

2017 SENATE FINANCE AND TAXATION

SB 2200

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200
1/17/2017
Job # 26956

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10, and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to provide an effective date.

Minutes:

3

Chairman Cook: Attendance taken, All Senators present. Opened the hearing on SB 2200.

Senator Unruh: Senator Cook.

Senator Cook, District 34: Last session, SB 2144 re-wrote a lot of the property tax mill levy authorities held by counties and cities. During that time, a lot of discussions were held with airport authorities. A couple of issues were found, a need to rewrite airport authority act and bonding in order to capture all available federal funds for airport repair. Before you is a solution to bonding for accessing funding for federal dollars. During 2144, we created capital improvement funds for counties and cities, we consolidated the individual mill levies into a capital improvement fund. There was a capital improvement fund for county and cities each at 10 mills, but didn't include airport authorities. The intent of this bill is that a county or a city would use the capital improvement fund and levy up to a certain amount of mills that would be required, with approval, for a major project for an airport.

Section 5 on page 2 at the top is where they get introduced to the counties. On page 3, lines 11 and 12, that's where they get introduced to the capital improvement fund for cities. Language on section 2, the county has an ability to levy up 10 mills, and an additional 10 mills. County commissioners could do 10 mills and need voter approval for second 10 mills. Cities need voter approval for both 10 mill options.

Acting Chair Unruh: Any questions for Senator Cook?

Chairman Cook: Further testimony and support?

Kyle Wanner, Executive Director, North Dakota Aeronautics Commission: (4:45-7:35) presented testimony #1 in support of SB 2200. Attachment #2 was handed out as supplemental information.

Chairman Cook: Questions? Further testimony and support?

Matthew Remyse, President, Airport Association of North Dakota: (8:00-11:20) presented testimony #3 in support of SB 2200.

Chairman Cook: Any questions?

Senator Laffen: City or county would still need to give approval to borrow from the available bonding capacity, is that going to be an issue?

Matthew Remyse: I believe the cities and counties will support their local airport. Airports can work with governing body to support projects.

Chairman Cook: Any other questions? What kind of a challenge would oppose the airports if a governing body had to go to the voters for a vote.

Matthew Remyse: Larger airports wouldn't be an issue, some of the general aviation airports might not want to deal with politics of putting it on the ballot. Larger airports and projects would definitely want to work with the governing body to get that on the ballot because of how much the runway project will cost. Possible to not be used by general airports if had to go to the voters.

Chairman Cook: As funds become available, and the time frame to get something before the voters, is there enough time for that?

Matthew Remyse: When major projects are done, planning time frame is two years, should be enough to get the notice out to the voters.

Chairman Cook: any other questions? Testimony in support of 2200.

Donnell Preskey, North Dakota Association of Counties: We are in support of the bill.

Blake Crosby, North Dakota League of Cities: We are in support of this bill.

Chairman Cook: Even with the language that takes the 60% requirement out of there for you.

Blake Crosby: That caused us some concern, but we can live with it.

Chairman Cook: Any other testimony in support? Testimony opposed? Neutral testimony.

Closed the hearing on SB 2200.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200
1/17/2017
Job #: 26994

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-60-14 of the North Dakota Century Code, relating to the allocation of coal conversion tax revenue collections; and to provide an effective date.

Minutes:

No Attachments

Chairman Cook: SB 2200. Are we comfortable with this?

Senator Unruh: Moved a DO PASS.

Senator Meyer Seconded.

Chairman Cook: Any discussion?

Senator Dotzenrod: If this bill comes on the floor and in discussion, if someone asks if this allows an increase in taxes. It's not a tax increase by itself, a new provision that opens to allow taxes to be imposed. Is that correct?

Chairman Cook: A new option not available before if they elect to do it, could be an increase in property taxes.

Senator Dotzenrod: It could be. It still complies with those category limits we passed in the last session. We have to stay inside the limits previously established.

Chairman Cook: It's got a long way to go. If any discussion, it's on the change to equalize counties and cities.

Senator Dotzenrod: Each 10 mill levy cap applies to each of the 6 each or in total.

Chairman Cook: In total. Any other discussion?

Roll Call Vote was taken: 6 yeas, 0 nays, 0 absent.

Senator Cook will carry the bill.

Date: 1-17-17
 Roll Call Vote #: 1

**2017 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2200**

Senate Finance and Taxation Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Unruh Seconded By Meyer

Senators	Yes	No	Senators	Yes	No
Chairman Dwight Cook	✓		Senator Jim Dotzenrod	✓	
Vice Chair Brad Bekkedahl	✓				
Senator Lonnie J. Laffen	✓				
Senator Scott Meyer	✓				
Senator Jessica Unruh	✓				

Total (Yes) 6 No 0
 Absent 0
 Floor Assignment COOK

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2200: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2200 was placed on the Eleventh order on the calendar.

2017 HOUSE FINANCE AND TAXATION

SB 2200

2017 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2200
3/1/2017
28538

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Brucher

Explanation or reason for introduction of bill/resolution:

A bill relating to capital project levies; and to provide an effective date.

Minutes:

Attachment #1-2

Chairman Headland: Opened hearing on SB 2200.

Senator Cook: Introduced bill. Last session we had some conversations with airport authorities. Airport authority's levies are capped at four mills with approval of either the city or the county. They have capital projects that are rather large then they have the opportunity to access some federal dollars. They need the flexibility to be able to access that. They've always looked for a way to be able to have more mills available to them. This bill allows them to go to the city or the county and capture the city or county's capital improvement fund. Both the city and the county have a 10 mill capital improvement fund that they can use for various things such as a fire department, police station, etc. This bill allows that if they so desire they can use it for airport construction as well. It will not increase any of the funding caps that are presently there but it gives the option for the airport authorities to cap into that capital improvement fund. It passed the senate rather overwhelmingly and we would ask that you also give it favorable consideration.

Chairman Headland: They can go to both the city and the county so can they ask for both funds?

Senator Cook: No, it depends whether it's a city airport authority or a county airport authority. A county airport authority would go to the county and the city airport authority would go to the city.

Representative B. Koppelman: In sections 2 and 3, it appears the language is going from 60% to 50% plus one for a majority needed to pass this.

Senator Cook: One of the funds was at 50% and one was at 60 percent. We couldn't understand why one political subdivision was treated different than the other so we made them both the same.

Chairman Headland: Are there any other questions? Is there further testimony in support?

Lacy Anderson, Airport Association of North Dakota: Introduced Matthew Remyse, President of the Airport Association of North Dakota.

Matthew Remyse, President of Airport Association of North Dakota: Provided written testimony in support, see attachment #1. Ended testimony at 7:33.

Representative Ertelt: Do counties currently take part in any funding for airports?

Matthew Remyse: Yes, if it's a county airport or a regional airport authority. For example, Jamestown is a regional airport authority so both the city of Jamestown and Stutsman County provide funding for the airport. On the capital side they don't; there's no language in there now that would allow that. There are just the four mills for operations.

Representative Ertelt: In counties where there are multiple municipal airports and if they are funded for operations by the county, is it possible that there are individuals within that county who would be paying taxes and never use that airport because they might use a different municipal airport within the county?

Matthew Remyse: There is a possibility that could happen. Grand Forks County has the Grand Forks Regional Airport and a couple smaller aviations in that county so there would be that potential.

Representative Olson: You note that Bismarck has a project that's going to cost a total of \$70 million and the city is funding \$30 million because of limited federal funding. Where is the rest of that funding coming from?

Matthew Remyse: \$70 million is the estimated cost of the Bismarck Airport. A federal project would be covered 90% by the Federal Aviation Administration, however, due to all the demands within the state there's only a certain amount of money available to the FAA for projects within our region which is North Dakota, South Dakota, and Minnesota. The Bismarck Airport is getting federal dollars over the course of three years. The state is trying to come up with five percent, which would be about \$3-4 million. AND is also pushing for funding from the Aeronautics Commission for that project and several projects throughout the state. The remainder is being made up. Approximately \$40 million is what we're anticipating from federal funding then whatever the state can provide, the city of Bismarck's bonding \$10-11 million, and the remainder is coming out of the airport reserves and the city reserves.

Representative Olson: Once this is complete who owns the airport? Is it private, city, or county ownership?

Matthew Remyse: The city of Bismarck owns the Bismarck airport. Once the project is done they will still be the sponsor and owner.

Representative Olson: Is that the case with every airport that is funded by an authority, like if it's a county airport do they own that airport?

Matthew Remynse: If it's an airport authority it is a separate political subdivision that works with the city or county, whoever provided the resolution to create the airport authority.

Representative Olson: The 56 of the 89 are eligible for federal funding so then you expect the feds to pay up to 90% of the project based on available funds?

Matthew Remynse: That is correct.

Representative Olson: What is it that makes an airport ineligible for federal funding?

Matthew Remynse: An eligible airport is classified as a National Plan of Integrated Airports (NPIA) so it is eligible for federal funding and it is important to the national airspace system. There are certain requirements to be in the NPIA; you have to be a certain distance from other airports and you have to have certain facilities. A grass air strip would not be eligible for NPIA because you have to have a hard surface runway to be in the program. You have to apply to the FAA to become a NPIA airport which is a lengthy process.

Representative Olson: With regards to this bill, would the intent be for the extra mills to come out of the capital improvement fund? Is the need for that with NPIA airports only or are there other non-NPIA airports that would be looking for this capital improvement fund money?

Matthew Remynse: This would benefit all airports in the state. A non-NPIA allows them to work with their local governing body to dive into their budget and determine the needs.

