countywide election. The county may budget, in addition to its annual operating budget for subsidizing emergency medical service, no more than ten percent of its annual

operating budget as a depreciation expense to be set aside in a dedicated emergency medical services sinking fund deposited with the treasurer for the replacement of equipment and ambulances. The ten percent emergency medical services sinking fund must be in addition to the annual operating budget for subsidization, but the total of the annual operating budget and the annual ten percent emergency medical services sinking fund may not exceed the approved mill levy. If the county contains a rural ambulance service district or rural fire protection district that levies for and provides emergency medical service, the property within that district is exempt from the county tax levy under this section upon notice from the governing body of the district to the board of county commissioners of the existence of the district. After December 31, 2025, special taxes levied under this section and distributed pursuant to 23-27-04.7 must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.

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Page 3, line 15, replace "2022" with "2024"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1365: Human Services Committee (Rep. Weisz, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1365 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 11-28.3 and a new section to chapter 23-27 of the North Dakota Century Code, relating to the discharge of a rural ambulance service's financial obligations and required formation of rural ambulance service districts without vote;"

Page 1, line 1, after "sections" insert "11-28.3-05, 11-28.3-06,"

Page 1, line 1, after "11-28.3-09" insert ", 11-28.3-13, 11-28.3-16, 23-27-04.2, 23-46-04,"

Page 1, line 1, replace "23-46-03" with "57-15-50"

Page 1, line 2, after "district" insert "formation,"

Page 1, line 2, after "levies" insert ", and dissolution procedures,"

Page 1, line 2, remove "and"

Page 1, line 3, after "areas" insert ", state financial assistance for emergency medical services, and county emergency medical service levy"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Section 11-28.3-05 of the North Dakota Century Code is amended and reenacted as follows:

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If a rural ambulance service district is approved as provided in this chapter or as required by section 8 of this Act, the county auditor of the county in which the proposed district is located shall issue notice of a public meeting to organize the rural ambulance service district. The notice must be given by publication once a week for two consecutive weeks, the last notice appearing seven days before the date of the meeting in a newspaper of general circulation within the proposed district. The notice must be addressed to all qualified electors residing within the boundaries of the district, describe the boundaries of the district, and state the date, time, and place of the meeting. If the district is located within two or more counties, the county auditors of the counties shall confer and set the date, time, and place of the meeting and shall cause the publication of the meeting notice in each of said counties.

**SECTION 2. AMENDMENT.** Section 11-28.3-06 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-06. Organization - Board of directors.**

At the time and place fixed by the county auditor for the public meeting as provided in section 11-28.3-05, the qualified electors present who reside within the boundaries of the district shall proceed to organize the district. Permanent organization must be effected by the election of a board of directors consisting of not less than five nor more than ten residents of the district. The board of directors shall meet as soon after the organizational meeting as possible to elect a president, a vice president, and a secretary-treasurer. All directors and officers must be elected for two years and hold office until their successors have been elected and qualified, except that at the first election the vice president must be elected as provided in this section for a one-year term, and one-half, or as close to one-half as possible depending upon the total number of directors, of the directors elected at the first election after



July 1, 1977, must be selected by lot in the presence of a majority of such directors to serve one-year terms. A district may specify in its bylaws a specified number of directors within the limitations in this section, provided each township or group of townships receives equal representation on the board with respect to the regions. The bylaws also may allow for a combination of regional directors and at-large directors. If a vacancy occurs in a board position due to a resignation, a special meeting must be called and held within sixty days of the resignation for the purpose of electing a director to serve the remainder of the term. All officers and directors shall serve without pay, except the secretary-treasurer, who may be paid a salary determined by the board of directors. No more than two elected members of the board may be members of the licensed ambulance service serving the district territory and those board members must meet the definition of volunteer in section 23-27-04.1."

Page 1, line 24, overstrike "A rural ambulance"

Page 2, overstrike lines 1 and 2

Page 2, line 25, replace "23-46-03" with "23-27-01"

Page 2, line 27, replace "individuals residing" with "the territory"

Page 2, line 31, after "section" insert ". Changes to the ambulance operations area will not impact the district under this section until the subsequent tax year. The excluded territory remains responsible and must discharge its proportionate share of outstanding obligations pursuant to the procedure under section 6 of this Act"

Page 3, replace lines 1 through 13 with:

**"SECTION 4. AMENDMENT.** Section 11-28.3-13 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-13. Boundaries of rural ambulance service district - Dissolution of the district.**

The boundaries of any rural ambulance service district organized under this chapter may be changed in the manner prescribed by section 11-28.3-15 or 11-28.3-16, but a change in the boundary of a district does not impair or affect its organization or its right in or to property; nor does it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it might be liable had such change of boundaries not been made.

~~Dissolution of a rural ambulance service district may be accomplished in the manner prescribed by section 11-28.3-15 or 11-28.3-16. The petition and notice of election must state the purpose of the election is to dissolve the rural ambulance service district and must describe its boundaries. The ballot to dissolve a rural ambulance service district must be in substantially the following form:~~

~~Shall (name of taxing district or districts) cease to levy a tax for the purpose of maintaining a rural ambulance service district, and shall such district be dissolved?~~

~~Yes~~

~~No~~

If a majority of all votes cast on the question are in favor of dissolution, as provided in this section. If an ambulance service district in whole does not provide emergency medical services under section 23-27-01, whether directly or through a contract under section 11-28.3-12, the district board, upon its own motion and vote, may dissolve the district is dissolved thirty days after the canvass of the votes effective the subsequent tax year. After The territory remains subject to all debts

~~and obligations of the dissolved district are paid, any remaining funds must be deposited in the general fund of the county in which the district was contained. If the dissolved district was located in more than one county, any pursuant to the procedure under section 6 of this Act. Any funds remaining after all debts and obligations are paid must be divided among those counties rural ambulance service districts or political subdivisions responsible for emergency medical service operations in the jurisdiction in the same proportion as the geographical area of the district in each county bears to the total geographical area of the dissolved district.~~

**SECTION 5. AMENDMENT.** Section 11-28.3-16 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-16. Withdrawal from ambulance service district - Restrictions.**

1. Any elector who resides in an area subject to a mill levy under section 11-28.3-09 and wishes to withdraw from the ambulance service district may do so if the territory to be withdrawn from the district:
  - a. Borders on the outer boundary of the district; and
  - b. Has a written agreement with an adjacent emergency medical services operation licensed by the department of health and human services to provide coverage to the territory if the territory is withdrawn successfully.
2. The district shall discharge its financial obligations pursuant to the procedure under section 6 of this Act.
3. Notwithstanding section 57-40.6-10, the district is not obligated to maintain the withdrawn district within the primary response area of the district.
3. ~~The territory to be withdrawn from the district under this section remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the filing of the petition for the withdrawal of the territory. The taxable valuation of property in the territory to be withdrawn bears to the taxable valuation of all property within the district before the withdrawal.~~
4. ~~Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate share of outstanding obligations are paid.~~
5. The proceedings for withdrawal must be initiated by the filing of a petition with the appropriate county auditor or signed by fifty electors, or if there are not fifty electors residing in the area, fifty percent of the qualified electors in the territory sought to be withdrawn and the petition must contain a description of the boundaries of the territory sought to be withdrawn and a map or plat illustrating the area.
- 6-5. The county auditor shall determine whether the petition complies with the requirements of subsection 5. If the petition is accepted, the county auditor promptly shall designate a time and place for an election upon the petition and shall give notice of the election in the manner prescribed by section 11-28.3-03. At the election, any qualified elector residing within the boundaries of the territory to be withdrawn may cast a vote. If the majority cast a vote in favor of the question of withdrawal, the territory is considered withdrawn from the district.
- 7-6. The county auditor shall determine and certify the respective percentage proportions of the taxable valuation of the territory petitioned to be

withdrawn to the taxable valuation of all property in the district before withdrawal to the board of directors of the district withdrawn.

- 8-7. Within thirty days after receipt of the petition, verification, and computation of respective percentage proportions, the board of directors of the district withdrawn shall attach to the petition a statement of outstanding obligations of the district and shall forward the petition to the appropriate board or boards of county commissioners.
9. ~~The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, and shall describe, by written order, the boundaries of the territory withdrawn and the indebtedness of the district assigned to the territory and subject to continued levy under section 11-28.3-09. The order and computation must be filed in the office of the county auditor.~~
10. ~~The annual estimate required under section 11-28.3-09 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn territory.~~

**SECTION 6.** A new section to chapter 11-28.3 of the North Dakota Century Code is created and enacted as follows:

**Discharge of financial obligations.**

1. The territory to be withdrawn, exempted, or dissolved from the district under this chapter remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the withdrawal, exemption, or dissolution. The taxable valuation of property in the territory to be withdrawn, exempt, or dissolved bears to the taxable valuation of all property within the district before the withdrawal, exemption, or dissolution.
2. Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate share of outstanding obligations are paid.
3. The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, exempted, or dissolved, and shall describe, by written order, the boundaries of the territory withdrawn, exempted, or dissolved and the indebtedness of the district assigned to the territory and subject to continued levy under section 11-28.3-09. The order and computation must be filed in the office of the county auditor.
4. The annual estimate required under section 11-28.3-09 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn, exempted, or dissolved territory.

