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

SENATE BILL NO. 2217
(Senators Unruh, Cook, Dotzenrod)
(Representatives Dockter, Nathe, Streyle)

AN ACT to create and enact section 57-15-30.2 of the North Dakota Century Code, relating to financial reporting requirements for taxing entities authorized to levy property taxes; to amend and reenact sections 2-06-14, 4-02-27, 4.1-47-14, 4.1-47-25, 11-11.1-04, 11-11.1-06, 11-28-06, 11-28-17, 11-28.3-09, 11-36-14, 11-37-13, 18-10-07, 23-18.2-12, 23-24-09, 23-30-07, 23-35-07, 40-38-02, 40-57.4-04, 50-06.2-05, 57-15-26.3, 61-04.1-26, and 61-16.1-06 of the North Dakota Century Code, relating to the filing of a financial report with the county auditor showing the ending balances of each fund held by an unelected governing body seeking approval of a property tax levy; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 2-06-14 of the North Dakota Century Code is amended and reenacted as follows:

2-06-14. Tax levy may be certified by airport authority or municipality - Financial report.

The airport authority may certify annually to the governing bodies, the amount of tax to be levied by each municipality participating in the creation of the airport authority, and the municipality shall levy the amount certified, pursuant to provisions of law authorizing cities and other political subdivisions of this state to levy taxes for airport purposes. In the year for which the levy is sought, an airport authority that is not a city or county governing body and which is seeking approval of a property tax levy of a city or county governing body under this chapter must file with the auditor of each participating city or county, at a time and in a format prescribed by the auditors, a financial report for the preceding calendar year showing the ending balances of each fund held by the airport authority during that year. The levy made may not exceed the maximum levy permitted by the laws of this state for airport purposes. The municipality shall collect the taxes certified by an airport authority in the same manner as other taxes are levied and collected. The proceeds of such taxes must be deposited in a special account or accounts in which other revenues of the authority are deposited and may be expended by the authority as provided for in this chapter. Prior to the issuance of bonds under section 2-06-10 the airport authority or the municipality may by resolution covenant and agree that the total amount of such taxes then authorized by law, or such portion thereof as may be specified by the resolution, will be certified, levied, and deposited annually until the bonds and interest are fully paid.

SECTION 2. AMENDMENT. Section 4-02-27 of the North Dakota Century Code is amended and reenacted as follows:

4-02-27. Reports required of county fair associations - Tax levies for support thereof.

Any county fair association receiving the aid provided for in this chapter, at the regular meeting of the board of county commissioners held in the month of January following the holding of such county fair, shall make a full report to the board of all moneys received by it from all sources and of all disbursements. The report must show the amount of the debts and the amount of moneys in the treasury of the association, and the amount of any deficit after the payment of its expenses, and must contain an estimate of the amount, if any, which it will be necessary to raise above the estimated ordinary receipts of the association for the purposes of its fair for the ensuing year. The report and estimate must be verified by the oath of the president, or vice president, the secretary, treasurer, and a majority of the board of directors of the association. After the filing and approval of the report, the board of county commissioners shall levy a tax for the current year equal to the estimate contained in the association's report, if the report filed shows that the funds have been expended legally and if the levy

has been approved by the voters or the board of county commissioners, as required by law. In the year for which the levy is sought, a county fair association seeking approval of a property tax levy under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the association during that year. The tax levied for the current year may not exceed the limitation in section 57-15-06.7, and the amount levied must be paid to the association as provided in section 4-02-26.

SECTION 3. AMENDMENT. Section 4.1-47-14 of the North Dakota Century Code is amended and reenacted as follows:

4.1-47-14. County noxious weed control program - Payment of expenses - Financial report - Mill levy authorization.

1. The board of county commissioners may pay the expenses of a county noxious weed control program authorized under this chapter from the county general fund, the noxious weed control fund, or both.