Representative Olson: Do you know if all those airports are NPIA airports that are looking to see this bill passed at the present time?

Matthew Remynse: I'm not aware of any non-NPIA airports that would tap into this right away. I'm not familiar with all the airports that have capital improvement plans so there may be some out there but I'm just not aware of them.

Representative Olson: How many airports or airport authorities are interested in this bill passing?

Matthew Remynse: I'm not sure how many airports would utilize the program if this bill were to pass. It would be beneficial to have that option available for them.

Representative Olson: Bismarck?

Matthew Remynse: Right now Bismarck has their funding plan in place for the runway reconstruction project. If the option was available, it might be something that they would consider.

Chairman Headland: The decision would still remain local with the elected officials?

Matthew Remyse: Absolutely. This would be a local decision whether or not to levy these capital mills for an airport project.

Chairman Headland: Is there further testimony in support?

Terry Traynor, Association of Counties: I was asked to speak in favor of SB 2200 from the county commissioners. The key for them is the local control. On the county side the county commissioners would decide if they would use any of the capital improvement levy for the airport and on the city side the city council would decide. There are a lot of other capital needs that counties have to deal with; county shops, courthouse, improvements, jails, etc. They see this as being something of value and they are willing to put that in the mix when they're making a decision on whether they are going to levy the 10 mills they have at their disposal and how that money is going to be used. We support the bill and urge a do pass.

Chairman Headland: Do you know what the average capital improvement levy would be across the state per county?

Terry Traynor: I do not. There wasn't any capital improvement levy until the consolidation last session. I haven't had an opportunity to dig into the most recent statistical report to find out what is being levied.

Chairman Headland: This could possibly be a tax increase on the property taxpayer? It provides another option to spend taxpayer money.

Terry Traynor: It's another option but as I've testified before the county commissioners are reluctant to raise property taxes. There are a couple of major airport projects in this state that are challenged with meeting their needs so they are looking for another option.

Representative Hogan: Would the home-rule cities and counties also have this levy available or would this be limited in the home-rule charters in any way?

Terry Traynor: Most home-rule counties have not restructured their levies through their home-rule process. Three of them have, Cass County being one of them. In their case, they don't have this levy so they would have to use their general fund if that purpose was allowed under their home-rule charter.

Representative Hogan: Do you know what happened with city home-rules and what they've done on this side?

Terry Traynor: My guess is that most cities that have adopted home-rule charter have done it almost exclusively for the sales tax authority that it brings. I don't believe there are a lot of changes to the levy authority.

Representative Olson: You mentioned there are several projects that are delayed for a lack of funding and this would be a vehicle to accomplish that. Can you be more specific as to how many or which projects in particular?

Terry Traynor: There has been a lot of discussion this session for funding with Dickinson and Williston that has been on the legislative focus through impact funds for quite some time. Meeting those obligations are challenging.

Chairman Headland: Further testimony in support?

Kelly Braun, Theodore Roosevelt Regional Airport: Provided written testimony in support, see attachment #2. Ended testimony at 25:21.

Chairman Headland: Is your airport authority organized with the county or the city?

Kelly Braun: Our airport receives its authorization from the city of Dickinson.

Chairman Headland: Does the city have available mill levy authority in the improvements mill levy fund authority?

Kelly Braun: I don't know.

Representative Ertelt: On the bottom of the first page of your testimony you talk about the weight of your aircraft. When a runway is constructed and if the maximum loads that the runway was designed for are not exceeded, how long is that runway expected to last compared with the life right now of your current runway? Who authorizes the heavier aircraft to operate in that space?

Kelly Braun: Depending on the construction material that is used on the runway, asphalt or concrete, each has a different life span. We try and get 30 years or more from either of the runways. Because of the increased weight in the aircrafts due to the oil boom, we issued a waiver to the airlines to allow them to operate on our runway with the increased weight.

Representative Ertelt: What is the current life of the runways you are looking to replace?

Kelly Braun: Our current runway is ending its life cycle and it would be due for a reconstruction in the near future. The heavier aircraft that are operating in providing commercial service for our community has accelerated that substantially.

Representative Olson: A previous speaker said that typically federal funding is about 90% of a project's cost but it looks like, in this case, the federal share is under 65 percent. Is it usually 90% and if so why is it lower in this case?

Kelly Braun: Historically, projects that qualify for federal funds are funded at 90% which is the maximum percentage then the state and local airport would kick in a small share. The past several years the FAA has not been funded on a federal level. When they distribute these funds to the different regions there just isn't enough money to go around. Although they are eligible for 90% funding most are only funded at 50-55 percent.

Chairman Headland: Are there further questions?

Kelly Braun: Representative Olson asked a question about ownership of the airport and if they are privately held or publicly held. The runway at an airport is very similar to the main street in downtown where the city owns the main street and that main street is lined with businesses who are private. The airport is very similar in that the runway is our main street and we have businesses that utilize the airport that are private. There is a difference.

Representative B. Koppelman: Would those private businesses kick in a special assessment on this project?

Kelly Braun: There wouldn't necessarily be a special assessment but once the runways are in place the airport would utilize its authority to renegotiate their lease fees with the airlines and other airport users to help increase their revenues and pay for that project.

Representative B. Koppelman: If a local increase in mills was approved as a repayment method for bonded indebtedness to pay the local share and you get the runway done then renegotiate the fees, will those monies be used first to pay back the bonded indebtedness thus resulting in less mills being needed for the project to the taxpayer or are those increased lease fees going to be diverted into some other spending area?

Kelly Braun: In the case of Dickinson we would always put priority for our debts and bonds then if we had to make cuts we would look to operations to see what we could put off or delay.

Chairman Headland: Further testimony in support? Is there any opposition? Hearing closed. Committee, what are your wishes?

Representative B. Koppelman: I looked at the Century Code for further text that isn't printed here and found that if this bill passes the county and the city both have the ability to have 10 mills with a simple majority of either their county commissioners or their voters so they are different right away. I think this bill is attempting to take the voters out of the initial 10 mills that the city uses. This is not only making it consistent from 60 to 50 but it's also taking away any need for the voters to weigh in on the first 10 mills. I'm concerned about the portion of this bill that is trying to take the cities and change the way they do it than I am about adding the airport to the list of infrastructure. If I was going to support this bill we would have to remove the overstrikes and changes in sections 2 and 3 then say that under the current taxing authority, you can use it for airports if you follow the rules.

Chairman Headland: You are absolutely correct but the attempt of the bill was to make that change to allow it. I'd like to find out what the average city improvement mill levy is today and find out (inaudible)

Representative B. Koppelman: We've talked about a few of these airports before; Dickinson and Williston. There may be a need to have these airports out there and we maybe need a mechanism to allow cities or counties to have airports. Whether it was the bill sponsor's intent or not to have that change, I'm saying I could be fine with being against the whole bill but if there's really a need for airports we could remove section 3 on page 2 then I could be fine with allowing airports to be an infrastructure use of this fund, if that's what the committee wanted to do.

Chairman Headland: Would you be okay with just removing the overstrike in lines 22-23 and overstrike on line 24 then going back?

Representative B. Koppelman: If you are entertaining an amendment my amendment would be to remove the under strikes and new language on page 2 between lines 13-24 so that language would be returned to current century code.

Chairman Headland: Do we need to look at this bill a little bit more?

Representative Olson: I think we may need a little time to consider this. I'm also curious about the discrepancy in the code between majority and the 60 percent. We were told it was 60% in the case of a city but it's a majority in the case of a county. That was one of the reasons given to converting this to a majority in sections 2 and 3.

Representative B. Koppelman: In Century Code it is in a way consistent because it is saying that if a county wants an additional 10 mills they get a majority of the voters and if the city wants an additional 10 mills they get a majority of the voters. The 60% comes in when the city wants an additional 20 mills then the second 10 needs approval by 60 percent. The county has the authority to grant the initial 10 by way of the county commission and the city has to do it by way of the voters. I'm not sure these were intended in law to be incomplete exact parody because there are many parts of a county that are different than cities in how they get their mill levies, building funds, and other things. The first extra 10 mills they want has to go to a majority of the voters because the city has zero without that.

Chairman Headland: When we consolidated the mills, was it the intent to force the cities if they wanted to have any authority on these mills, that they would have to go and get a (inaudible) 60 percent? I think we need to dig into this a little bit more. We have some ideas to discuss but we are unable to do that here now.

2017 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Fort Totten Room, State Capitol

SB 2200
3/13/2017
29099

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Buckner

Explanation or reason for introduction of bill/resolution:

A bill relating to capital project levies; and to provide an effective date.

Minutes:

Attachments #1-2

Chairman Headland: Distributed proposed amendments 17.0466.01003 and marked up version of the bill. See attachments #1 and 2. This will simply allow them, by a 60% vote of the electors, establish the first 10 mills. By 60% vote of the electors they can vote again and get another 10 mills. It allows the airports to be included in the capital improvements fund. Everything would remain the same in the amendment with the counties. There are only nine cities who currently use this levy. For the most part, in conversations we took the assumption that it was 60% prior to last session when we changed it to 50% of the electorate. We assumed most of these cities established their levy under a 60% vote.

Representative Olson: Would this apply to existing funds within their capital improvement fund? I know we're raising the threshold to approve it in the first place but if it's already approved and they've already been levying and building up this fund, is this going to retroactively apply to the funds that have already been obtained?

Chairman Headland: I don't think it does. I don't see any language that would make it retroactive.