**SECTION 7. AMENDMENT.** Section 23-27-04.2 of the North Dakota Century Code is amended and reenacted as follows:

**23-27-04.2. Emergency medical services - State assistance.**

The department of health and human services shall assist in the training of emergency medical services personnel of certain emergency medical services operations as determined by the department and financially shall assist certain emergency medical services operations as determined by the department ~~in obtaining equipment~~. Assistance provided under this section must be within the limits of legislative appropriation. The department shall adopt criteria for eligibility for

~~assistance in the training of emergency medical services personnel of various types of emergency medical services operations. To qualify for financial assistance for equipment an emergency medical services operation shall certify, in the manner required by the department, that the operation has fifty percent of the amount of funds necessary for identified equipment acquisitions. The department shall adopt a schedule of eligibility for financial assistance for equipment. The schedule must provide for a direct relationship between the amount of funds certified and the number of responses during the preceding calendar year for the purpose of rendering medical care, transportation, or both, to individuals who were sick or incapacitated. The schedule must require that as the number of responses increases, a greater amount of funds certified is required. The schedule must classify responses and the financial assistance available for various classifications. The department may establish minimum and maximum amounts of financial assistance to be provided to an emergency medical services operation under this section. If applications for financial assistance exceed the amount of allocated and available funds, the department may prorate the funds among the applicants in accordance with criteria adopted by the department. No more than one-half of the funds appropriated by the legislative assembly each biennium and allocated for training assistance may be distributed in the first year of the biennium. For emergency medical service operations subject to section 8 of this Act, after June 20, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.~~

**SECTION 8.** A new section to chapter 23-27 of the North Dakota Century Code is created and enacted as follows:

**Required formation of rural ambulance service district - Organizational meeting - Exemption - Eligibility for relicensure.**

1. Emergency medical service operations licensed under this chapter as a basic life support or advanced life support ambulance service for which a territory has been assigned pursuant to this chapter does not include a city with a population greater than six thousand five hundred according to the 2020 census data published by the United States census bureau, and is not otherwise exempted, must conduct a rural ambulance service district organizational meeting pursuant to the procedure in 11-28.3-06 prior to June 30, 2025. After such organizational meeting the district shall be deemed organized and operating under the provisions of chapter 11-28.3.
2. The following licensed ambulance services are exempt from this section:
  - a. Licensed ambulance services that are county owned.
  - b. Licensed ambulance services that are city owned.
  - c. Licensed ambulance services that are part of a joint powers agreement with a city or county-owned ambulance.
  - d. Licensed ambulance services owned by tribal or federal government.
  - e. Existing rural ambulance service districts organized pursuant to chapter 11-28.3.
3. Ambulance services not in compliance with this section may not be eligible for relicensure under this chapter.

**SECTION 9. AMENDMENT.** Section 23-46-04 of the North Dakota Century Code is amended and reenacted as follows:

**23-46-04. State financial assistance for emergency medical services - Confidential information - Annual allocation.**

Emergency medical services operations that request financial assistance from the state must provide requested fiscal information to the department of health and human services for use in financial assistance determinations. All information provided to the department under this section is confidential. The department of health and human services shall determine annually the allocation amount of state financial assistance for each emergency medical services funding area based on the department's determination of the minimum annual funding necessary to operate the emergency medical services operation or service designated to operate in the ambulance funding area, based on the financial needs unique to each emergency medical services funding area. For emergency medical service operations subject to section 8 of this Act, after June 30, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.

**SECTION 10. AMENDMENT.** Section 57-15-50 of the North Dakota Century Code is amended and reenacted as follows:

**57-15-50. County emergency medical service levy.**

Upon petition of ten percent of the number of qualified electors of the county voting in the last election for governor or upon its own motion, the board of county commissioners of each county shall levy annually a tax not exceeding the limitation in subsection 10 of section 57-15-06.7, for the purpose of subsidizing county emergency medical services; provided, that this tax must be approved by a majority of the qualified electors of the county voting on the question at a regular or special countywide election. The county may budget, in addition to its annual operating budget for subsidizing emergency medical service, no more than ten percent of its annual operating budget as a depreciation expense to be set aside in a dedicated emergency medical services sinking fund deposited with the treasurer for the replacement of equipment and ambulances. The ten percent emergency medical services sinking fund must be in addition to the annual operating budget for subsidization, but the total of the annual operating budget and the annual ten percent emergency medical services sinking fund may not exceed the approved mill levy. If the county contains a rural ambulance service district or rural fire protection district that levies for and provides emergency medical service, the property within that district is exempt from the county tax levy under this section upon notice from the governing body of the district to the board of county commissioners of the existence of the district. After December 31, 2025, special taxes levied under this section and distributed pursuant to 23-27-04.7 must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area."

Page 3, line 15, replace "2022" with "2024"

Renumber accordingly

**2023 SENATE STATE AND LOCAL GOVERNMENT**

**HB 1365**

# 2023 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee  
Room JW216, State Capitol

HB 1365  
3/23/2023

Relating to the discharge of a rural ambulance service's financial obligations and required formation of rural ambulance service districts without vote; relating to rural ambulance service district formation, levies, and dissolution procedures, ambulance operations areas, state financial assistance.

10:34 AM Chair Roers opened the hearing. Present: Chair Roers, Vice Chair Barta, Sen Cleary, Sen Estenson, Sen J Lee, and Sen Braunberger.

## **Discussion Topics:**

- Sustainable funding
- Local flexibility
- Taxing authority
- Volunteers
- Local elected board

Rep Fegley, Dist 4 B, bill sponsor, testified in support with no written testimony.

Bill Kalanek, EMS (Emergency Medical Service) Assoc, testified in support #26445.

Adam Parker, ND EMS (Emergency Medical Service), testified in support. #27226

Melissa Hauer introduced Pete Antonson.

Pete Antonson, ND Hospital Assoc. testified via TEAMS opposed #26401.

11:05 AM Chair Roers closed the hearing.

*Pam Dever, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee  
Room JW216, State Capitol

HB 1365  
3/31/2023

Relating to the discharge of a rural ambulance service's financial obligations and required formation of rural ambulance service districts without vote; relating to rural ambulance service district formation, levies, and dissolution procedures, ambulance operations areas, state financial assistance for emergency medical services, and county emergency medical service levy.

9:05 AM Vice Chair Barta opened committee work. Present: Vice Chair Barta, Sen Cleary, Sen Estenson, Sen J Lee, and Sen Braunberger.

## **Discussion Topics:**

- Bill review
- Governing bodies
- Contracts with hospitals

Sen Estenson brought amendments forward. #23.0823.02001. #27216, #27206.

Bill Kolanak, Emergency Medical Service Assoc. explained amendment.

## **Additional written testimony:**

Judy Estenson, #27305

9:20 AM Vice Chair Barta adjourned the meeting.

*Pam Dever, Committee Clerk*



# 2023 SENATE STANDING COMMITTEE MINUTES

State and Local Government Committee  
Room JW216, State Capitol

HB 1365  
3/31/2023

Relating to the discharge of a rural ambulance service's financial obligations and required formation of rural ambulance service districts without vote; relating to rural ambulance service district formation, levies, and dissolution procedures. Ambulance operations areas, state financial assistance for emergency medical services, and county emergency medical service levy.

9:57 AM Vice Chair Barta opened committee work. Present: Vice Chair Barta, Sen Cleary, Sen Estenson, Sen J Lee, and Sen Braunberger.

### Discussion Topics:

- Committee Action
- Ambulance Services

Sen Lee provided additional testimony. #27221

Sen Estenson moved amendment 23.0823.02001 #27216. Sen Lee seconded.

Senators	Vote
Senator Kristin Roers	AB
Senator Jeff Barta	Y
Senator Ryan Braunberger	Y
Senator Sean Cleary	Y
Senator Judy Estenson	Y
Senator Judy Lee	Y

ROLL CALL VOTE: YES 5 NO – 0 Absent – 1 Motion PASSED

Sen Estenson moved a DO PASS as Amended. Sen Lee seconded.