2. a. The county weed board may annually certify to the board of county commissioners a tax, not to exceed two mills on the taxable valuation of all property in the county, other than that which lies within the boundaries of a city having a noxious weed control program under this chapter. In the year for which the levy is sought, a county weed board seeking approval of a property tax levy under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the county weed board during that year.

   b. In addition to the levy authorized in subdivision a, the board of county commissioners may levy an amount not to exceed two mills per dollar on the taxable valuation of all property in the county, other than that which lies within the boundaries of a city having a noxious weed control program under this chapter.

   c. The board of county commissioners shall levy the taxes authorized by this subsection and shall place those moneys in a separate fund designated as the noxious weed control fund, which is used to pay the expenses of a county noxious weed control program.

   d. The tax may be levied in excess of the mill levy limit prescribed by law for general purposes.

3. For purposes of this section, the expenses of a county noxious weed control program include compensation for and the reimbursement of expenses incurred by the county weed board, the county weed control officer, and other employees of the board, and expenses incurred in the provision of noxious weed control, as authorized by this chapter.

SECTION 4. AMENDMENT. Section 4.1-47-25 of the North Dakota Century Code is amended and reenacted as follows:

4.1-47-25. City noxious weed control program - Payment of expenses - Financial report - Mill levy authorization.

1. The governing body of a city may pay the expenses of a city noxious weed control program authorized under this chapter from the city general fund, the noxious weed control fund, or both.

2. a. The city weed board may annually certify to the governing body of a city a tax, not to exceed two mills on the taxable valuation of all property in the city. In the year for which the levy is sought, a city weed board seeking approval of a property tax levy under this chapter must file with the city auditor, at a time and in a format prescribed by the city

auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the city weed board during that year.

b. In addition to the levy authorized in subdivision a, the governing body of a city may levy an amount not to exceed two mills per dollar on the taxable valuation of all property in the city.

c. The governing body of a city shall levy the taxes authorized by this subsection and shall place those moneys in a separate fund designated as the noxious weed control fund, which is used to pay the expenses of a city noxious weed control program.

d. The tax may be levied in excess of the mill levy limit prescribed by law for general purposes.

3. For purposes of this section, the expenses of a city noxious weed control program include compensation for and the reimbursement of expenses incurred by the city weed board, the city weed control officer, and other employees of the board, and expenses incurred in the provision of noxious weed control, as authorized by this chapter.

SECTION 5. AMENDMENT. Section 11-11.1-04 of the North Dakota Century Code is amended and reenacted as follows:

11-11.1-04. Tax levy for job development authorities - Financial report.

The board of county commissioners of a county which has a job development authority or joint job development authority shall establish a job development authority fund and may levy a tax not exceeding the limitations in subsection 29 of section 57-15-06.7. In the year for which the levy is sought, a job development authority or joint job development authority seeking approval of a property tax levy under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the job development authority or joint job development authority during that year. The county treasurer shall keep the job development authority fund separate from other money of the county. If directed by the board of county commissioners, the county treasurer shall keep a separate fund for the job development authority for the proceeds of any designated portion of the levy for promotion of tourism by the job development authority. The county treasurer shall transmit all funds received pursuant to this section within thirty days to the board of directors of the authority. The funds when paid to the authority must be deposited in a special account, or special accounts if the authority chooses to maintain a separate account for promotion of tourism, in which other revenues of the authority are deposited. Moneys received by the job development authority from any other source must also be deposited in the special accounts. The moneys in the special accounts may be expended by the authority as provided in sections 11-11.1-02 and 11-11.1-03.

SECTION 6. AMENDMENT. Section 11-11.1-06 of the North Dakota Century Code is amended and reenacted as follows:

11-11.1-06. Alternative levy for industrial development organizations - Financial report.

In lieu of establishing a job development authority or joint job development authority as provided in sections 11-11.1-01 through 11-11.1-05, the board of county commissioners in a county where an active industrial development organization exists may levy a tax not exceeding the limitation in subsection 29 of section 57-15-06.7. In the year for which the levy is sought, an industrial development organization seeking approval of a property tax levy for funding a contract under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the industrial development organization during that year. The funds from the levy may be used to enter into a contract with the industrial development organization for performance of the functions of a job development authority or joint job development authority as provided in sections 11-11.1-01 through 11-11.1-05.

SECTION 7. AMENDMENT. Section 11-28-06 of the North Dakota Century Code is amended and reenacted as follows:

11-28-06. Tax levy by board of county commissioners - Financial report.