Representative Olson: The first 10 mills are not project specific. What parts of this are project specific?

Chairman Headland: I believe on the capital improvements levy the mills are all project specific.

Representative B. Koppelman: When we discussed this amendment previously, I think it was determined that what we're changing is before they can go with the 50% vote and do it project specific. This allows that once they have one 60% vote then they can have up to those 10 mills and they would still be project specific with city council. They wouldn't have to go back to a vote of the people each time so that 60% vote on the first 10 mills would be there for an authority of a period of up to 10 years. Have you heard from the airport people

if we do this, have they given up any effort on expanding the mills the airport authority can levy?

Chairman Headland: I have not but they indicated to us that they would scrap that idea. I don't know that there is anything we can do to preclude them from going to another committee.

Representative B. Koppelman: Where did that bill go?

Chairman Headland: It went through the IBL committee in the House but it went to GVA in the Senate.

Representative B. Koppelman: Maybe you can just give the chairman of IBL a heads up that he doesn't concur if they still do that in addition to this if we decide to pass this bill.

Chairman Headland: Any other discussion on the proposed amendment? Does everybody understand what we're doing here?

Representative Ertelt: **MADE A MOTION TO ADOPT THE AMENDMENT .01003**

Representative Olson: **SECONDED**

ROLL CALL VOTE: 14 YES 0 NO 0 ABSENT
MOTION CARRIED

Representative B. Koppelman: **MADE A MOTION FOR A DO PASS AS AMENDED**

Representative Steiner: **SECONDED**

Chairman Headland: Is there any discussion?

Representative Hogan: I'm going to support the bill but I'm a little concerned if they already have capital levies and the implications. I think we should pass the bill out but I think there might still be a question particularly because of the effective date for taxable years beginning after December 31. Existing votes might need to be reconsidered.

Representative Steiner: If you look at page 2 line 4 number 6, "any voter approved levy approved by electors before January 1, 2015 remains effective through 2024." I think they are trying to do January 1, 2015 as the break point.

Representative Hogan: Thank you. That helps clarify that.

Vice Chairman Dockter: Because of that date they have to renew the authority every 10 years.

Chairman Headland: Is there anything else?

House Finance and Taxation Committee

SB 2200

March 13, 2017

Page 3

ROLL CALL VOTE: 14 YES 0 NO 0 ABSENT

MOTION CARRIED

Representative B. Koppelman will carry this bill.

3/13/17 DA

17.0466.01003
Title.02000

Prepared by the Legislative Council staff for
Representative Headland
March 13, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

Page 2, line 13, remove the overstrike over "~~approved by~~"

Page 2, line 13, after "majority" insert "sixty percent or more"

Page 2, line 13, remove the overstrike over "~~of the electors of~~"

Page 2, line 14, remove the overstrike over "~~the city~~"

Page 2, line 15, remove the overstrike over "~~sixty~~"

Page 2, line 16, remove the overstrike over "~~percent or more~~"

Page 2, line 16, remove "a majority"

Page 2, line 22, remove the overstrike over "~~, when authorized to do so by~~"

Page 2, line 22, after "majority" insert "sixty percent or more"

Page 2, line 22, remove the overstrike over "~~of the~~"

Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or
general election~~"

Page 2, line 24, remove the overstrike over "~~sixty percent or more~~"

Page 2, line 24, remove "a majority"

Renumber accordingly

Date: 3-13-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2200

House Finance and Taxation Committee

Subcommittee

Amendment LC# or Description: 17,0466,01003

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Rep. Ertelt Seconded By Rep. Olson

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland	✓		Representative Hogan	✓	
Vice Chairman Dockter	✓		Representative Mitskog	✓	
Representative Ertelt	✓				
Representative Grueneich	✓				
Representative Hatlestad	✓				
Representative Howe	✓				
Representative Koppelman	✓				
Representative Olson	✓				
Representative Schobinger	✓				
Representative Steiner	✓				
Representative Toman	✓				
Representative Trottier	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Motion carried.

Date: 3-13-17
 Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2200**

House Finance and Taxation Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Koppelman Seconded By Rep. Steiner

Representatives	Yes	No	Representatives	Yes	No
Chairman Headland	✓		Representative Hogan	✓	
Vice Chairman Dockter	✓		Representative Mitskog	✓	
Representative Ertelt	✓				
Representative Grueneich	✓				
Representative Hatlestad	✓				
Representative Howe	✓				
Representative Koppelman	✓				
Representative Olson	✓				
Representative Schobinger	✓				
Representative Steiner	✓				
Representative Toman	✓				
Representative Trottier	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Rep. Koppelman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2200: Finance and Taxation Committee (Rep. Headland, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2200 was placed on the Sixth order on the calendar.

Page 2, line 13, remove the overstrike over "~~approved by~~"

Page 2, line 13, after "~~majority~~" insert "sixty percent or more"

Page 2, line 13, remove the overstrike over "~~of the electors of~~"

Page 2, line 14, remove the overstrike over "~~the city~~"

Page 2, line 15, remove the overstrike over "~~sixty~~"

Page 2, line 16, remove the overstrike over "~~percent or more~~"

Page 2, line 16, remove "a majority"

Page 2, line 22, remove the overstrike over "~~, when authorized to do so by~~"

Page 2, line 22, after "~~majority~~" insert "sixty percent or more"

Page 2, line 22, remove the overstrike over "~~of the~~"

Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or general election~~"

Page 2, line 24, remove the overstrike over "~~sixty percent or more~~"

Page 2, line 24, remove "a majority"

Renumber accordingly

2017 CONFERENCE COMMITTEE

SB 2200

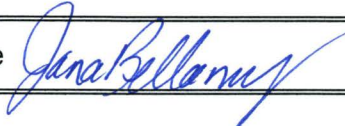
2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200
4/4/2017
Job #: 29914

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10, and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to provide an effective date.

Minutes:

No Attachments

Chairman Bekkedahl: Called the conference committee on SB 2200 to order. All members present. If the house could please explain their changes and the intent behind them.

(0:00:45-0:02:20) Representative Steiner: The major concern was that if you're going to have a simple majority instead of 60% on the vote, and not just have an automatic ten mills. When we have tried to engage the voters on increase in property tax, so that the people understand that they are changing their tax structure, rather than have things move automatically within law, you get a change in mills between communities. There was a feeling that let's make it a 60% vote, so was changed in section 2 and 3, there is mentioned the 60% or more of the electors. We were curious if that would satisfy what the Senate was seeking to do, or you felt that just a simple majority was appropriate. Maybe you could give some insight as to whether or not be voting instead of automatic access to ten mills, or if the community should be aware that they are placing those mills for the future.

Senator Cook: A question first, as far as what the bill does. The vote on the authority to levy the ten mills or is the vote required. We already have cities that can levy up to 10 mills for capital improvement projects and let's say they're levying 4 mills today and they want to levy two more mills for airport authority. Do you believe that with the bill as written, they would have to go to a vote of the people and get 60% for the two mills? Or is the fact that they have authority to levy up to 10 mills sufficient?

Representative Steiner: My memory from this, I thought in committee we discussed that even the ten mills needed to be voted on, but I'm not sure if I'm seeing that today. I can check. In committee discussion, I thought we didn't want to do any automatic mills. That we felt the votes should be engaged. I understand that we wanted a vote on first 10 mills and vote on second. It says not exceeding 10 mills, so it's possible it is automatic if they already

have it. We're were going in house finance and tax is trying to get the voters engaged on additional taxation that would long term liability. I'd like to check on section 2. Do you have already have a 10 mill, that's supplied in Williston on your airport authority.

Chairman Bekkedahl: No, we do not. I believe the airport authority can levy up to 4 mills.

Senator Cook: Nobody has authority to levy more than 4 mills for airports today. The intent of the bill was to allow cities and counties that have the extra capital improvement mill levy authority for up to 10 mills, to also use that authority for airports.

Representative Steiner: Want to move it from 4 to 10, give them an additional 6 automatic, is that intent.

Senator Cook: No, wanted to allow a city or county to use their capital improvement fund for capital improvements to an airport. If they needed 2 mills, would be able to us that. Currently, capital improvement fund can be used for things like police department and fire stations, it can't be used for an airport authority.

Representative Steiner: Moving behind 10 mills, or exceeding 10 mills is not a priority to you in this bill.

Senator Cook: No, it's just to be add airport authorities to the list of things that a city or county can use the 10 mill capital improvement fund for.

Representative Steiner: There is a 10 mill cap in existing law. The 4 mills aren't capped.

Senator Cook: It isn't related; they are too different funds.

Representative Steiner: If this passed and they voted on it and got the 10 mills, they'd also have access to 4, so a total of 14?

Chairman Cook: Two entirely different levy authorities. Airport has levy limitation of 4 mills. Then the capital improvement fund has a cap of 10 mills.

Representative Steiner: But as a tax payer will it come on the same statement. Do you have a concern about the 60%?

Chairman Cook: My concern is that we all agree that the language in the bill is what the house wanted to do with the bill. I understand that you want 60% vote requirements on first 10 and 60% vote requirement on the second 10.

Is it your intentions that once they have the authority to have a 10 mill capital improvement fund, do they need to get voter for each individual levy they might use under that 10 mill authority?

Representative Schobinger: Our intent was to get rid of that requirement, that every time there was a project, you didn't have to go back and get the vote once had the 60% majority vote, you could levy up to the 10 mills and use it for whatever they want.

(0:09:01-0:13:28) Committee discussed the second intent of the bill, and that was to treat the city and county the same.