Senators	Vote
Senator Kristin Roers	AB
Senator Jeff Barta	Y
Senator Ryan Braunberger	Y
Senator Sean Cleary	Y
Senator Judy Estenson	Y
Senator Judy Lee	Y

ROLL CALL VOTE: YES – 5 NO – 0 Absent – 1 Motion PASSED

Sen Estenson will carry the bill.

10:07AM Vice Chair Barta adjourned the meeting.

Senate State and Local Government Committee

HB 1365

03/31/23

Page 2

*Pam Dever, Committee Clerk*

JA  
3-30-23

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1365

Page 1, line 3, after "without" insert "a"

Page 1, line 4, replace the first comma with "and"

Page 1, line 4, after the second comma insert "subsection 8 of section 11-28.3-08, sections"

Page 1, line 5, after the first comma insert "23-12-08,"

Page 1, line 6, after the first comma insert "organization, board of director powers,"

Page 1, line 6, after "dissolution" insert "and withdrawal"

Page 1, line 7, after the first comma insert "authorization and"

Page 1, line 8, replace "levy" with "levies"

Page 1, line 14, replace "8" with "10"

Page 2, after line 22, insert:

**"SECTION 3. AMENDMENT.** Subsection 8 of section 11-28.3-08 of the North Dakota Century Code is amended and reenacted as follows:

8. ~~Organize~~ Organize emergency medical services are not provided by a licensed ambulance service under chapter 23-27, a district may organize, establish, equip, maintain, and supervise an emergency medical service company to serve the district."

Page 4, line 14, replace "6" with "7"

Page 5, line 9, replace "6" with "7"

Page 5, line 25, replace "6" with "7"

Page 7, after line 23, insert:

**"SECTION 8. AMENDMENT.** Section 23-12-08 of the North Dakota Century Code is amended and reenacted as follows:

**23-12-08. Emergency medical service authorized.**

~~Any~~ Any emergency medical services are not provided by a licensed ambulance service under chapter 23-27, any county or municipality of the state of North Dakota, by itself, or in combination with any other county or municipality of the state of North Dakota, may, acting through its governing body, establish, maintain, contract for, or otherwise provide emergency medical service for such county or municipality; and for this purpose, out of any funds of such county or municipality not otherwise committed, may buy, rent, lease, or otherwise contract for all such vehicles, equipment, or other facilities or services which may be necessary to effectuate such purpose."

Page 8, line 18, replace "8" with "10"

Page 8, line 18, replace "20" with "30"

Page 9, line 24, replace "8" with "10"

Page 10, line 18, after the second underscored comma insert "if a political subdivision having ownership of the licensed ambulance service or a political subdivision responsible for the emergency medical service program for the service area exists,"

Page 10, line 19, remove "having ownership of the licensed"

Page 10, remove line 20

Page 10, line 21, remove "program for the service area"

Page 10, line 22, replace "1" with "4"

Renumber accordingly

YA  
2  
3-30-23

**REPORT OF STANDING COMMITTEE**

**HB 1365, as engrossed: State and Local Government Committee (Sen. K. Roers, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1365 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 3, after "without" insert "a"

Page 1, line 4, replace the first comma with "and"

Page 1, line 4, after the second comma insert "subsection 8 of section 11-28.3-08, sections"

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Page 4, line 14, replace "6" with "7"

Page 5, line 9, replace "6" with "7"

Page 5, line 25, replace "6" with "7"

Page 7, after line 23, insert:

**"SECTION 8. AMENDMENT.** Section 23-12-08 of the North Dakota Century Code is amended and reenacted as follows:

**23-12-08. Emergency medical service authorized.**

Anylf emergency medical services are not provided by a licensed ambulance service under chapter 23-27, any county or municipality of the state of North Dakota, by itself, or in combination with any other county or municipality of the state of North Dakota, may, acting through its governing body, establish, maintain, contract for, or otherwise provide emergency medical service for such county or municipality; and for this purpose, out of any funds of such county or municipality not otherwise committed, may buy, rent, lease, or otherwise contract for all such vehicles, equipment, or other facilities or services which may be necessary to effectuate such purpose."

Page 8, line 18, replace "8" with "10"

Page 8, line 18, replace "20" with "30"

Page 9, line 24, replace "8" with "10"

Page 10, line 18, after the second underscored comma insert "if a political subdivision having ownership of the licensed ambulance service or a political subdivision responsible for the emergency medical service program for the service area exists."

Page 10, line 19, remove "having ownership of the licensed"

Page 10, remove line 20

Page 10, line 21, remove "program for the service area"

Page 10, line 22, replace "1" with "4"

Renumber accordingly

**TESTIMONY**

**HB 1365**

## Human service committee

## HB 1365

Good afternoon Chairman Weisz and members of the committee, I am Representative Clayton Fegley I am here to introduce HB 1365. It is a bill to clarify the law relating to taxing district for rural ambulance districts. It requires that taxing districts are the same as their operation service districts and allows the ability to change their taxing district to follow the law by exempting the area they do not serve. I believe we will need to add the emergency clause if we are going to make the date in this bill work for tax purposes.





**2023 House Bill 1365**  
**Senate State and Local Government Committee**  
**Senator Kristin Roers, Chairman**  
**March 23, 2023**

Chairman Roers and members of the Senate State and Local Government Committee, I am Pete Antonson, Chief Financial Officer and former CEO of the Northwood Deaconess Health Center in Northwood, North Dakota. I testify today on behalf of the North Dakota Hospital Association (NDHA).

I testify in soft opposition to Engrossed House Bill 1356. We would like to propose an amendment to the engrossed bill and, with that amendment, we would not be opposed. We ask that a hospital-owned emergency medical service (EMS) operation be added to list of entities that would be exempt.

We understand that the purpose of the engrossed bill is to ensure the financial viability of EMS operations and the ambulance service they provide to rural communities by requiring all such operations that do not already have one to create a rural ambulance service taxing district. The taxing district would then fund the EMS operation.

Today, numerous entities provide ambulance services. Such entities include community nonprofit organizations, local government, hospitals, and private nonhospital organizations. We believe hospital-owned EMS operations belong with the other entities that are exempt from the requirements of this bill, such as city or county owned operations. When owned by a hospital, the viability of an EMS operation is less concerning and is more in line with that of the exempt entities. A hospital provides stability and accountability in the financing and staffing of such an operation.

Requiring a taxing district to be created for every EMS operation would create problems for hospital-owned operations in several ways. For example, a taxing district board of directors is required to oversee the operation. This would create an inherent conflict with the hospital board of directors. When a hospital owns and operates an EMS operation, it has

control over the assets, insurance, billing, etc. Hospital governance structure conflicts with the statutory duties of the district board. For example, a district board of directors is responsible for executing contracts in the name of and on behalf of the district with regard to an EMS program and purchasing or leasing ambulances, or other emergency vehicles, supplies, and other real or personal property necessary to carry out the EMS program of the district. It is unclear how a district board could fulfill its duties for an operation which is controlled by the hospital's board of directors.

Additionally, a hospital may already have a taxing mechanism in place. For example, some hospital owned EMS operations in North Dakota get county funding already. Would this bill jeopardize those arrangements? Would it mandate that a second tax now be imposed?

For these reasons, we are concerned about how the bill would negatively affect hospital-owned EMS operations. If the bill could be amended to exempt hospital-owned EMS operations, we would have no objection to the bill. I would be happy to respond to any questions you may have. Thank you.

Respectfully Submitted,

Pete Antonson, CFO  
Northwood Deaconess Health Center

Amendments to HB 1365

ND EMS Association, Bill Kalanek

Section 7

For emergency medical service operations subject to section 8 of this Act, after June ~~230~~, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area

Section 11

Section ~~13~~ of this Act is effective for taxable years beginning after December 31, 2024.

Section 10

After December 31, 2025, special taxes levied under this section and distributed pursuant to 23-27-04.7 must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program, if such a political subdivision exists, for the service area.

11-28.3-08(8) If not already provided by a licensed ambulance under chapter 23-27 a district may organize, establish, equip, maintain, and supervise an emergency medical service company to serve the district.

23-12-08 Any county or municipality of the state of North Dakota, by itself, or in combination with any other county or municipality of the state of North Dakota, may, acting through its governing body, establish if not already provided by a licensed ambulance under chapter 23-27, maintain, contract for, or otherwise provide emergency medical service for such county or municipality; and for this purpose, out of any funds of such county or municipality not otherwise committed, may buy, rent, lease, or otherwise contract for all such vehicles, equipment, or other facilities or services which may be necessary to effectuate such purpose.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1365

Page 9, after line 9, insert:

- f. Licensed ambulance services owned by a hospital.