At the time of levying taxes for other county purposes, the board of county commissioners shall consider the certificate and budget statement of the board of county park commissioners and ~~shall~~may levy each year upon all taxable property in the county a tax sufficient in amount to pay the actual necessary expenses and activities program of the board of county park commissioners, including construction, improvement, repair, operation, and maintenance of the park and recreational areas and their facilities under its control and those recreational activities of benefit to the general populace of the county which are under the control of a city or a city park district within the county, not exceeding the limitation in subsection 10 of section 57-15-06.7. No levy in excess of this limitation shall be made without approval of the eligible voters in the county at a special or general election. In the year for which the levy in sought, a board of county park commissioners seeking approval of a property tax levy under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the board of county park commissioners during that year. The county auditor shall credit the proceeds of such tax to the separate fund of the board of county park commissioners. This levy shall not apply to cities that already have a park levy unless the governing body of the city by resolution consents to the levy.

SECTION 8. AMENDMENT. Section 11-28-17 of the North Dakota Century Code is amended and reenacted as follows:

11-28-17. District budget - Financial report - Tax levy - Election.

The board of joint park commissioners shall request the respective boards of county commissioners of the counties within the joint park district to submit to the electors of the joint county park district at any general election the question of a maximum tax levy therein for park purposes. The question shall be submitted as follows: Shall the board of county commissioners be authorized to levy a tax of not to exceed _____ mills for joint county park district purposes? The rate proposed shall in no event exceed three mills. If a majority of the vote cast thereon is favorable to such levy, the board of joint park commissioners shall meet annually during the month of July and at such meeting shall prepare a budget for the ensuing year, estimating and itemizing the expenses and obligations of the joint county park district. Upon completion and adoption of such budget, the board shall make a tax levy in mills, within the limit of the authorization, to meet such budget. Such levy shall be in the form of a resolution adopted by a majority vote of the members of the board and thereafter prior to the first day of July of each year such levy shall be certified to the county auditor of each county within the joint park district by the secretary of the board. In the year for which the levy is sought, a board of joint park commissioners seeking approval of a property tax levy under this chapter must file with the county auditor of the counties within the joint park 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 board of joint park commissioners during that year. At the time of levying taxes for other county purposes, the respective boards of county commissioners of each county within the joint park district ~~shall~~may levy the tax certified by the board of joint park commissioners upon all taxable property in the county in the same manner other taxes are levied. The question of the maximum levy may be submitted from time to time by the board of joint park commissioners.

SECTION 9. 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 to be determined - Financial report.

The board of directors shall establish a general emergency medical service policy for the district and shall annually estimate the probable expense for carrying out that policy. The estimate shall 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 must 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 auditor or auditors ~~shall~~may levy a tax not to exceed ten mills upon the taxable property within the district for the maintenance of the ambulance service district for the fiscal year as provided by law. The tax shall be:

1. Collected as other taxes are collected in the county.
2. Turned over to the secretary-treasurer of the rural ambulance service district, who shall be bonded in the amount of at least five thousand dollars.
3. Deposited by the secretary-treasurer in a state or national bank in a district account.
4. 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.

In no case shall the amount of the tax levy 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 approved mill levy.

SECTION 10. AMENDMENT. Section 11-36-14 of the North Dakota Century Code is amended and reenacted as follows:

11-36-14. Tax levy may be certified by port authority or municipality - Financial report.

The port authority may certify annually to the governing bodies the amount of tax to be levied by each municipality participating in the creation of the port authority, and the municipality shall levy the amount certified, pursuant to provisions of law authorizing political subdivisions of this state to levy taxes for port purposes. The levy made may not exceed the maximum levy permitted by the laws of this state for port purposes. In the year for which the levy is sought, a port authority seeking approval of a property tax levy under this chapter must file with the auditor of each participating municipality, at a time and in a format prescribed by the auditors, a financial report for the preceding calendar year showing the ending balances of each fund held by the port authority during that year. The municipality shall collect the taxes certified by a port authority in the same manner as other taxes are levied and collected. The proceeds of such taxes must be deposited in a special account or accounts in which other revenues of the port authority are deposited and may be expended by the port authority as provided in this chapter. Before issuance of bonds under section 11-36-10, the port authority or the municipality by resolution may covenant and agree that the total amount of the taxes then authorized by law, or such portion of the taxes as may be specified by the resolution, will be certified, levied, and deposited annually until the bonds and interest are fully paid.