Representative Steiner: Do you have any concerns about the super majority versus the simple majority?

Chairman Bekkedahl: We'd prefer the majority, that would be up to our Senate conference committee and we'll bring that back as well.

Meeting adjourned. No Action taken.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200

4/6/2017

Job #: 29959

Subcommittee

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10, and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to provide an effective date.

Minutes:

Attachments: #1, #2, #3, #4

Chairman Bekkedahl: Called the conference committee on SB 2200 to order. All members present. Is there any discussion that the House would like to bring back up?

Representative Steiner: Handed out attachment #1, information about the cities that have levied capital improvements with this current levy authority and what those values are at. Visited with Legislative Council this morning, that the bill needed to be clarified that, on page 3, lines 12-14, that says the project should be specifically named when the voters vote. We thought it should be clarified that it can be used for up to any allowable purpose of the chapter. If the city votes for 10 mills, airport might be 2 and roads might be 2. It's not all airports, they would have flexibility if asked the voters for it to be general, not project specific. What we're trying to do is honor the intent of the bill and hopefully got that right.

Senator Cook: Is it your intent to treat counties and cities differently with this bill and why?

Representative Steiner: Yes, we want to continue existing law. Our concern is the mood of the house. The counties can just levy, to not exceed 10 mills. House intent is to not change that at this time. We really want airports to be included, and we want people to be able to vote, but the airports have been visited with and the airports agreed with it. We felt if we can get it through the house, easier than pulling the vote off, then lose the bill. If it's a big sticking point, we can take it back and discuss it. That's why we put in the super majority vote, mood of the house was we've got to engage the tax payers.

Senator Cook: I don't see how the mood changes from one political sub to another. Why would you require one political sub to get a super majority on the first 10 mills, when the other political sub can do it just by the board of commissioners themselves without even going to a vote of the people.

Representative Schobinger: I think that was in existing law. If we were to change the county up to require the votes, which is what some would like to do, we run into issues with the counties. We'd probably have the counties working against the bill. If we can leave that alone, not have the counties work against the bill. The 911 bill came in was attempting to add the ability to levy, asking for no vote, our committee added that they needed to be a vote. If we're going to give this increased authority, that the voters should have a say in it. The difference is, it's existing law where the counties are concerned. Want to keep the bill alive, run into a problem with counties.

Senator Cook: If you wanted to keep it the same, why did you raise the cities then? Why don't we just leave it all as it was in current law, where the cities were required to get 50% approval on the first 10 mills, and 60% on the second 10 mills. Counties were just governing board on the first and then 50% voter approval on the second.

Representative Schobinger: It was specific, by adding the airports we're opening it up. I don't know that it would be a huge point to go from 50% instead of 60%. Just going to a vote of the board or something like that would be a tough sell. Could be a negotiating point there.

Representative Steiner: Because it's not project specific, there was a feeling we've got to do the super majority because we are opening it up. We will lose some votes in the House on the simple majority vote. I think we can work it through. I want to see us successful on this. It will be a good tool for the cities and the airports. Take some time to look at them.

Chairman Bekkedahl: The first 10 mills in the cities, were the corrections to be that once the vote has been approved for the first threshold of 10 mills, whether it's 50 or 60% of the voters, would you then allow any projects to come into the 10 mill on the one vote. Do a road project for 3 mills, do an airport at 2 mills, as long as it doesn't exceed the 10 mill threshold.

Representative Steiner: Yes, that's correct.

Chairman Bekkedahl: Anything preexisting that was voted on, if they haven't had the 10 mills is grandfathered in.

Representative Steiner: That is correct, it is grandfathered in and you start fresh according to Legislative Council. Would still need another vote to have the 10 mills to do the capital improvements.

Chairman Bekkedahl: The prior vote would not be eligible, if they took 2 mills in 2012 they wouldn't have another 8 mills they could access, because the prior vote under this legislation.

Representative Steiner: You wouldn't subtract it. Actually, if you had 2 mills, and you got the 10, you would have 12 mills. One project had been specifically voted on, and then the 10 general mills.

(0:11:05-0:11:45) Senator Cook: Handed out attachment #2.

(0:11:47-0:13:15) Representative Steiner: Handed out proposed amendments (attachment #3). If you look at the amendments as they're coming out, it is trying to clarify up to a 10

additional mills, for the previous question, and may be used for any purposes listed in this section, so it's not just airports, it will be the general purposes cities use. Senator Cook is correct, the voters would be voting in 10 years, so I think the House needs to be reminded of that when we do our floor debate if we don't do the 60%.

Chairman Bekkedahl: Do have a Christmas tree version? Christmas tree version was handed out. (attachment #4).

Meeting adjourned. No action taken.

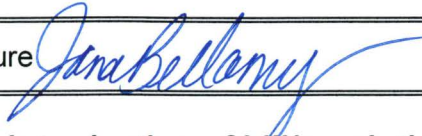
2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200
4/10/2017
Job #: 30005

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10, and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to provide an effective date.

Minutes:

Attachments: #1, #2

Chairman Bekkedahl: Called the conference committee on SB 2200 to order. All members present.

Representative Steiner: Looked at some things at the advice of the Senate. This bill adds airports, both chambers agree on that. If it's project specific, as is under current law, they come in and ask for one mill and it's a simple majority vote. The House had put super majority. If we leave current law as it is and it's a project specific plan, then simple majority needed. If they want the whole bucket of the ten mills, then super majority would be a good thing. In law, every 10 years, everything has to have a revote so that the tax payers get reengaged. One thing we did with the amendment, clarified which capital improvements are qualified under the section. If they're going to go for the full bucket without specification, would be a super majority vote. Handed out **attachment #1** (proposed amendments) and **attachment #2** (Christmas tree version).

Senator Cook: Changing 10 to 20, is that your intent?

Representative Steiner: That's how legislative council said so that it wouldn't exceed 20 mills. There are 9 cities with mills that have already been voted on. The mills already in existence count as part of the 20 mills.

Senator Cook: I don't think I have a problem with what you're trying but I do have some concerns with the way it's written. By changing 10 to 20, today if a city wanted to go to 20 mills, they'd have to go to the voter's twice. They'd have to get approval for the first 10 and approval for the second 10. Now they're getting approval for all 20 at the beginning.

Representative Steiner: It is not our intent and I did ask Legislative Council when we were up there. It just recognizes there is a total of 20.

Senator Cook: These cities that already have 10 mills, if they're going to try to continue they need to get 60%. These 10 mills all have a cap coming and they need to go back to the vote of the people.

Representative Steiner: In here it is supposed to recognize that those mills count against their 10. They'd only be eligible to go up to 10. Simple major if it's project specific, super majority, 60% of the voters, if it's going to be for the rest of the bucket.

Representative Steiner: Are you thinking that you wanted to match counties and cities, or just leave them as they are.

Senator Cook: The original bill introduced was to try and get them on equal ground. House didn't seem too willing to discuss if something is on the table.

Representative Steiner: If the county commissioners want the whole bucket and apply the same rules that the cities have. Not sure if trying to go the other direction to just open it up to the cities to have the 10 mills.

Senator Cook: Whatever we agree on should be the policy for both.

Chairman Bekkedahl: The current option for county commission, they can get the first 10 mills by resolution only. Cities are required to have a vote. So if we're going to have an agreement on that issue, we need to decide as a committee which way that is going to turn. Either the counties have to go to a vote, or cities have to go back to resolution.

Senator Cook: That's going to be a sizeable change for the counties. The bigger question is, the cities and counties that already have approval for 10 mills. Do they continue that approval for the 10 mills until need to be voted for again?

Representative Steiner: According to legislative council, this moves forward with the voting to stay the same. If approved 5 mills 5 years ago it would become effective to vote every ten years.

Meeting adjourned. No action taken.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200
4/11/2017
Job #: 30035

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10, and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to provide an effective date.

Minutes:

Attachments #1, #2, #3

Chairman Bekkedahl called the conference committee on SB 2200 to order. All members present.

(0:00:33-0:04:22) Representative Steiner: Handed out **attachment #1**, on the 4 mills for an informational piece. Proposed amendments (**attachment #2**) and Christmas tree version (**attachment #3**). Explained the changes in the amendments.

(0:04:22-0:06:51) inaudible

Chairman Bekkedahl: When it talks about in section 1, the singular purpose, may contain multiple question, and each question must specific the singular purpose, under section 3 it also says the singular purpose.

Representative Steiner: You're required to specify for the second 10 mills.

(0:07:44-0:07:52) inaudible

Representative Steiner: Road and sewer, and you go for that second 10 mills, that's why it's project specific.

Chairman Bekkedahl: Anything in the second 10 mills is project specific.

Representative Steiner: It's something that we've approved already in the past, that they're all voted on every ten years. So the voters are engaged at the beginning and again at the ten-year mark.

Senator Cook: When I look at this language on top of page 3, my first thought is that it's redundant. What's already been described in the bill. One question about the requested levy authority. I'm assuming that is in there so that if you're going to go before the voters and you want to build a new jail, you might say, we're going to ask for 4 mills to be paid off over a period of 8 years and then gone. Could you put in the duration the time, a period longer than 10 years? Could you say, we're going to levy 4 mills for this project, for a period of 15 years?

Representative Steiner: Legislative Council explained that they are voted on every 10 years, but you could. When you pass a new law does it supersede existing law? What's the order?

Senator Cook: If you're in year 6 of your 10-year approval, are you then limited to 4 years. The 10 years, hate to see a vote in 10 years for capital improvement mills and the voters reject it, but there is a bond issue out there? Should there be some language on there to the duration of the requested levy authority not to exceed?