Renumber accordingly

23.0823.02001  
Title.

Prepared by the Legislative Council staff for  
Senator Estenson  
March 30, 2023

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1365

Page 1, line 3, after "without" insert "a"

Page 1, line 4, replace the first comma with "and"

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Page 1, line 14, replace "8" with "10"

Page 2, after line 22, insert:

**"SECTION 3. AMENDMENT.** Subsection 8 of section 11-28.3-08 of the North Dakota Century Code is amended and reenacted as follows:

8. ~~Organize~~if emergency medical services are not provided by a licensed ambulance service under chapter 23-27, a district may organize, establish, equip, maintain, and supervise an emergency medical service company to serve the district."

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Page 5, line 9, replace "6" with "7"

Page 5, line 25, replace "6" with "7"

Page 7, after line 23, insert:

**"SECTION 8. AMENDMENT.** Section 23-12-08 of the North Dakota Century Code is amended and reenacted as follows:

**23-12-08. Emergency medical service authorized.**

~~Any~~if emergency medical services are not provided by a licensed ambulance service under chapter 23-27, any county or municipality of the state of North Dakota, by itself, or in combination with any other county or municipality of the state of North Dakota, may, acting through its governing body, establish, maintain, contract for, or otherwise provide emergency medical service for such county or municipality; and for this purpose, out of any funds of such county or municipality not otherwise committed, may buy, rent, lease, or otherwise contract for all such vehicles, equipment, or other facilities or services which may be necessary to effectuate such purpose."

Page 8, line 18, replace "8" with "10"

Page 8, line 18, replace "20" with "30"

**Wolf, Lynn**

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**From:** Lee, Judy E.  
**Sent:** Friday, March 31, 2023 10:09 AM  
**To:** -Grp-NDLA Senate State and Local Government; Dever, Pam; Wolf, Lynn  
**Subject:** information on EMS

The following message is from Adam Parker, president of EMS association

My employer would like to see hospitals added to the exemptions. With that said, the current exemptions are ambulances that are government owned. Hospitals don't fit in that category. The hospital would simply contract with the district to offer ambulance services. This would be good because then the hospital would be contractually obligated to provide the service they say they are going to, and what the tax money is paying for. I was told that a hospital cut ambulance staffing but never decreased the tax levy they collect. I honestly see no good policy reason to exclude hospitals.

Senator Judy Lee



Executive Offices  
1622 East Interstate Avenue  
Bismarck, ND 58503



701-221-0567  
ndemsa.office@ndemsa.org  
www.ndemsa.org

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Testimony  
House Bill 1365  
Senate State and Local Government  
Thursday, March 23 2023; 10:00 a.m.  
North Dakota Emergency Medical Services Association

Good morning, Madam Chair and members of the committee. My name is Adam Parker, I speaking on behalf of the North Dakota Emergency Medical Services Association. I am here today in support of HB 1365.

EMS in rural North Dakota, and in rural areas across the country, is in crisis. This is nothing new and many of you have heard about it for years. In 2011, HB 1044 was the largest comprehensive legislation passed to address the EMS crisis in North Dakota. The legislation had four key directives: 1) to ensure reasonable EMS and Staffing coverage, 2) address sustainability of funding, 3) require local match of funds, and 4) provide for local flexibility and encourage coordination between services.

Funding areas, as created by the legislation, differs from operations areas. The idea was to fund an area, not a service. Therefore, the state department of health is tasked with developing a plan for integrated emergency medical services, which must identify ambulance operations areas, EMS funding areas, and the minimum reasonable cost of an EMS operation.

Funding areas often included multiple operations areas. The idea was to allow those local services the flexibility to create a system within their funding area that would be sustainable. The goal was to be more efficient and encourage ambulance services to work together. This was largely unsuccessful because agencies did not want to work together, and fights about funding ensued. In 2019, these disputes were ended by the legislature when they codified the distribution formula for state aid. This essentially places each ambulance in its own funding area and determines the minimum reasonable cost.

We have made great progress since 2011 in many areas, however we still struggle with coordination of services and ensuring a local EMS plan. This is illustrated by the recent closure of rural ambulance services. This bill, HB1365, establishes rural ambulance service districts in rural operations areas. The EMS Association has long believed that rural ambulance service districts are the best avenue to ensure long-term sustainability of EMS in rural areas. Rural ambulance service districts serve two important functions, they have an elected board that is responsible for developing a local EMS plan, and they have the ability to levy taxes to support the plan and ensure reasonable ambulance coverage within the territory.



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**Section 1** – allows the county auditor to call the organizational meeting if required by section 8.

**Section 2** – limits ambulance service members ability to serve on the elected board to avoid conflicts of interest.

**Section 3** – limits a rural ambulance service districts ability to levy funds in areas outside of its assigned operations area.

**Section 4** – allows a district board to vote to remove territory from the district jurisdiction if the territory is not in the districts operations area.

**Section 5** – Removes language regarding discharging financial obligations to Section 6.

**Section 6** – outlines the procedure for discharging financial obligations of territory withdrawn, exempted, or dissolved from the district.

**Section 7 and 9** – directs state financial assistance to political subdivision having ownership of the licensed ambulance or the political subdivision responsible for the emergency medical service program of the service area, effective June 30, 2025.

**Section 8** – Requires ambulance services to organize a rural ambulance service district by June 30, 2025. The exemptions are services that are owned by local governments and those that are large enough to be self-sustaining.

**Section 10** – Directs funds levied by counties for the purpose of subsidizing emergency medical services to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.

**Section 11** – sets the effective date of Section 1, we believe this should be amended to Section 3, to after December 31, 2024.

#### **Proposed Amendments**

- 1) Correct the date in Section 7 to June 30, 2025
- 2) In Section 10 add that this only affects services subject to Section 8
- 3) Address concerns regarding displacing current license holders
- 4) The effective date in Section 11 should apply to Section 3

The North Dakota EMS Association appreciates the previous and on-going support provided to EMS in North Dakota. We are committed to continuing to work with the legislature to find solutions to sustain and promote high quality rural ambulance services in North Dakota.

This concludes my testimony, I am happy to answer any questions you may have.



23.0823.02001

**FIRST ENGROSSMENT**

Sixty-eighth  
Legislative Assembly  
of North Dakota

**ENGROSSED HOUSE BILL NO. 1365**

Introduced by

Representatives Fegley, Rohr, Tveit

Senator Lee

1 A BILL for an Act to create and enact a new section to chapter 11-28.3 and a new section to  
 2 chapter 23-27 of the North Dakota Century Code, relating to the discharge of a rural ambulance  
 3 service's financial obligations and required formation of rural ambulance service districts without  
 4 a vote; to amend and reenact sections 11-28.3-05, and 11-28.3-06, subsection 8 of section  
 5 11-28.3-08, sections 11-28.3-09, 11-28.3-13, 11-28.3-16, 23-12-08, 23-27-04.2, 23-46-04, and  
 6 57-15-50 of the North Dakota Century Code, relating to rural ambulance service district  
 7 formation, organization, board of director powers, levies, and dissolution and withdrawal  
 8 procedures, ambulance operations areas, authorization and state financial assistance for  
 9 emergency medical services, and county emergency medical service levylevies.

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

11 **SECTION 1. AMENDMENT.** Section 11-28.3-05 of the North Dakota Century Code is  
 12 amended and reenacted as follows:

13 **11-28.3-05. Notice by county auditor of meeting to organize district.**

14 If a rural ambulance service district is approved as provided in this chapter or as required by  
 15 section 810 of this Act, the county auditor of the county in which the proposed district is located  
 16 shall issue notice of a public meeting to organize the rural ambulance service district. The notice  
 17 must be given by publication once a week for two consecutive weeks, the last notice appearing  
 18 seven days before the date of the meeting in a newspaper of general circulation within the  
 19 proposed district. The notice must be addressed to all qualified electors residing within the  
 20 boundaries of the district, describe the boundaries of the district, and state the date, time, and  
 21 place of the meeting. If the district is located within two or more counties, the county auditors of  
 22 the counties shall confer and set the date, time, and place of the meeting and shall cause the  
 23 publication of the meeting notice in each of said counties.

