Sixty-fourth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2015

SENATE BILL NO. 2005
(Appropriations Committee)
(At the request of the Governor)

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

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	$1,396,437	$105,205	$1,501,642
Accrued leave payments	13,038	(13,038)	0
Operating expenses	135,356	175,357	310,713
Coal severance payments	252,800	(7,800)	245,000
Property tax relief credits	0	250,000,000	250,000,000
Total general fund	$1,797,631	$250,259,724	$252,057,355
Full-time equivalent positions	8.00	0.00	8.00

SECTION 2.ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2013-15	2015-17
IT developmental costs	$377,591	$0
Property tax relief	200,000,000	250,000,000
Township road distributions	8,760,000	0
Township distribution correction	385,000	0
Information technology costs	13,247	73,699
Nonoil transportation funding	100,000,000	0
Total general fund	$309,535,838	$250,073,699

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

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

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

54-11-13. Salary of state treasurer.

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

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

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

1. The owner of taxable property is entitled to a credit against property taxes levied against the total amount of property or mobile home taxes in dollars levied against the taxable value of the property. The credit is equal to twelve percent of property or mobile home taxes levied in dollars against that property.

2. The owner, operator, or lessee of railroad property assessed by the state board of equalization under chapter 57-05 or public utility operative property assessed by the state board of equalization under chapter 57-06 is entitled to a credit against property taxes levied within each county against that property in the amount provided in subsection 1 against property taxes levied in dollars against that property in that county.

3. The owner, operator, or lessee of operative property of an air carrier transportation company assessed and taxed under chapter 57-32 is entitled to a credit in the amount provided in subsection 1 against property taxes in dollars levied against that property. The tax commissioner shall determine the total amount of credits under this subsection and certify the amount to the state treasurer for transfer from the general fund to the air transportation fund. The credit for each air transportation company must be allocated to each city or municipal airport authority where that company makes regularly scheduled landings, in the same manner as the tax collected from that company is allocated.

4. The tax commissioner shall estimate the amount necessary to provide each county advance payment of seventy-five percent of the amount the county and the taxing districts in the county will ultimately receive for a taxable year under this section and certify the estimated amounts to the state treasurer by March fifteenth for transfer by April first to the county treasurer and distribution to the county and taxing districts in the county as provided in subsection 5.

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

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

7. After payments to counties under subsection 5 have been made, the tax commissioner shall certify to the state treasurer as necessary any supplemental amounts payable to counties or the air transportation fund or any amounts that must be returned by counties or returned from the air transportation fund for deposit in the state general fund to correct any errors in payments or reflect any abatement or compromise of taxes, court-ordered tax reduction or increase, or levy of taxes against omitted property. The county auditor shall provide any

supplemental information requested by the tax commissioner after submission of the abstract of the tax list. The county treasurer shall apply to the tax commissioner for any supplemental payments to which the county treasurer believes the county is entitled.

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

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-fourth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2005.

Senate Vote:	Yeas 47	Nays 0	Absent 0
House Vote:	Yeas 92	Nays 0	Absent 2

Secretary of the Senate

Received by the Governor at 11:16 A.M. on April 23, 2015.

Approved at 2:59 P.M. on April 23, 2015.

Governor

Filed in this office this 23rd day of April, 2015,

at 4:12 o'clock P. M.

Secretary of State