Chairman Bekkedahl: We dealt with this last session in some bills, where we had to have language placed in the bills that protected the integrity of the vote because of the bonds when they went longer than was authorized in statute. If I could take you to page 2, lines 9 and 10, is there a way to put an exception behind that, unless approved by voters for a term longer?

Representative Steiner: I'd like to protect the previous law we passed, so I would just maybe put in that it may not be effective no longer than 10 years because current law requires voter approval beyond 10 years.

Senator Cook: I'd like to give it some thought and we need an amendment to change that final thing. I think we should have a conversation with council about it and get clear of what we want to do.

Meeting adjourned. No action taken.

2017 SENATE STANDING COMMITTEE MINUTES

Finance and Taxation Committee
Lewis and Clark Room, State Capitol

Senate Bill 2200
4/11/2017
Job #: 30056

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10, and section 57-15-38 of the N.D.C.C., relating to capital project levies; and to provide an effective date.

Minutes:

Attachment #1 and #1A.

Chairman Bekkedahl called the conference committee to order on SB 2200. All members present.

Representative Steiner: Senator Cook and I went to legislative council and had another visit. Maybe Senator Cook wants to explain what we learned there. I'm passing out another amendment (**attachment #1**) and Christmas tree version (**attachment #1A**). It is what we discussed up there. We were fine with how it was and she had left off the explanation of the capital improvements fund lead out in editing. It's not in paragraph style. It's exactly what we discussed, how it would work, and clarified it. We're trying to make it as clear as possible, we don't want it to be muddy. It's exactly what we talked about this morning.

Senator Cook: The question is answered right after the new language in subsection 4. There are 9 cities out there today that have 10 mill authority. If those cities were to add a building with capital improvement for 2 mills for a new project, the 2 mills would only be able to be in effect for the remaining time left in the 10 years before the revote every 10 years.

Representative Steiner: Move the House recede from its amendments as printed on page 810 of the Senate Journal and be amended further as follows under the amendment 17.0466.01010.

Representative Howe: seconded.

A Roll Call Vote was taken. 6 ayes, 0 nays, 0 absent.

Senator Bekkedahl and Representative Steiner will carry the bills to the respective floor.

CJ
4/11/2017
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PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

That the House recede from its amendments as printed on page 810 of the Senate Journal and page 963 and 964 of the House Journal and that Senate Bill No. 2200 be amended as follows:

Page 2, line 13, remove the overstrike over "~~approved by a majority of the electors of~~"

Page 2, line 14, remove the overstrike "~~the city~~"

Page 2, line 14, after "57-15-38" insert "for specified purposes"

Page 2, line 14, overstrike "an" and insert immediately thereafter "a specified"

Page 2, line 15, after the period insert "Taxes levied for a capital improvements fund approved by sixty percent or more of the electors of the city in accordance with section 57-15-38 for general purposes may be levied in an amount not exceeding ten mills."

Page 2, line 15, remove the overstrike over "sixty"

Page 2, line 16, remove the overstrike over "~~percent or more~~"

Page 2, line 16, remove "a majority"

Page 2, line 17, after "57-15-38" insert "for specified purposes"

Page 2, line 17, overstrike the first "an" and insert immediately thereafter "a specified"

Page 2, after line 20 insert:

"1."

Page 2, line 22, after "57-15-10" insert ", to be used for one of the purposes specified under subsection 5"

Page 2, line 22, remove the overstrike over "~~, when authorized to do so by a majority of the~~"

Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or general election~~"

Page 2, line 24, overstrike "When authorized by"

Page 2, line 24, remove "a majority"

Page 2, line 24, overstrike "of the qualified electors voting upon the"

Page 2, overstrike lines 25 through 27 and insert immediately thereafter "A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:

- a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
- b. The number of mills requested for the purpose specified in subdivision a; and
- c. The duration of the requested levy authority.

- 2. The governing body of any city may levy a tax for a capital improvements fund not exceeding ten mills under section 57-15-10, to be used for any of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the qualified electors voting upon the question at a primary or general election.
- 3. The governing body of any city may levy an additional tax for a capital improvements fund exceeding ten mills but not exceeding twenty mills under subsection 57-15-10, to be used for one of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the electors voting upon the question at a primary or general election. A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:
 - a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
 - b. The number of mills requested for the purpose specified in subdivision a; and
 - c. The duration of the requested levy authority.

4."

Page 3, after line 2 insert:

"5."

Page 3, line 3, overstrike "must" and insert immediately thereafter "may"

Page 3, line 3, overstrike "paying" and insert immediately thereafter "":

a. Paying"

Page 3, line 5, overstrike "acquiring" and insert immediately thereafter:

"b. Acquiring"

Page 3, line 6, overstrike "a" and insert immediately thereafter:

"c. A"

Page 3, line 7, overstrike "capital" and insert immediately thereafter:

"d. Capital"

Page 3, line 8, overstrike "capital" and insert immediately thereafter:

"e. Capital"

Page 3, line 10, replace "acquiring" with:

"f. Acquiring"

Page 3, line 12, overstrike "The governing body of"

Page 3, overstrike line 13

Page 3, line 14, overstrike "specify the purposes for which the capital improvements fund is to be used." and insert immediately thereafter:

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4/11-2014
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"6."

Renumber accordingly

Date: 4-4-17 to 4-10-17
 Roll Call Vote #: _____

**2017 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2200 as (re) engrossed

Senate Finance and Taxation Committee

- Action Taken** **SENATE accede to House Amendments**
 SENATE accede to House Amendments and further amend
 HOUSE recede from House amendments
 HOUSE recede from House amendments and amend as follows
- Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Senators	4-4			4-6			4-10			Yes	No	Representatives	4-4			4-6			4-10			Yes	No
	P	P	P	P	P	P	P	P	P				P	P	P	P	P	P					
Senator Bekkedahl (Chair)	P	P	P									Representative Steiner	P	P	P								
Senator Cook	P	P	P									Representative Howe	P	P	P								
Senator Meyer	P	P	P									Representative Schobinger	P	P	P								
Total Senate Vote												Total Rep. Vote											

Vote Count Yes: _____ No: _____ Absent: _____

No Vote

Senate Carrier _____ House Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4-11-17
 Roll Call Vote #: 1

**2017 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2200 as (re) engrossed

Senate Finance and Taxation Committee

- Action Taken SENATE accede to House Amendments
 SENATE accede to House Amendments and further amend
 HOUSE recede from House amendments
 HOUSE recede from House amendments and amend as follows
 Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Steiner Seconded by: Representative Howe

Senators	4-11 AM	4-11 PM	Yes	No	Representatives	4-11 AM	4-11 PM	Yes	No
Senator Bekkedahl (Chair)	X	P	X		Representative Steiner	P	P	X	
Senator Cook	X	P	X		Representative Howe	P	P	X	
Senator Meyer	P	P	X		Representative Schobinger	P	P	X	
Total Senate Vote					Total Rep. Vote				

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Bekkedahl House Carrier Steiner

LC Number 17.0416, 1/10 . _____ of amendment

LC Number Title 03000 . _____ of engrossment

Emergency clause added or deleted
 Statement of purpose of amendment

Insert LC: 17.0466.01010
Senate Carrier: Bekkedahl
House Carrier: Steiner

REPORT OF CONFERENCE COMMITTEE

SB 2200: Your conference committee (Sens. Bekkedahl, Cook, Meyer and Reps. Steiner, Howe, Schobinger) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 810, adopt amendments as follows, and place SB 2200 on the Seventh order:

That the House recede from its amendments as printed on page 810 of the Senate Journal and page 963 and 964 of the House Journal and that Senate Bill No. 2200 be amended as follows:

Page 2, line 13, remove the overstrike over "~~approved by a majority of the electors of~~"

Page 2, line 14, remove the overstrike "~~the city~~"

Page 2, line 14, after "57-15-38" insert "for specified purposes"

Page 2, line 14, overstrike "an" and insert immediately thereafter "a specified"

Page 2, line 15, after the period insert "Taxes levied for a capital improvements fund approved by sixty percent or more of the electors of the city in accordance with section 57-15-38 for general purposes may be levied in an amount not exceeding ten mills."

Page 2, line 15, remove the overstrike over "~~sixty~~"

Page 2, line 16, remove the overstrike over "~~percent or more~~"

Page 2, line 16, remove "a majority"

Page 2, line 17, after "57-15-38" insert "for specified purposes"

Page 2, line 17, overstrike the first "an" and insert immediately thereafter "a specified"

Page 2, after line 20 insert:

"1."

Page 2, line 22, after "57-15-10" insert ", to be used for one of the purposes specified under subsection 5"

Page 2, line 22, remove the overstrike over "~~, when authorized to do so by a majority of the~~"

Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or general election~~"

Page 2, line 24, overstrike "When authorized by"

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Page 2, line 24, overstrike "of the qualified electors voting upon the"

Page 2, overstrike lines 25 through 27 and insert immediately thereafter "A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:

a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;

- b. The number of mills requested for the purpose specified in subdivision a; and
- c. The duration of the requested levy authority.
- 2. The governing body of any city may levy a tax for a capital improvements fund not exceeding ten mills under section 57-15-10, to be used for any of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the qualified electors voting upon the question at a primary or general election.
- 3. The governing body of any city may levy an additional tax for a capital improvements fund exceeding ten mills but not exceeding twenty mills under subsection 57-15-10, to be used for one of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the electors voting upon the question at a primary or general election. A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:
 - a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
 - b. The number of mills requested for the purpose specified in subdivision a; and
 - c. The duration of the requested levy authority.