1       **SECTION 2. AMENDMENT.** Section 11-28.3-06 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **11-28.3-06. Organization - Board of directors.**

4       At the time and place fixed by the county auditor for the public meeting as provided in  
5 section 11-28.3-05, the qualified electors present who reside within the boundaries of the district  
6 shall proceed to organize the district. Permanent organization must be effected by the election  
7 of a board of directors consisting of not less than five nor more than ten residents of the district.  
8 The board of directors shall meet as soon after the organizational meeting as possible to elect a  
9 president, a vice president, and a secretary-treasurer. All directors and officers must be elected  
10 for two years and hold office until their successors have been elected and qualified, except that  
11 at the first election the vice president must be elected as provided in this section for a one-year  
12 term, and one-half, or as close to one-half as possible depending upon the total number of  
13 directors, of the directors elected at the first election after July 1, 1977, must be selected by lot  
14 in the presence of a majority of such directors to serve one-year terms. A district may specify in  
15 its bylaws a specified number of directors within the limitations in this section, provided each  
16 township or group of townships receives equal representation on the board with respect to the  
17 regions. The bylaws also may allow for a combination of regional directors and at-large  
18 directors. If a vacancy occurs in a board position due to a resignation, a special meeting must  
19 be called and held within sixty days of the resignation for the purpose of electing a director to  
20 serve the remainder of the term. All officers and directors shall serve without pay, except the  
21 secretary-treasurer, who may be paid a salary determined by the board of directors. No more  
22 than two elected members of the board may be members of the licensed ambulance service  
23 serving the district territory and those board members must meet the definition of volunteer in  
24 section 23-27-04.1.

25       **SECTION 3. AMENDMENT.** Subsection 8 of section 11-28.3-08 of the North Dakota  
26 Century Code is amended and reenacted as follows:

- 27       8. Organize if emergency medical services are not provided by a licensed ambulance  
28       service under chapter 23-27, a district may organize, establish, equip, maintain, and  
29       supervise an emergency medical service company to serve the district.

30       **SECTION 4. AMENDMENT.** Section 11-28.3-09 of the North Dakota Century Code is  
31 amended and reenacted as follows:

- 1       **11-28.3-09. Emergency medical service policy - Levy - Financial report.**
- 2       1.    The board of directors shall establish a general emergency medical service policy for
- 3           the district and annually shall estimate the probable expense for carrying out that
- 4           policy. The estimate must be certified by the president and secretary to the proper
- 5           county auditor or county auditors, on or before June thirtieth of each year. In the year
- 6           for which the levy is sought, a board of directors of a rural ambulance service district
- 7           seeking approval of a property tax levy under this chapter shall file with the county
- 8           auditor of the counties within the rural ambulance service district, at a time and in a
- 9           format prescribed by the county auditors, a financial report for the preceding calendar
- 10          year showing the ending balances of each fund held by the rural ambulance service
- 11          district during that year. The board or boards of county commissioners may levy a tax
- 12          not to exceed the mill rate approved by the electors of the district under section
- 13          11-28.3-04. If the board wishes to levy a tax in excess of that approved by the
- 14          electors, the board, upon its own motion, may place the question of increasing the
- 15          maximum allowable mill levy for the electors to approve at a regular or special
- 16          election. The amount levied under this section may not exceed a mill rate of fifteen
- 17          mills upon the taxable property within the district for the maintenance of the rural
- 18          ambulance service district for the fiscal year as provided by law. ~~A rural ambulance~~
- 19          ~~service district may be dissolved by approval of electors of the district as provided in~~
- 20          ~~section 11-28.3-13.~~
- 21       2.    The tax levied for a rural ambulance service district must be:
- 22           a.    Collected as other taxes are collected in the county.
- 23           b.    Turned over to the secretary-treasurer of the rural ambulance service district,
- 24                who must be bonded in the amount of at least five thousand dollars.
- 25           c.    Deposited by the secretary-treasurer in a state or national bank in a district
- 26                account.
- 27           d.    Paid out upon warrants drawn upon the district account by authority of the board
- 28                of directors of the district, bearing the signature of the secretary-treasurer and the
- 29                countersignature of the president.
- 30       3.    The amount of the tax levy may not exceed the amount of funds required to defray the
- 31          expenses of the district for a period of one year as embraced in the annual estimate of



1 expense, including the amount of principal and interest upon the indebtedness of the  
2 district for the ensuing year. The district may include in its operating budget no more  
3 than ten percent of its annual operating budget as a depreciation expense to be set  
4 aside in a dedicated emergency medical services sinking fund deposited with the  
5 treasurer for the replacement of equipment and ambulances. The ten percent  
6 emergency medical services sinking fund may be in addition to the actual annual  
7 operating budget, but the total of the annual operating budget and the annual ten  
8 percent emergency medical services sinking fund shall not exceed the amount of  
9 revenue that would be generated by application of the maximum mill levy approved by  
10 the electors.

11 4. If an ambulance operations area identified by the department of health and human  
12 services under section 23-27-01 is situated, in whole or in part, within the boundaries  
13 of a rural ambulance service district formed under this chapter, and the district does  
14 not provide emergency medical services to the territory in the ambulance operations  
15 area, whether directly or through a contract under section 11-28.3-12, the property  
16 situated in the ambulance operations area which does not receive emergency medical  
17 services from the district is exempt from the district's tax levy under this section.  
18 Changes to the ambulance operations area will not impact the district under this  
19 section until the subsequent tax year. The excluded territory remains responsible and  
20 must discharge its proportionate share of outstanding obligations pursuant to the  
21 procedure under section 67 of this Act.

22 **SECTION 5. AMENDMENT.** Section 11-28.3-13 of the North Dakota Century Code is  
23 amended and reenacted as follows:

24 **11-28.3-13. Boundaries of rural ambulance service district - Dissolution of the district.**

25 The boundaries of any rural ambulance service district organized under this chapter may be  
26 changed in the manner prescribed by section 11-28.3-15 or 11-28.3-16, but a change in the  
27 boundary of a district does not impair or affect its organization or its right in or to property; nor  
28 does it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it  
29 might be liable had such change of boundaries not been made.

30 Dissolution of a rural ambulance service district may be accomplished ~~in the manner~~  
31 ~~prescribed by section 11-28.3-15 or 11-28.3-16. The petition and notice of election must state~~

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1 ~~the purpose of the election is to dissolve the rural ambulance service district and must describe~~  
2 ~~its boundaries. The ballot to dissolve a rural ambulance service district must be in substantially~~  
3 ~~the following form:~~

4 ~~Shall (name of taxing district or districts) cease to levy a tax for the purpose of maintaining a~~  
5 ~~rural ambulance service district, and shall such district be dissolved?~~

6 ~~Yes~~

7 ~~No~~

8 ~~If a majority of all votes cast on the question are in favor of dissolution, as provided in this~~  
9 ~~section. If an ambulance service district in whole does not provide emergency medical services~~  
10 ~~under section 23-27-01, whether directly or through a contract under section 11-28.3-12, the~~  
11 ~~district board, upon its own motion and vote, may dissolve the district is dissolved thirty days~~  
12 ~~after the canvass of the votes effective the subsequent tax year. After The territory remains~~  
13 ~~subject to all debts and obligations of the dissolved district are paid, any remaining funds must~~  
14 ~~be deposited in the general fund of the county in which the district was contained. If the~~  
15 ~~dissolved district was located in more than one county, any pursuant to the procedure under~~  
16 ~~section 67 of this Act. Any funds remaining after all debts and obligations are paid must be~~  
17 ~~divided among those counties rural ambulance service districts or political subdivisions~~  
18 ~~responsible for emergency medical service operations in the jurisdiction in the same proportion~~  
19 ~~as the geographical area of the district in each county bears to the total geographical area of~~  
20 ~~the dissolved district.~~

21 **SECTION 6. AMENDMENT.** Section 11-28.3-16 of the North Dakota Century Code is  
22 amended and reenacted as follows:

23 **11-28.3-16. Withdrawal from ambulance service district - Restrictions.**

- 24 1. Any elector who resides in an area subject to a mill levy under section 11-28.3-09 and  
25 wishes to withdraw from the ambulance service district may do so if the territory to be  
26 withdrawn from the district:
- 27 a. Borders on the outer boundary of the district; and
  - 28 b. Has a written agreement with an adjacent emergency medical services operation  
29 licensed by the department of health and human services to provide coverage to  
30 the territory if the territory is withdrawn successfully.