SECTION 11. AMENDMENT. Section 11-37-13 of the North Dakota Century Code is amended and reenacted as follows:

11-37-13. Tax levy by political subdivision - Financial report.

The commerce authority may certify annually to the governing bodies the amount of tax requested to be levied by each political subdivision participating in the commerce authority. In the year for which the levy is sought, a commerce authority seeking approval of a property tax levy under this chapter

must file with the auditor of each participating political subdivision, at a time and in a format prescribed by the auditors, a financial report for the preceding calendar year showing the ending balances of each fund held by the commerce authority during that year. The governing body of each political subdivision shall consider the levy request of the commerce authority and determine the amount to be levied. The levy may not exceed the maximum levy permitted for commerce authority purposes. Each political subdivision shall collect the taxes levied on behalf of a commerce authority in the same manner as other taxes are levied and collected. The proceeds of the taxes must be deposited in a special account or accounts in which other revenues of the commerce authority are deposited and may be expended by the commerce authority as provided in this chapter. Before issuance of bonds under section 11-37-09, the commerce authority by resolution may covenant and agree that the total amount of the taxes authorized by law, or the portion of the taxes specified by the resolution, will be certified and deposited annually until the bonds and interest are fully paid.

SECTION 12. AMENDMENT. Section 18-10-07 of the North Dakota Century Code is amended and reenacted as follows:

18-10-07. Fire protection policy to be determined - Financial report - Tax levy.

The board of directors shall determine a general fire protection policy for the district and shall annually estimate the probable expense for carrying out the contemplated program. The annual estimate of probable expense may include an amount determined by the board of directors to be necessary to be carried over to a future year for purchase of firefighting equipment, ambulances, or other emergency vehicles. 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, who shall levy a tax upon the taxable property within the district for the maintenance of the fire protection district for the fiscal year as provided by law. In the year for which the levy is sought, a board of directors of a rural fire protection district seeking approval of a property tax levy under this chapter must file with the county auditor of the counties within the rural fire 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 fire protection district during that year. The tax may not exceed the limitation in section 57-15-26.3. No signature on the petition may be considered valid if made more than ninety days prior to receipt of the petition. The tax must be:

1. Collected as other taxes are collected in the county.
2. Turned over to the secretary-treasurer of the rural fire protection district, who shall have a surety bond in the amount of at least five thousand dollars.
3. Placed to the credit of the rural fire protection district so authorizing the same by its secretary-treasurer in a state or national bank, except amounts to be carried over to a future year for purchase of firefighting equipment, ambulances, or other emergency vehicles may be invested to earn the maximum return available.
4. Paid out upon warrants drawn upon the fund by authority of the board of directors of the district, bearing the signature of the secretary-treasurer and the countersignature of the president of the rural fire protection district.

The amount of 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 and including any amount determined by the board of directors to be necessary to be carried over to a future year for purchase of firefighting equipment, ambulances, or other emergency vehicles.

SECTION 13. AMENDMENT. Section 23-18.2-12 of the North Dakota Century Code is amended and reenacted as follows:

23-18.2-12. Tax levy may be certified by nursing home authority - Financial report.

The nursing home authority may certify annually to the board of county commissioners a tax not exceeding the limitation in subsection 13 of section 57-15-06.7 for a nursing home fund which tax may be levied by the board of county commissioners. In the year for which the levy is sought, a nursing home authority seeking approval of a property tax levy under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the nursing home authority during that year. The proceeds of the tax collected in the fund must be used first for the payment of principal and interest on any bonds, issued under the provisions of this chapter, which may be due or about to become due. The remaining proceeds in the fund may also be used for any other corporate purpose of the authority, including, but not limited to, costs of operation and costs of obligations entered into with private nursing homes.

SECTION 14. AMENDMENT. Section 23-24-09 of the North Dakota Century Code is amended and reenacted as follows:

23-24-09. District budget - Financial report - Tax levy.