4."

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"5."

Page 3, line 3, overstrike "must" and insert immediately thereafter "may"

Page 3, line 3, overstrike "paying" and insert immediately thereafter ":

a. Paying"

Page 3, line 5, overstrike "acquiring" and insert immediately thereafter:

"b. Acquiring"

Page 3, line 6, overstrike "a" and insert immediately thereafter:

"c. A"

Page 3, line 7, overstrike "capital" and insert immediately thereafter:

"d. Capital"

Page 3, line 8, overstrike "capital" and insert immediately thereafter:

"e. Capital"

Page 3, line 10, replace "acquiring" with:

"f. Acquiring"

Page 3, line 12, overstrike "The governing body of"

Page 3, overstrike line 13

Page 3, line 14, overstrike "specify the purposes for which the capital improvements fund is to be used." and insert immediately thereafter:

"6."

Renumber accordingly

SB 2200 was placed on the Seventh order of business on the calendar.

2017 TESTIMONY

SB 2200

4/17/17

SB 2200

#1

pg. 1

**TESTIMONY OF
KYLE C. WANNER
EXECUTIVE DIRECTOR, NORTH DAKOTA AERONAUTICS COMMISSION
BEFORE THE
SENATE FINANCE AND TAXATION COMMITTEE
JANUARY 17TH, 2017
SENATE BILL 2200**

Chairman Cook and members of the committee, my name is Kyle Wanner and I am the Director of the Aeronautics Commission and will be providing testimony today in support of Senate Bill 2200.

The Aeronautics Commission has long felt that one of its primary functions is to provide grant funding for airports to help meet the local cost share needed to maximize the use of available federal funds. Federal grants can be provided up to a 90% level on certain projects and if the local cost share is not available to accept the federal grant, then the communities are in danger of losing federal funds and critical airport projects. It is also very important to realize that 36 out of the 89 public use airports throughout North Dakota are reliant solely upon state and local dollars to remain operational. Regardless of an airports ability to receive federal or state funds for their projects, they need to have the flexibility to be able to raise an adequate amount of local funds for their projects.

During the fall of each year, the North Dakota Aeronautics Commission staff meets with over 50 of the public use airports in the state to review their capital improvement plan for the next 10 years. Throughout this process, projects are identified and cost estimates are submitted so that the agency can calculate the total amount of projects requests that exist within the system. The agency can then work with the federal government and each local airport to identify and prioritize the projects. There is always the understanding that we will not be able to accommodate all identified projects, but this process ensures that we find the best and most justified projects. In our most recent statewide capital improvement plan update, we have found that over \$600 million dollars of projects exist at our airports that could take place in the next 5 years and an additional \$350 million that exist in the following 5 years. The statewide capital improvement plan included with this testimony provides a detailed breakdown of these identified projects.

Due to the challenges of rising construction costs, it is of the opinion of the Commission that the current mill levy structure does not currently recognize the varying needs of each airport and many of our public airports are currently falling short of the local share needed to supplement federal and state grants. This bill will allow each city-owned or county-owned airport to work with their elected officials on a funding plan whenever large and critical infrastructure projects are occurring within that community. Funding flexibility is incredibly important to ensure that we leverage federal funding to its highest potential and that we are able to move forward with key infrastructure projects when it makes the most sense to do so.

On behalf of the Aeronautics Commission, I appreciate your support of this bill.

1/7/2017

SB 2200

Attachment # 2
page 1

2017 - 2019 CIP / NPIAS PLANNING REPORT

FAA / State National Plan of Integrated Airport System (NPIAS) General Aviation and Commercial Service Program

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FAA Priority - The higher the number, the higher the priority on a scale of: 0 - 97

	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
1	Fargo FAR	Taxiway A Reconstruction (Twy C to Rwy 18)	45	64	7150	
		SRE Building Expansion ('18) / SRE Equipment	32	36	1450	750
		Rwy 18/36 CL/TDZ Lighting	56	45	1350	
		Cargo Apron Expansion	44	38	2250	
		Pavement Rehabilitation	56	66	450	1000
		Terminal Building Expan. (Gate 6)	31	93	4500	
		Terminal Apron Reconstruction	54	47		8000
		Rwy 18L/36R EA, Design, Construction	26	49		8350
		Rwy 9/27 Ext./Widening / Par. Txy EA, Design, Construc.	46	51		21350
		North GA Taxiway Extensions / East GA Expansion	45	38		3000
2	Bismarck BIS	Parking Lot Expansion	23	27		2000
		Twy D Reconstruction	45	38		3500
		Wetland Mitigation - Phase 5- 6 / Drainage Improv.	31	59	3000	
		GA Apron Expansion	44	64	2000	2000
		Rehabilitate Rwy 13/31 / Phase II Grant App - '17	56	70	60000	
		Rehabilitate Rwy 03/21	56	66	5000	
		Rehabilitate Taxiway D	56	64	4000	
		Relocate Yegen Road	32	50		5000
		EA / RPZ Land Purchase	41	44	2000	
		Expand SRE & ARFF Building	31	46	3000	
3	Grand Forks GFK	Commercial Terminal Building Update/Expansion	31	93	1500	4000
		Snow Removal / ARFF Equipment	32	70	2000	1000
		Rwy 17R/35L, Txy A Light. Rehab.(Design '17, Const. '18)	56	45	3200	
		Master Plan/ALP Update, Exhibit A, Reimburse. 2015 Grant	31	42	60	
		Twy U Reconstruction (Design and Construct. '17)	45	64	1400	
		Rwy 17R/35L Reconstruct (EA '19, Design '20, Const. '21)	56	54	38550	
		West GA Taxiway/Taxiway Construction	45	38	1300	
		Terminal Apron Expan. Design and Construct.	44	38		8750
		ARFF Truck	32	36		850
		Taxiway/Taxiway Old Terminal Area, Design	45	38		150
4	Minot MOT	Rwy 9L/27R Exten. Design and Construct	46	56		41100
		ARFF Station Rehab (Design '17)	12	36	2800	
		Wildlife Hazard Mitigation (EA '18)	31	66	300	
		Storm Water Pond - (EA '17)	31	66	3700	
		GA Apron Rehap (North - '18, South '19 & '20)	54	55	3000	
		Purchase SRE Equipment	32	36	3300	500
		Purchase ARFF Truck	52	36	850	300
		Taxiway B Rehab	45	38	5200	
		Replace/Upgrade Airfield Security Fence	31	83	3000	
		Pavement Maintenance (RTA, RCF, Seal), Remarking	56	68	500	1000
Runway 8/26 Reconstruction (Design 21')	56	66		20000		

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					1 to 5 Yrs.	6 to 10 Yrs.
5	Jamestown JMS	Pavement Maintenance (RTA,RCF, Seal), Remarkings	56	66	350	400
		Rwy 4/22 Rehabilitation (Design '17, Const. '18)	56	66	3550	
		West Taxiway Reconstruction	45	64	250	
		Purchase SRE Plow Truck	32	36	375	
		Parking Lot Expansion	23	27	125	
		Taxiway A, B, C, D, E Rehabilita. (Design '20, Const. '21)	45	64	3200	
		Terminal Apron Rehabilitation	44	55		1000
		W. Industrial Park Infrastr. Improv. (D. '23, C. '24-'25)	11			3025
6	Williston ISN / XWA	Design Airport Infrastructure	41	52	15000	
		Construct Terminal Building	33	40	60000	
		Construct SRE/ARFF/Parking Lot/Access Rd	32	48	30000	
		WHA / Navaid Reimbursable	41	64	3000	
		Construct Security Fence	31	57	2000	
		Construct Airport Pavement, Lighting	56	65	90000	5000
		Construct Roadway/Infrastructure to Airport	31	23	10000	
		Construct Airport Security System	31	31	1000	
		SRE	32	45	1200	800
		FBO & Hangars/Fuel Facilities	33	21	1000	2000
7	Devils Lake DVL	Rwy 3/21, Taxiway A1/A2 Rehabilitation, Apron Reconfig.	56	66	1500	
		SRE Equipment	32	36	150	300
		Land Acquisition (Relocate Building)	41	42	500	
		Apron Reconstruction ('21 Design, '22 Construction)	44	55	100	1500
		Rwy 13/31 Rehabilitation	56	66		2000
		Security Upgrades/Access Control System	42			300
		Emergency Generator	32			200
		GA Apron Lighting	31			100
		GA Hangar	12	29		500
Deicing Containment Facility	22			200		
8	Dickinson DIK	Terminal Design and Construction	33	45	30000	
		Land Acq./Design/Reconstruct Runway 14/32	56	68	45000	
		Construct Parallel Taxiway/Taxiway B Improvements	45	64	17000	
		EA & Runway Maintenance	56	68	4000	300
		Terminal Access and Parking Lot	31	40		9000
		Install Wildlife Fence	31	57	600	
		ARFF Truck / ARFF Building Expansion	32	41		2500
		Construct Commercial Service Apron	44	47		9000
		Construct ty for hangars / Access Road	55	66		5000
		Crosswind Parallel Taxiway	45	61		3000
		Onsite Water Tank and Sanitary System	31	-		3000
		SRE/SRE Building Expansion	32	45	1000	3000
TOTAL COMMERCIAL SERVICE AIRPORT NEEDS					487,710	184,725

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2017 - 2019 CIP / NPIAS PLANNING REPORT