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- 1       2. The district shall discharge its financial obligations pursuant to the procedure under  
2       section 67 of this Act.
- 3       3. Notwithstanding section 57-40.6-10, the district is not obligated to maintain the  
4       withdrawn district within the primary response area of the district.
- 5       ~~3.~~ ~~The territory to be withdrawn from the district under this section remains subject to and~~  
6       ~~chargeable for the payment and discharge of the proportion of obligations outstanding~~  
7       ~~at the time of the filing of the petition for the withdrawal of the territory. The taxable~~  
8       ~~valuation of property in the territory to be withdrawn bears to the taxable valuation of~~  
9       ~~all property within the district before the withdrawal.~~
- 10       4. ~~Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate~~  
11       ~~share of outstanding obligations are paid.~~
- 12       ~~5.~~ The proceedings for withdrawal must be initiated by the filing of a petition with the  
13       appropriate county auditor or signed by fifty electors, or if there are not fifty electors  
14       residing in the area, fifty percent of the qualified electors in the territory sought to be  
15       withdrawn and the petition must contain a description of the boundaries of the territory  
16       sought to be withdrawn and a map or plat illustrating the area.
- 17       ~~6-5.~~ The county auditor shall determine whether the petition complies with the  
18       requirements of subsection 5. If the petition is accepted, the county auditor promptly  
19       shall designate a time and place for an election upon the petition and shall give notice  
20       of the election in the manner prescribed by section 11-28.3-03. At the election, any  
21       qualified elector residing within the boundaries of the territory to be withdrawn may  
22       cast a vote. If the majority cast a vote in favor of the question of withdrawal, the  
23       territory is considered withdrawn from the district.
- 24       ~~7-6.~~ The county auditor shall determine and certify the respective percentage proportions  
25       of the taxable valuation of the territory petitioned to be withdrawn to the taxable  
26       valuation of all property in the district before withdrawal to the board of directors of the  
27       district withdrawn.
- 28       ~~8-7.~~ Within thirty days after receipt of the petition, verification, and computation of  
29       respective percentage proportions, the board of directors of the district withdrawn shall  
30       attach to the petition a statement of outstanding obligations of the district and shall  
31       forward the petition to the appropriate board or boards of county commissioners.

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1       9. ~~The board or boards of county commissioners, at a regular meeting, shall compute the~~  
2       ~~indebtedness proportionately assignable to the territory sought to be withdrawn, and~~  
3       ~~shall describe, by written order, the boundaries of the territory withdrawn and the~~  
4       ~~indebtedness of the district assigned to the territory and subject to continued levy~~  
5       ~~under section 11-28.3-09. The order and computation must be filed in the office of the~~  
6       ~~county auditor.~~

7       10. ~~The annual estimate required under section 11-28.3-09 must reflect the annual~~  
8       ~~expense of retiring principal and interest upon the proportionate share of district~~  
9       ~~indebtedness assigned to the withdrawn territory.~~

10       **SECTION 7.** A new section to chapter 11-28.3 of the North Dakota Century Code is created  
11 and enacted as follows:

12       **Discharge of financial obligations.**

- 13       1. The territory to be withdrawn, exempted, or dissolved from the district under this  
14       chapter remains subject to and chargeable for the payment and discharge of the  
15       proportion of obligations outstanding at the time of the withdrawal, exemption, or  
16       dissolution. The taxable valuation of property in the territory to be withdrawn, exempt,  
17       or dissolved bears to the taxable valuation of all property within the district before the  
18       withdrawal, exemption, or dissolution.
- 19       2. Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate  
20       share of outstanding obligations are paid.
- 21       3. The board or boards of county commissioners, at a regular meeting, shall compute the  
22       indebtedness proportionately assignable to the territory sought to be withdrawn,  
23       exempted, or dissolved, and shall describe, by written order, the boundaries of the  
24       territory withdrawn, exempted, or dissolved and the indebtedness of the district  
25       assigned to the territory and subject to continued levy under section 11-28.3-09. The  
26       order and computation must be filed in the office of the county auditor.
- 27       4. The annual estimate required under section 11-28.3-09 must reflect the annual  
28       expense of retiring principal and interest upon the proportionate share of district  
29       indebtedness assigned to the withdrawn, exempted, or dissolved territory.

30       **SECTION 8. AMENDMENT.** Section 23-12-08 of the North Dakota Century Code is  
31 amended and reenacted as follows:



**23-12-08. Emergency medical service authorized.**

~~Any~~ if emergency medical services are not provided by a licensed ambulance service under chapter 23-27, any county or municipality of the state of North Dakota, by itself, or in combination with any other county or municipality of the state of North Dakota, may, acting through its governing body, establish, maintain, contract for, or otherwise provide emergency medical service for such county or municipality; and for this purpose, out of any funds of such county or municipality not otherwise committed, may buy, rent, lease, or otherwise contract for all such vehicles, equipment, or other facilities or services which may be necessary to effectuate such purpose.

**SECTION 9. AMENDMENT.** Section 23-27-04.2 of the North Dakota Century Code is amended and reenacted as follows:

**23-27-04.2. Emergency medical services - State assistance.**

The department of health and human services shall assist in the training of emergency medical services personnel of certain emergency medical services operations as determined by the department and financially shall assist certain emergency medical services operations as determined by the department ~~in obtaining equipment~~. Assistance provided under this section must be within the limits of legislative appropriation. The department shall adopt criteria for eligibility for assistance in the training of emergency medical services personnel of various types of emergency medical services operations. ~~To qualify for financial assistance for equipment an emergency medical services operation shall certify, in the manner required by the department, that the operation has fifty percent of the amount of funds necessary for identified equipment acquisitions. The department shall adopt a schedule of eligibility for financial assistance for equipment. The schedule must provide for a direct relationship between the amount of funds certified and the number of responses during the preceding calendar year for the purpose of rendering medical care, transportation, or both, to individuals who were sick or incapacitated. The schedule must require that as the number of responses increases, a greater amount of funds certified is required. The schedule must classify responses and the financial assistance available for various classifications.~~ The department may establish minimum and maximum amounts of financial assistance to be provided to an emergency medical services operation under this section. If applications for financial assistance exceed the amount of allocated and available funds, the department may prorate the funds among the applicants in



1 accordance with criteria adopted by the department. No more than one-half of the funds  
2 appropriated by the legislative assembly each biennium and allocated for training assistance  
3 may be distributed in the first year of the biennium. For emergency medical service operations  
4 subject to section 810 of this Act, after June 2030, 2025, financial assistance provided by this  
5 section must be distributed to the political subdivision having ownership of the licensed  
6 ambulance service or the political subdivision responsible for the emergency medical service  
7 program for the service area.

8 **SECTION 10.** A new section to chapter 23-27 of the North Dakota Century Code is created  
9 and enacted as follows:

10 **Required formation of rural ambulance service district - Organizational meeting -**  
11 **Exemption - Eligibility for relicensure.**

- 12 1. Emergency medical service operations licensed under this chapter as a basic life  
13 support or advanced life support ambulance service for which a territory has been  
14 assigned pursuant to this chapter does not include a city with a population greater  
15 than six thousand five hundred according to the 2020 census data published by the  
16 United States census bureau, and is not otherwise exempted, must conduct a rural  
17 ambulance service district organizational meeting pursuant to the procedure in  
18 11-28.3-06 prior to June 30, 2025. After such organizational meeting the district shall  
19 be deemed organized and operating under the provisions of chapter 11-28.3.
- 20 2. The following licensed ambulance services are exempt from this section:
- 21 a. Licensed ambulance services that are county owned.
- 22 b. Licensed ambulance services that are city owned.
- 23 c. Licensed ambulance services that are part of a joint powers agreement with a  
24 city or county-owned ambulance.
- 25 d. Licensed ambulance services owned by tribal or federal government.
- 26 e. Existing rural ambulance service districts organized pursuant to chapter 11-28.3.
- 27 3. Ambulance services not in compliance with this section may not be eligible for  
28 relicensure under this chapter.

29 **SECTION 11. AMENDMENT.** Section 23-46-04 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1       **23-46-04. State financial assistance for emergency medical services - Confidential**  
2 **information - Annual allocation.**

3       Emergency medical services operations that request financial assistance from the state  
4 must provide requested fiscal information to the department of health and human services for  
5 use in financial assistance determinations. All information provided to the department under this  
6 section is confidential. The department of health and human services shall determine annually  
7 the allocation amount of state financial assistance for each emergency medical services funding  
8 area based on the department's determination of the minimum annual funding necessary to  
9 operate the emergency medical services operation or service designated to operate in the  
10 ambulance funding area, based on the financial needs unique to each emergency medical  
11 services funding area. For emergency medical service operations subject to section §10 of this  
12 Act, after June 30, 2025, financial assistance provided by this section must be distributed to the  
13 political subdivision having ownership of the licensed ambulance service or the political  
14 subdivision responsible for the emergency medical service program for the service area.