When a vector control district has been created and a board of commissioners has been organized, the board shall estimate the expenses of the district from the date of its establishment until the end of the ensuing fiscal year and before July first in each year and thereafter shall estimate district expenses for the fiscal year ensuing. Estimates of district expenses may include all outlays necessary to carry out the powers of the board herein provided for. Upon completion and adoption of a budget covering necessary expenses, the board of commissioners shall send a copy of such budget to the county auditor of each county in the district. If a district is situated in more than one county, the estimate must be apportioned to the counties affected. Such county auditor shall transmit the same to the board of commissioners of the auditor's county. In the year for which the levy is sought, a vector control district seeking approval of a property tax levy under this chapter must file with the county auditor of each county within the vector control 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 vector control district during that year. The board of county commissioners of each county in which the district is situated shall by resolution levy, authorize, and direct their county auditor to extend and spread upon the tax roll of the county a tax not exceeding the limitation in section 57-15-26.2. Funds produced each year by such tax levy must be available until expended and if such tax levy in any year will not produce sufficient revenue to cover district expenses a fund sufficient to pay the same may be accumulated.

SECTION 15. AMENDMENT. Section 23-30-07 of the North Dakota Century Code is amended and reenacted as follows:

23-30-07. Tax levy authorized - Financial report.

The board of directors shall annually estimate the probable expense for operating the hospital district. 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, the board of directors of a hospital district seeking approval of a property tax levy under this chapter must file with the county auditor of each county within the hospital 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 hospital district during that year. The auditor or auditors ~~shall~~may levy a tax not exceeding the limitation in section 57-15-26.4 for the maintenance of the district for the fiscal year as provided by law. The tax must be:

1. Collected as other taxes are collected in the county.

2. Turned over to the secretary-treasurer of the district, who must have a surety bond set by the board of directors in the amount of at least five thousand dollars.

3. Placed to the credit of the district authorizing it by its secretary-treasurer in a state or national bank qualifying as a public depository.

4. Paid out upon warrants drawn upon the fund by authority of the board of directors of the district, bearing the signature of the secretary-treasurer and the countersignature of the president of the district.

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.

SECTION 16. AMENDMENT. Section 23-35-07 of the North Dakota Century Code is amended and reenacted as follows:

23-35-07. Health district funds - Financial report.

1. Except for a tribal health district, a district board of health shall prepare a budget for the next fiscal year at the time at which and in the manner in which a county budget is adopted and shall submit this budget to the joint board of county commissioners for approval. In the year for which the levy is sought, a district board of health, except for a tribal health district, seeking approval of a property tax levy under this chapter must file with the county auditor of each county within the health 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 health district during that year. The amount budgeted and approved must be prorated in health districts composed of more than one county among the various counties in the health district according to the taxable valuation of the respective counties in the health district. For the purpose of this section, "prorated" means that each member county's contribution must be based on an equalized mill levy throughout the district, except as otherwise permitted under subsection 3 of section 23-35-05. Within ten days after approval by the joint board of county commissioners, the district board of health shall certify the budget to the respective county auditors and the budget must be included in the levies of the counties. The budget, not including gifts, grants, donations, and contributions, may not exceed the amount that can be raised by a levy of five mills on the taxable valuation, subject to public hearing in each county in the health district at least fifteen days before an action taken by the joint board of county commissioners. Action taken by the joint board of county commissioners must be based on the record, including comments received at the public hearing. A levy under this section is not subject to the limitation on the county tax levy for general and special county purposes. The amount derived by a levy under this section must be placed in the health district fund. The health district fund must be deposited with and disbursed by the treasurer of the district board of health. Each county in a health district quarterly shall remit and make settlements with the treasurer. Any funds remaining in the fund at the end of any fiscal year may be carried over to the next fiscal year.

2. Except for a tribal health district, the district board of health, or the president and secretary of the board when authorized or delegated by the board, shall audit all claims against the health district fund. The treasurer shall pay all claims from the health district fund. The district board of health shall approve or ratify all claims at the board's quarterly meetings.

SECTION 17. AMENDMENT. Section 40-38-02 of the North Dakota Century Code is amended and reenacted as follows:

40-38-02. Library fund - Financial report - Levy - Kept separate - Exemption for city levying tax - Increasing levy.