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	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
9	Ashley ASY	Rwy 14/32, Txwy, Apron Rehab/Overlay Construction	56	66	1400	
		RSA , Land Acquisition	41	42	25	
		Install LED MIRL's, PAPI, Beacon, Windcone	56	45	500	
		Instrument Approach Procedure	37	50	150	
		AWOS III	32	38		250
		SRE	32	36		200
		SRE Building	32	36		150
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	200
10	Beach 2OU	Pave SRE/Terminal Access Rd, Apron, CS (Phase II)	33	50	500	
		ALP/MP Update with AGIS and Exhibit A	31	42	250	
		Construct Hangar (Design '20)	12	29	550	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	40	100
		Rehab Rwy 12-30, Txwy and Apron (Design '24)	46	66		3100
		Construct X-Wind Runway	46	59		1500
		Construct Fence and Signage	31	38		2000
		Construct Parallel Txwy	45	64		700
		Construct Apron Expansion	54	38		400
11	Bottineau DO9	Construct Fuel System	22	17	300	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	200
		Construct Taxiway	56	68	300	
		Construct X-Wind Runway	45	46	500	
		Hangar Demo / Construct New Hangar	12	29	800	
		Rehab Rwy 13-31, Txwy and Apron (Design '21)	56	66		2100
		Construct Fence and Signage	31	38		2500
		ALP/MP Update with AGIS and Exhibit A	31	42		250
12	Bowman BWW	Construct Parallel Txwy Extension Phase I (Design '17)	45	48	3400	
		Purchase SRE Equipment	32	45	250	
		Construct Crosswind Runway	46	59	300	8000
		Construct Taxiway	45	47		1000
		Construct Hangar (Design '19)	12	36	1200	
		Pavement Maintenance	56	66	100	200
13	Cando 9D7	Rwy 16/34, Taxiway, Apron Rehabilitat. ('18 Design, '19 Constr.)	56	66	1,100	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	200
		Fuel System	22	17		250
		Wildlife Assessment/WHMP	31	55		50
		Wildlife Fence and Signage	31	38		1500
14	Carrington 46D	Rwy 13/31, Taxiway, Apron Rehab. ('18 Design, '19-'20 Constr.)	56	66	1500	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	200
		Airfield Lighting Improvements Design and Construction	56	45		500
		New Hangar '26 Design and '27 Construction	12	29		830
		Wildlife Assessment/WHMP	31	55		100
		Wildlife Fence and Signage	31	38		1500

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					1 to 5 Yrs.	6 to 10 Yrs.
15	Casselton 5N8	NW and SE Apron Rehabilitation ('17 Design, '18 Constr.)	44	55	300	
		Taxiway A Rehabilitation ('20 Design, '21 Construction)	45	64	300	
		Rwy 13/31 and MIRL Reconstruction ('22 Design, '23 Constr.)	56	66		5700
		NW and SE Apron Reconstruction	44	55	2900	
		T-Hangar ('30 Design, '31 Construction)	12	29		675
		Pavement Maintenance (RTA, RCF, Seal)	56	66	200	200
16	Cavaller 2C8	Parallel Taxiway Construction	45	64	800	
		SRE Equipment	32	36		200
		Pavement Maintenance (RTA, RCF, Microsurface)	56	66	150	300
		PAPI and Flight Check	56	45	150	
		New Hangar Taxilane	45	38		550
		Rwy 16/34 Rehabilitation, Overlay	46	66		550
		New Hangar	12	29		650
		Wildlife Assessment/WHMP	31	55	100	
		Wildlife Fence and Signage	31	38	1500	
17	Cooperstown S32	Land Acquisition RPZ/Transitional Surfaces (70 Acres)	41	42	350	
		ALP/MP Update with AGIS and Exhibit A	31	42		100
		Pavement Maintenance (RTA, RCF, Seal)	56	66		200
		Rwy 13/31, Taxiway, Apron Rehabilitation	56	66	1000	
		Pave Access Road	33	20		250
		Parallel Taxiway Construction	45	64		500
		Apron Expansion	44	38		500
		Crosswind Rwy Construction	26	49		900
18	Crosby D50	Extend Txln and Rehab, Demo Building, Construct Txwy	45	52	430	
		EA for Rwy Extension	46	48	130	
		Rwy Extension Land Acquisition and Wetland Delineation	46	51	300	
		Construct Hangar (Design '24)	12	29		700
		ALP/MP Update with AGIS and Exhibit A	31	42		150
		Rwy and Txwy Rehab (Design '21)	56	66	2200	
		SRE Building Construction / SRE	32	36		500
		Construct Jet A Fuel System	12	17	150	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	200
19	Dunseith - IPG S28	Obstacle Removal	57	50	100	
		ALP/MP Update with AGIS and Exhibit A	51	42	250	
		Instrument Approach Development (3rd Party - Hughes)	57	42	50	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	
		Construct Terminal Shelter and Security Upgrades	21	-	50	
		Land Acquisition - Rwy 28 RPZ	56	42	500	
		Rehabilitation of Pavement Surfaces (Design '23)	56	66		1100
		Wildlife Fence and Signage	51	38		2000
20	Edgeley 51D	Fuel System (Jet - A)	22	17	250	
		ALP/MP Update with AGIS and Exhibit A	31	42	150	
		Snow Removal Equipment (SRE)	32	36	200	
		Wildlife Hazard Assessment/WHMP	31	55	200	
		Upgrade Windcone and Beacon	42	44		100
		Wildlife Fence and Signage	31	38	800	800
				Pavement Maintenance (RTA, RCF, Seal)	56	66

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	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
21	Ellendale 4E7	New 100LL Fuel System	22	17	225	
		Access Road Improvements	33	20	325	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	50
		Rwy 17/35 Rehabilitation	56	66	200	
		Rwy 13/31 Rehabilitation	56	66		600
		Wildlife Assessment/WHMP	31	55	100	
		Wildlife Fence and Signage	31	38	1500	
22	Ft. Yates Y27	Apron Rehabilitation	44	38		500
		Construct New Terminal Building & Misc Improvements	32	36	600	
		Aeronautical Survey / IAP Development	37	50	100	
		New PAPIs and Threshold Lights	56	45	200	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	200
		Construct Hangar	12	29		600
		Construct SRE Building	32	36		700
		Access Road Improvements	33	20		600
23	Garrison D05	Install AWOS	32	38		200
		Construct NE Taxilane (Design '19)	45	38	600	
		Construct New Terminal Building (Design '21)	21	29	500	
		Rehab Taxilane (Design '24)	45	38		600
		Pavement Maintenance (RTA, RCF, Seal)	56	66	200	300
		Install AWOS	32	48		300
		Land Acquisition (EA '29) / RPZ	41	41		600
		SRE Equipment	32	36		300
24	Glen Ullin D57	Construct Fence and Signage	31	38		2000
		Update ALP/MP with AGIS and Exhibit A	31	42		200
		Pavement Maintenance (RTA, RCF, Seal)	56	66	300	300
		Rehab Runway, MIRL and Taxiway (Design '19)	56	66	100	1500
		Rehab Apron (Design '26)	54	56		2000
		Taxilane Extension	45	38	500	
		Construct Hangar	12	29		400
25	Grafton GAF	Construct X-wind Rwy, EA, RPZ Land Acquisition	46	59		700
		TRANSFER TO UNKNOWN	46	59		
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	300
		Rwy 17/35 Lighting Rehabilitation/ PAPI Replacement	56	45	270	
		Hangar Taxilane/ Apron Rehabilita. (Phase 1-'18, Phas. 2-'19)	45	38	250	
		New Hangar ('19 Design, '20 Construction)	12	29	750	
		Rwy 17/35 Rehabilitation/Rejuvenator	56	66		1000
Road Relocation/Obstruction Removal	47	57		250		
		Wildlife Assessment/WHMP	31	55		100
		Wildlife Fence and Signage	31	38		1000

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					1 to 5 Yrs.	6 to 10 Yrs.
26	Gwinner GWR	Snow Removal Equipment (SRE)	32	36	275	
		New Hangar ('17 Design, '19 Construction)	12	29	650	
		East Access Road Improvements	33	20	450	
		Land Acquisition, 17 Acres (Wildlife Fence)	41	42		275
		Wildlife Hazard Assessment (WHA), WHMP	31	55	100	100
		Wildlife Fence and Signage	31	38	1500	
		SRE Building	32	36		800
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	100
27	Harvey 5H4	Pavement Maintenance (RTA, RCF, Slurry Seal)	56	66	300	
		Land Acquisition and EA	41	42	500	
		Rwy 11/29, Taxiway, Apron Rehabilitation, Mill and Overlay	46	66		1500
		New Crosswind Rwy	46	59		800
		Update ALP/MP with AGIS and Exhibit A	31	42		150
		Parallel Taxiway	45	64		500
		Apron Expansion	44	38		300
		Wildlife Fence and Signage	31	38	1000	
28	Hazen HZE	Pavement Maintenance (RTA, RCF, Seal)	56	66	200	200
		Rehabilitate Runway 14-32	56	66		2100
		Wildlife Hazard Site Visit / Signage / Fence	31	62		2500
		Construct Hangar	12	29	600	
		ALP/MP Update with AGIS and Exhibit A	31	62		200
		Construct Crosswind Runway	46	49		500
		Construct Fueling System	12	17		150
		Windcone Replacement and New Taxilane Widening	45	39	300	
		Install MIRLS and Signage	56	45		500
		Construct Parallel Taxiway	45	46		600
29	Hettinger HEI	Rehab Txy A South (Phase I) / Txy C and A North (Phase II)	55	58	2200	
		Construct New Taxilane	45	38		500
		Rehab Apron	54	55		1100
		Install MITL System	54	44		300
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	100
30	Hillsboro 3H4	Rwy 16/34 Reconstruction	56	66	4500	
		Partial Parallel Taxiway and Hangar Taxilane	45	64	2300	
		Full Parallel Taxiway	45	38	3000	
		Land Acquisition / EA (Rwy Extension)	41	42	450	
		Rwy 16/34 Extension	46	51		6500
		New Hangar	12	29		1000
		AWOS	32	38		150
		Reconstruct Service Road	33	20		500
		Wildlife Fence and Signage	31	38		1000
		Pavement Maintenance (RTA, RCF, Slurry Seal)	56	66	25	100