15       **SECTION 12. AMENDMENT.** Section 57-15-50 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17       **57-15-50. County emergency medical service levy.**

18       Upon petition of ten percent of the number of qualified electors of the county voting in the  
19 last election for governor or upon its own motion, the board of county commissioners of each  
20 county shall levy annually a tax not exceeding the limitation in subsection 10 of section  
21 57-15-06.7, for the purpose of subsidizing county emergency medical services; provided, that  
22 this tax must be approved by a majority of the qualified electors of the county voting on the  
23 question at a regular or special countywide election. The county may budget, in addition to its  
24 annual operating budget for subsidizing emergency medical service, no more than ten percent  
25 of its annual operating budget as a depreciation expense to be set aside in a dedicated  
26 emergency medical services sinking fund deposited with the treasurer for the replacement of  
27 equipment and ambulances. The ten percent emergency medical services sinking fund must be  
28 in addition to the annual operating budget for subsidization, but the total of the annual operating  
29 budget and the annual ten percent emergency medical services sinking fund may not exceed  
30 the approved mill levy. If the county contains a rural ambulance service district or rural fire  
31 protection district that levies for and provides emergency medical service, the property within

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1 that district is exempt from the county tax levy under this section upon notice from the governing  
2 body of the district to the board of county commissioners of the existence of the district. After  
3 December 31, 2025, if a political subdivision having ownership of the licensed ambulance  
4 service or a political subdivision responsible for the emergency medical service program for the  
5 service area exists, special taxes levied under this section and distributed pursuant to  
6 23-27-04.7 must be distributed to the political subdivision having ownership of the licensed  
7 ambulance service or the political subdivision responsible for the emergency medical service  
8 program for the service area.

9 **SECTION 13. EFFECTIVE DATE.** Section 44 of this Act is effective for taxable years  
10 beginning after December 31, 2024.

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Adopted by the Human Services Committee

February 13, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1365

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 11-28.3-09 and 23-46-03 of the North Dakota Century Code, relating to rural ambulance service district levies and ambulance operations areas.

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

**SECTION 1. AMENDMENT.** Section 11-28.3-09 of the North Dakota Century Code is amended and reenacted as follows: **SECTION 2. AMENDMENT.** Section 23-46-03 of the North Dakota Century Code is amended and reenacted as follows:

~~**23-46-03. Emergency medical services funding areas.**~~

~~The department of health and human services shall establish and update biennially a plan for integrated emergency medical services in this state. The plan must identify ambulance operations areas, emergency medical services funding areas that require state financial assistance to operate a minimally reasonable level of emergency medical services, and a minimum reasonable cost for an emergency medical services operation. If the department identifies an ambulance operations area to be situated, in whole or in part, within the boundaries of an existing rural ambulance service district formed under chapter 11-28.3, the department shall notify the rural ambulance service district. The department shall designate emergency medical services funding areas based on criteria adopted by rule of the department of health and human services.~~

**SECTION 2.** A new section to chapter 23-27 of the North Dakota Century Code is created and enacted as follows:

Emergency medical service operations licensed under this chapter as a Basic Life Support or Advanced Life Support ambulance service whose assigned territory pursuant to this chapter does not include a city with a population greater than 6,500 according to the United States Census, and is not otherwise exempted, must conduct a Rural Ambulance Service District organizational meeting pursuant to the procedure in 1128.306 prior to June 20, 2025. After such organizational meeting the district shall be deemed organized and operating under the provisions of Chapter 1128.3.

1. The following licensed ambulances are exempt from this section.
  - a. Licensed ambulance services that are county owned.
  - b. Licensed ambulance services that are city owned.
  - c. Licensed ambulance services that are part of a joint powers agreement with a city or county owned ambulance.
  - d. Licensed ambulance services owned by tribal or federal government.
  - e. Existing Rural Ambulance Service Districts organized pursuant to 11-28.3.



Services not in compliance with this section may not be eligible for re-licensure under this Chapter.

**SECTION 3. AMENDMENT.** Section 23-27-04.2 of the North Dakota Century Code is amended and reenacted as follows:

**23-27-04.2. Emergency medical services - State assistance.**

The department of health and human services shall assist in the training of emergency medical services personnel of certain emergency medical services operations as determined by the department and financially shall assist certain emergency medical services operations as determined by the department ~~in obtaining equipment.~~ Assistance provided under this section must be within the limits of legislative appropriation. The department shall adopt criteria for eligibility for assistance in the training of emergency medical services personnel of various types of emergency medical services operations. ~~To qualify for financial assistance for equipment an emergency medical services operation shall certify, in the manner required by the department, that the operation has fifty percent of the amount of funds necessary for identified equipment acquisitions. The department shall adopt a schedule of eligibility for financial assistance for equipment. The schedule must provide for a direct relationship between the amount of funds certified and the number of responses during the preceding calendar year for the purpose of rendering medical care, transportation, or both, to individuals who were sick or incapacitated. The schedule must require that as the number of responses increases, a greater amount of funds certified is required. The schedule must classify responses and the financial assistance available for various classifications. The department may establish minimum and maximum amounts of financial assistance to be provided to an emergency medical services operation under this section. If applications for financial assistance exceed the amount of allocated and available funds, the department may prorate the funds among the applicants in accordance with criteria adopted by the department. No more than one-half of the funds appropriated by the legislative assembly each biennium and allocated for training assistance may be distributed in the first year of the biennium. For emergency medical service operations subject to Section 2 of this Act, after June 20, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.~~

**SECTION 4. AMENDMENT.** Section 23-46-04 of the North Dakota Century Code is amended and reenacted as follows:

**23-46-04. State financial assistance for emergency medical services - Confidential information - Annual allocation.**

Emergency medical services operations that request financial assistance from the state must provide requested fiscal information to the department of health and human services for use in financial assistance determinations. All information provided to the department under this section is confidential. The department of health and human services shall determine annually the allocation amount of state financial assistance for each emergency medical services funding area based on the department's determination of the minimum annual funding necessary to operate the emergency medical services operation or service designated to operate in the ambulance funding area, based on the financial needs unique to each emergency medical services funding area. For emergency medical service operations subject to

Section 2 of this Act, after June 30, 2025, financial assistance provided by this section must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.

**SECTION 5. AMENDMENT.** Section 57-15-50 of the North Dakota Century Code is amended and reenacted as follows:

**57-15-50. County emergency medical service levy.**

Upon petition of ten percent of the number of qualified electors of the county voting in the last election for governor or upon its own motion, the board of county commissioners of each county shall levy annually a tax not exceeding the limitation in subsection 10 of section 57-15-06.7, for the purpose of subsidizing county emergency medical services; provided, that this tax must be approved by a majority of the qualified electors of the county voting on the question at a regular or special countywide election. The county may budget, in addition to its annual operating budget for subsidizing emergency medical service, no more than ten percent of its annual operating budget as a depreciation expense to be set aside in a dedicated emergency medical services sinking fund deposited with the treasurer for the replacement of equipment and ambulances. The ten percent emergency medical services sinking fund must be in addition to the annual operating budget for subsidization, but the total of the annual operating budget and the annual ten percent emergency medical services sinking fund may not exceed the approved mill levy. If the county contains a rural ambulance service district or rural fire protection district that levies for and provides emergency medical service, the property within that district is exempt from the county tax levy under this section upon notice from the governing body of the district to the board of county commissioners of the existence of the district. After December 31, 2025, special tax levied under this section and distributed pursuant to 232704.7 must be distributed to the political subdivision having ownership of the licensed ambulance service or the political subdivision responsible for the emergency medical service program for the service area.

**SECTION 6. AMENDMENT.** Section 11-28.3-05 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-05. Notice by county auditor of meeting to organize district.**

If a rural ambulance service district is approved as provided in this chapter, or as required by Section 2 of this Act, the county auditor of the county in which the proposed district is located shall issue notice of a public meeting to organize the rural ambulance service district. The notice must be given by publication once a week for two consecutive weeks, the last notice appearing seven days before the date of the meeting in a newspaper of general circulation within the proposed district. The notice must be addressed to all qualified electors residing within the boundaries of the district, describe the boundaries of the district, and state the date, time, and place of the meeting. If the district is located within two or more counties, the county auditors of the counties shall confer and set the date, time, and place of the meeting and shall cause the publication of the meeting notice in each of said counties.

**SECTION 7. AMENDMENT.** Section 11-28.3-06 of the North Dakota Century Code is amended and reenacted as follows:

### **11-28.3-06. Organization - Board of directors.**

At the time and place fixed by the county auditor for the public meeting as provided in section 11-28.3-05, the qualified electors present who reside within the boundaries of the district shall proceed to organize the district. Permanent organization must be effected by the election of a board of directors consisting of not less than five nor more than ten residents of the district. The board of directors shall meet as soon after the organizational meeting as possible to elect a president, a vice president, and a secretary-treasurer. All directors and officers must be elected for two years and hold office until their successors have been elected and qualified, except that at the first election the vice president must be elected as provided in this section for a one-year term, and one-half, or as close to one-half as possible depending upon the total number of directors, of the directors elected at the first election after July 1, 1977, must be selected by lot in the presence of a majority of such directors to serve one-year terms. A district may specify in its bylaws a specified number of directors within the limitations in this section, provided each township or group of townships receives equal representation on the board with respect to the regions. The bylaws also may allow for a combination of regional directors and at-large directors. If a vacancy occurs in a board position due to a resignation, a special meeting must be called and held within sixty days of the resignation for the purpose of electing a director to serve the remainder of the term. All officers and directors shall serve without pay, except the secretary-treasurer, who may be paid a salary determined by the board of directors. No more than two elected members of the board may be members of the licensed ambulance services serving the district territory and those board members must meet the definition of volunteer in Chapter 232704.1.