1. For the purpose of establishing and maintaining public library service, the governing body of a municipality or county authorizing the same shall establish a library fund. The library fund shall consist of annually levying and causing to be collected as other taxes are collected a municipal or county tax not exceeding the limitations in subsection 15 of section 57-15-06.7

and subsection 5 of section 57-15-10 and any other moneys received for library purposes from federal, state, county, municipal, or private sources. In the year for which the levy is sought, a library board seeking approval of a property tax levy under this chapter must file with the auditor of each participating municipality or county, at a time and in a format prescribed by the auditors, a financial report for the preceding calendar year showing the ending balances of each fund held for the library board during that year.

2. The city auditor or county treasurer shall establish and maintain the fund to account for library revenues and shall make payments from the fund for invoices that have been submitted and approved by the governing body of the library. In the case of a contract with another library for service delivery, the city auditor or county treasurer shall promptly transmit all funds received to the established library fund of the agency delivering service. On request of the city auditor or county treasurer and during an audit, the governing board of the library shall supply its records. The records must be provided on a timely basis. The fund may not revert to the governing body of the city or county at the end of any fiscal year. The fund must be used exclusively for the establishment and maintenance of public library service.

3. Whenever a tax for county library service is levied, any city already levying a tax for public library service under the provisions of this section or other provisions of law shall, upon written application to the county board of the county, be exempted from the county tax levy to the extent that the city making the application levies taxes for a library fund during the year for which the tax levy is made. If the city has been totally exempted from participation in any prospective county library program, the phrase "not less than fifty-one percent of the qualified electors of the city or county as determined by the total number of votes cast at the last general election" as stated in section 40-38-01 shall mean fifty-one percent of the total number of votes cast at the last general election in the county less the total number of votes cast at the last general election in the city. If an election on the question is held, the qualified electors of any city so exempted from the county library tax shall not be entitled to vote on the establishment or discontinuance of the county library service.

4. Upon motion of the governing body or upon petition of not less than twenty-five percent of the qualified electors in the last general election of any city, school district, township, or county, filed not less than sixty days before the next election, the governing body shall submit to the qualified electors at the next election the question of whether the governing body shall increase the mill levy a specified amount for public library service above the mill levy limitation set out in this section. The governing body may call a special election at any time for the purpose of voting on the question, and the election shall be called, conducted, and certified as are other elections in that political subdivision. Upon approval by sixty percent of the qualified electors voting in the election, the governing body shall increase the levy for public library service in the amount approved by the qualified electors.

SECTION 18. AMENDMENT. Section 40-57.4-04 of the North Dakota Century Code is amended and reenacted as follows:

40-57.4-04. Tax levy for city job development authorities - Financial report.

The governing body of a city which has a city job development authority shall establish a city job development authority fund and may levy a tax not exceeding the limitation in subsection 28 of section 57-15-10. In the year for which the levy is sought, a job development authority or industrial development organization seeking approval of a property tax levy under this chapter must file with the city auditor, at a time and in a format prescribed by the city auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the job development authority or industrial development organization during that year. The city auditor shall keep the fund separate from other money of the city and transmit all funds received under this section within thirty days to the board of directors of the city job development authority. The funds when paid to the city job development authority must be deposited in a special account in which other revenues of the city job development

authority are deposited and may be expended by the city job development authority as provided in sections 40-57.4-02 and 40-57.4-03.

In lieu of establishing a job development authority, the governing body of a city where an active industrial development organization exists may levy a tax not exceeding the limitation in subsection 28 of section 57-15-10. The funds from the alternative levy may be used to enter into a contract with the industrial development organization for performance of the functions of a city job development authority.

SECTION 19. AMENDMENT. Section 50-06.2-05 of the North Dakota Century Code is amended and reenacted as follows:

50-06.2-05. Appropriation of county funds - Financial report.

The board of county commissioners of each county shall annually appropriate and make available to the human services fund an amount sufficient to pay the local expenses of administration and provision of the human services required by state law and by federal law or regulation as a condition for the receipt of federal financial participation in programs administered by county agencies under the provisions of this title. In the year for which the levy is sought, a county social service board seeking approval of a property tax levy under this chapter must file with the county auditor of each county within the health 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 board during that year. For purposes of this section, the board of county commissioners may levy an annual tax for human services purposes not exceeding the limitation in subsection 34 of section 57-15-06.7, and if this amount is not sufficient, may levy for deficiency purposes under chapter 50-03.

SECTION 20. AMENDMENT. Section 57-15-26.3 of the North Dakota Century Code is amended and reenacted as follows:

57-15-26.3. General tax levy of fire protection districts - Financial report.