**SECTION 8. AMENDMENT.** Section 11-28.3-09 of the North Dakota Century Code is amended and reenacted as follows:

### **11-28.3-09. Emergency medical service policy - Levy - Financial report.**

1. The board of directors shall establish a general emergency medical service policy for the district and annually shall estimate the probable expense for carrying out that policy. The estimate must be certified by the president and secretary to the proper county auditor or county auditors, on or before June thirtieth of each year. In the year for which the levy is sought, a board of directors of a rural ambulance service district seeking approval of a property tax levy under this chapter shall file with the county auditor of the counties within the rural ambulance service district, at a time and in a format prescribed by the county auditors, a financial report for the preceding calendar year showing the ending balances of each fund held by the rural ambulance service district during that year. The board or boards of county commissioners may levy a tax not to exceed the mill rate approved by the electors of the district under section 11-28.3-04. If the board wishes to levy a tax in excess of that approved by the electors, the board, upon its own motion, may place the question of increasing the maximum allowable mill levy for the electors to approve at a regular or special election. The amount levied under this section may not exceed a mill rate of fifteen mills upon the taxable property within the district for the maintenance of the rural ambulance service district for the fiscal year as provided by law. ~~A rural ambulance service district may be dissolved by approval of electors of the district as provided in section 11-28.3-13.~~
2. The tax levied for a rural ambulance service district must be:

- a. Collected as other taxes are collected in the county.
  - b. Turned over to the secretary-treasurer of the rural ambulance service district, who must be bonded in the amount of at least five thousand dollars.
  - c. Deposited by the secretary-treasurer in a state or national bank in a district account.
  - d. Paid out upon warrants drawn upon the district account by authority of the board of directors of the district, bearing the signature of the secretary-treasurer and the countersignature of the president.
3. The amount of the tax levy may not exceed the amount of funds required to defray the expenses of the district for a period of one year as embraced in the annual estimate of expense, including the amount of principal and interest upon the indebtedness of the district for the ensuing year. The district may include in its operating budget no more than ten percent of its annual operating budget as a depreciation expense to be set aside in a dedicated emergency medical services sinking fund deposited with the treasurer for the replacement of equipment and ambulances. The ten percent emergency medical services sinking fund may be in addition to the actual annual operating budget, but the total of the annual operating budget and the annual ten percent emergency medical services sinking fund shall not exceed the amount of revenue that would be generated by application of the maximum mill levy approved by the electors.

**SECTION 9. AMENDMENT.** Section 11-28.3-13 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-13. Boundaries of rural ambulance service district - Dissolution of the district.**

The boundaries of any rural ambulance service district organized under this chapter may be changed in the manner prescribed by section 11-28.3-15 or 11-28.3-16, but a change in the boundary of a district does not impair or affect its organization or its right in or to property; nor does it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it might be liable had such change of boundaries not been made.

~~Dissolution of a rural ambulance service district may be accomplished in the manner prescribed by section 11-28.3-15 or 11-28.3-16. The petition and notice of election must state the purpose of the election is to dissolve the rural ambulance service district and must describe its boundaries. The ballot to dissolve a rural ambulance service district must be in substantially the following form:~~

~~Shall (name of taxing district or districts) cease to levy a tax for the purpose of maintaining a rural ambulance service district, and shall such district be dissolved?~~

~~Yes~~

~~No~~

if an ambulance service district in whole does not provide emergency medical services under section 232701, whether directly or through a contract under section 11-28.312,



~~If a majority of all votes cast on the question are in favor of dissolution, the district board, upon its own motion may dissolve the district is dissolved thirty days after the canvass of the votes effective the subsequent tax year. The territory remains subject to. After all debts and obligations of the dissolved district are paid, pursuant to the procedure under 1128.317, any remaining funds must be deposited in the general fund of the county in which the district was contained. If the dissolved district was located in more than one county, any~~Any funds or assets remaining after all debts and obligations are paid must be divided among those ~~counties~~rural ambulance service districts or political subdivisions responsible for emergency medical service operations in the jurisdiction in the same proportion as the geographical area of the district in each county bears to the total geographical area of the dissolved district.

**SECTION 10. AMENDMENT.** Section 11-28.3-16 of the North Dakota Century Code is amended and reenacted as follows:

**11-28.3-16. Withdrawal from ambulance service district - Restrictions.**

1. Any elector who resides in an area subject to a mill levy under section 11-28.3-09 and wishes to withdraw from the ambulance service district may do so if the territory to be withdrawn from the district:
  - a. Borders on the outer boundary of the district; and
  - b. Has a written agreement with an adjacent emergency medical services operation licensed by the department of health and human services to provide coverage to the territory if the territory is withdrawn successfully.
2. The district must discharge its financial obligations pursuant to the procedure under 1128.317.
- ~~2.3.~~ Notwithstanding section 57-40.6-10, the district is not obligated to maintain the withdrawn district within the primary response area of the district.
- ~~3.~~ ~~The territory to be withdrawn from the district under this section remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the filing of the petition for the withdrawal of the territory. The taxable valuation of property in the territory to be withdrawn bears to the taxable valuation of all property within the district before the withdrawal.~~
- ~~4.~~ ~~Mill levies imposed under section 11-28.3-09 remain in effect until the proportionate share of outstanding obligations are paid.~~
- ~~5.4.~~ The proceedings for withdrawal must be initiated by the filing of a petition with the appropriate county auditor or signed by fifty electors, or if there are not fifty electors residing in the area, fifty percent of the qualified electors in the territory sought to be withdrawn and the petition must contain a description of the boundaries of the territory sought to be withdrawn and a map or plat illustrating the area.
- ~~6.5.~~ The county auditor shall determine whether the petition complies with the requirements of subsection 5. If the petition is accepted, the county auditor promptly shall designate a time and place for an election upon the petition and shall give notice of the election in the manner prescribed by section

11-28.3-03. At the election, any qualified elector residing within the boundaries of the territory to be withdrawn may cast a vote. If the majority cast a vote in favor of the question of withdrawal, the territory is considered withdrawn from the district.

- ~~7.6.~~ The county auditor shall determine and certify the respective percentage proportions of the taxable valuation of the territory petitioned to be withdrawn to the taxable valuation of all property in the district before withdrawal to the board of directors of the district withdrawn.
- ~~8.7.~~ Within thirty days after receipt of the petition, verification, and computation of respective percentage proportions, the board of directors of the district withdrawn shall attach to the petition a statement of outstanding obligations of the district and shall forward the petition to the appropriate board or boards of county commissioners.
9. ~~The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, and shall describe, by written order, the boundaries of the territory withdrawn and the indebtedness of the district assigned to the territory and subject to continued levy under section 11-28.3-09. The order and computation must be filed in the office of the county auditor.~~
- ~~10.~~ ~~The annual estimate required under section 11-28.3-09 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn territory.~~

**SECTION 11.** Section 11-28.3-17 of the North Dakota Century Code is created and enacted as follows:

1. The territory to be withdrawn, exempt, or dissolved from the district under this chapter remains subject to and chargeable for the payment and discharge of the proportion of obligations outstanding at the time of the withdrawal, exemption, or dissolution. The taxable valuation of property in the territory to be withdrawn, exempt, or dissolved bears to the taxable valuation of all property within the district before the withdrawal, exemption, or dissolution.

2. Mill levies imposed under section 1128.309 remain in effect until the proportionate share of outstanding obligations are paid.

3. The board or boards of county commissioners, at a regular meeting, shall compute the indebtedness proportionately assignable to the territory sought to be withdrawn, exempt, or dissolved, and shall describe, by written order, the boundaries of the territory withdrawn, exempt, or dissolved and the indebtedness of the district assigned to the territory and subject to continued levy under section 1128.309. The order and computation must be filed in the office of the county auditor.

4. The annual estimate required under section 1128.309 must reflect the annual expense of retiring principal and interest upon the proportionate share of district indebtedness assigned to the withdrawn, exempt, or dissolved territory.

**SECTION 12. EFFECTIVE DATE.** Section 1 of this Act is effective for taxable years beginning after December 31, 20222024."

Renumber accordingly