A rural fire protection district may levy a tax in accordance with chapter 18-10 not exceeding five mills on the taxable valuation of property in the district except upon resolution adopted by the board of directors after receipt of a petition by not less than twenty percent of the qualified electors residing within the district, the levy may be made in an amount not exceeding thirteen mills. In the year for which the levy is sought, a rural fire protection district seeking approval of a property tax levy under chapter 18-10 must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the rural fire protection district during that year.

SECTION 21. Section 57-15-30.2 of the North Dakota Century Code is created and enacted as follows:

57-15-30.2. Financial reporting requirements for taxing entities.

The governing body of any county, city, township, school district, park district, recreation service district, rural fire protection district, rural ambulance service district, soil conservation district, conservancy district, water authority, or any other taxing entity authorized to levy property taxes or have property taxes levied on its behalf, in the year for which the levy will apply, must file with the county auditor of each county in which the taxing entity is located, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund or account held by the taxing entity during that year.

SECTION 22. AMENDMENT. Section 61-04.1-26 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-26. Tax may be certified by weather modification authority - Financial report.

The weather modification authority may certify annually to the board of county commissioners a tax of not to exceed seven mills upon the taxable valuation of the property in the county for a weather modification fund. If weather modification services are not provided to the entire county, the weather modification authority may certify annually to the board of county commissioners a tax for a weather modification fund of not to exceed seven mills upon the taxable valuation of the property in the county designated to receive weather modification services. In the year for which the levy is sought, the weather modification authority seeking approval of a property tax levy under this chapter must file with the county auditor, at a time and in a format prescribed by the county auditor, a financial report for the preceding calendar year showing the ending balances of each fund held by the authority during that year. The tax shall be levied by the board of county commissioners and may be levied in excess of the mill levy limit fixed by law for taxes for general county purposes. The weather modification fund shall be used only for weather modification activities in conjunction with the state of North Dakota. The tax certified by the weather modification authority is limited to the period of existence of the weather modification authority as provided for in this chapter.

SECTION 23. AMENDMENT. Section 61-16.1-06 of the North Dakota Century Code is amended and reenacted as follows:

61-16.1-06. District budget - Financial report - Tax levy - Financing by special assessment.

The fiscal year of the district begins January first and ends December thirty-first. The water resource board shall estimate the expenses of the district before October first of each year. Estimates of district expenses may include costs of rights of way, easements, or other interests in property deemed necessary for the construction, operation, and maintenance of any projects. The district budget may also include an amount necessary for future projects which are part of a master plan. In the year for which the levy is sought, a water resource board seeking approval of a property tax levy under this chapter must file with the county auditor of each county in the 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 water resource district during that year. Upon completion and adoption of a budget covering necessary expenses, the board shall send a copy of the budget to the county auditor of each county in the district. Each county auditor shall transmit the same to the board of county commissioners of that county. The board of county commissioners shall either disapprove the budget, amend and approve the budget as amended, or approve the budget as submitted and, if approved as amended or as submitted, the board shall, by resolution, levy and authorize and direct the county auditor to extend and spread upon the tax roll of the county or portion of the county in the district a tax not exceeding the limitation in section 57-15-26.6 in the same manner, and with the same effect, as general property taxes are extended and spread. Funds produced each year by the tax levy shall be available until expended, and if the tax levy in any year will not produce sufficient revenue to cover district expenses, a fund sufficient to pay the district expenses may be accumulated. The acquisition of rights of way, easements, and the construction, operation, and maintenance of a project in a district may, in the discretion of the water resource board, be financed in whole or in part by special assessments against property benefited by such project, or from revenues realized from general tax collections, or from net revenues to be derived from service charges to be imposed and collected for the services of the project, or any combination of such sources.

SECTION 24. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 2015.

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. 2217.

Senate Vote:	Yeas 47	Nays 0	Absent 0
House Vote:	Yeas 83	Nays 5	Absent 6

Secretary of the Senate

Received by the Governor at 2:44 P. M. on March 24, 2015.

Approved at 2:53 P. M. on March 25, 2015.

Governor

Filed in this office this 25th day of March, 2015,

at 3:45 o'clock P M.

Secretary of State