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					1 to 5 Yrs.	6 to 10 Yrs.
31	Kenmare 7K5	Reconstruct Airport Access Road / Expansion (Design '17)	33	20	300	
		East Hangar Area Expansion (EA '19)	45	47	800	1100
		Relocate Fuel System	22	17		80
		Runway 16-34 Expansion (EA '26)	46	42		300
		Construct GA Terminal Building	21	35		500
		Pavement Maintenance (RTA, RCF, Seal)	56	68	100	300
		Install AWOS	32	47		200
32	Kindred K74	Drainage Improv./Turf Rwy/Wdcon./Seg. Cir. ('17 D, '19 C)	56	56	1250	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	400
		Land Acquisition/Survey (Hangar Area, 4.9 Acres)	41	42	175	
		Wetland Mitigation (6 Acres)	36	54	150	
		Taxiway Rehabilitation	45	64		500
		EA Fuel Facility Concrete Pads (30' X 20')	12	46		75
		Rwy 11/29 Extension, Parallel Taxiway Construction, EA	46	51		1800
		Wildlife Assessment (WHA), WHMP	31	55		100
		New Hangar	12	29		600
		Wildlife Fence and Signage	31	38		1000
33	Lakota 5LO	Hangar Taxilane, Park. Lot, Fuel Acc. Road ('17 D, '18 C)	45	64	500	
		Rwy 11/29 and Turnaround Rehab. ('20 Design, '21 Constr.)	56	66	1650	
		Parking Lot Design and Construct	23	27		150
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	100
		Wildlife Assessment (WHA), WHMP	31	55		100
		Wildlife Fence and Signage	31	38		1000
34	LaMoure 4F9	Pavement Maintenance (RTA, RCF, Seal)	56	66	50	150
		Replace Rwy 16/34 Lights	56	45	250	
		Twy Reconstruction	45	64	200	
		Apron Reconstruction	44	38	500	
		Acquire Land (Protective Surfaces)	41	42		300
		Wetland Mitigation	36	38		200
		Wildlife Assessment (WHA), WHMP	31	55		150
		GA Terminal	21	29	200	
		New Hangar	12	29		500
		Fuel System	22	17		200
35	Langdon D55	Rwy 14/32 Lighting and Signage Rehabilitation	56	45	250	
		ALP/MP Update with AGIS and Exhibit A	31	42	250	
		SRE Equipment	32	36	350	
		Hangar Taxilane Reconstruction	45	64	600	
		Parallel Taxiway ('21 Design, '22 Construction)	45	64	150	850
		New Hangar	12	29		1000
		GA Terminal Rehabilitation	21	29		150
		Rwy 8/26 Rehabilitation (Crosswind)	56	66		600
				Pavement Maintenance (RTA, RCF, Seal)	56	66

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2017 - 2019 CIP / NPIAS PLANNING REPORT

FAA / State National Plan of Integrated Airport System (NPIAS) General Aviation and Commercial Service Program

This report reflects a snapshot of the State Wide Capital Improvement Program (CIP) for Public Airports in North Dakota as of January 3rd, 2017. The actual CIP data changes continually as projects come under contract, change scope, or are abandoned.

NDAC Priority - The higher the number, the higher the priority on a scale of: 10 - 57

FAA Priority - The higher the number, the higher the priority on a scale of: 0 - 97

	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
36	Linton 7L2	Install MIRLS, Windcone, Beacon and Vault	56	51	500	
		Runway 9/27 Extension (EA '20)	46	51	200	1000
		ALP/MP Update & AGIS and Exhibit A	31	42		200
		Construct Parallel Taxiway	45	64		1500
		Construct Hangar / SRE Building	12	36		400
		Access Road Improvements	33	20	500	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	
37	Lisbon 6L3	Helipad Apron Expansion	44	38	120	
		Apron Expansion	44	38	400	1200
		Update ALP/MP with AGIS and Exhibit A	31	42	150	
		Parallel Taxiway	45	64		400
		Rwy 14/32, Taxiway Rehabilitation	56	66		600
		Rwy 3/21 Expansion	46	51		200
		Rwy 14/32 Light Rehabilitation (LED)	56	45		250
		SRE/Terminal Building	32	36		200
		Wildlife Fence and Signage	31	38		1000
Pavement Maintenance (RTA, RCF, Seal)	56	66	100	100		
38	Mandan Y19	Wildlife Fence (Design '17) / Wetland Mitigation/ Drainage	31	38	3200	
		Reconstruct Hangar Taxilane	45	46	2000	
		Construct Taxilane	45	46	400	400
		Pavement Maintenance (RTA, RCF, Seal)	56	70	160	400
		Construct Runway Expansion (EA '18)	46	48		4200
		AGIS Update / Aeronautical Survey and Exhibit A	31	42	120	
		Construct Corporate Apron	31	41		600
		Construct Terminal Building Expansion	21	29	500	
		Relocate County Road and Powerlines	46	48	2000	
		Construct Hangar	12	29	1000	
Reconstruct Apron	45	46		600		
39	Mohall HBC	Construct Runway 13 Extension and Widening (EA '17)	46	51	2200	
		Land Acquisition for Runway 13 Extension (45 acres)	46	48	250	
		Wetland Mitigation	31	55	200	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	300
		Wildlife Assessment Study	31	55		50
		Construct Wildlife Fence	31	38		2500
		Taxiway Widening and Realignment	45	46		650
		Instrument Approach Development - Rwy 13	37	50		250
Construct SRE Building	32	44		450		
40	Mott 3P3	ALP/MP Update / AGIS/Exhibit A for Instrument Procedure	51	62	180	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	200	300
		Construct Partial Parallel Taxiway	41	42	200	
		Construct Wildlife Fence / WHSV	31	64	50	2000
		Construct Hangar Taxilane	45	46		300
		Install AWOS	32	42		200
		Construct Hangar	12	29	400	
Construct Runway Extension	46	56		1000		

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#2

2017 - 2019 CIP / NPIAS PLANNING REPORT

FAA / State National Plan of Integrated Airport System (NPIAS) General Aviation and Commercial Service Program

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NDAC Priority - The higher the number, the higher the priority on a scale of: 10 - 57

FAA Priority - The higher the number, the higher the priority on a scale of: 0 - 97

	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
41	Northwood 4V4	Rwy 8/26, Taxiway, Apron Reconstruction (Overlay)	56	66	2050	
		Taxilane and Apron Expansion ('19 EA, '20 D, '21 C)	45	46	550	
		Fueling System	22	17		350
		GA Terminal	21	29		600
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	400
		New Rwy (14/32)	46	59		5200
42	Oakes 2D5	SRE/Terminal Building	32	36	450	
		Wildlife Hazard Assessment / WHMP	31	55	60	
		Wildlife Fence and Signage ('19 Design, '20 Construct)	31	38	1000	
		Parallel Taxiway	45	64	100	1000
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	100
43	Park River Y37	Update ALP/MP with AGIS and Exhibit A	31	42	225	
		Terminal Parking Lot	23	27	100	
		Environmental Assessment (EA)	46	48	125	
		Land Acquisition Rwy 13/31 Shift/Extension	46	52	250	
		Rwy 13/31 Shift Extension and Update Lighting	46	51		1000
		AWOS	32	42		280
		Wildlife Assessment/WHMP	31	55	50	
		Wildlife Fence and Signage	31	38	1000	
44	Parshall Y74	Pavement Maintenance (RTA, RCF, Seal)	56	66	200	200
		ALP/MP Update / AGIS/Exhibit A with WHSV	31	62	300	
		Construct Runway Extension (EA '23)	46	56		1300
		Land Acquisition for Rwy Extension	46	52		600
		Install AWOS	32	42		300
		Construct Apron	44	38		300
		Construct Fence and Signage	31	38	2000	
		Construct Fuel System	22	17	200	
		45	Pembina PMB	Apron / Access Road Reconst. / Taxilane Const. ('17 D / '18 C)	45	64
Flood Protection (Design '18, Construction '21)	54			-	300	
SRE Building Construction (Design '21, Construction '23)	32			36	1500	
Parking Area with Security Fence	23			27		150
Rwy 15/33 and Taxiway Rehabilitate	56			66		1250
Pavement Maintenance (RTA, RCF, Seal)	56			66	50	100
Wildlife Assessment/WHMP	31			55		50
Wildlife Fence and Signage	31			38		1000
46	Rolla 06D	Airfield Electrical Project and CS	56	66	450	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	200	300
		ALP Update / AGIS and Exhibit A	32	55	250	
		Land Acquisition (RPZ)	41	44	300	
		Construct Fence and Signage	31	64		2000
		Construct Hangar	12	29		600

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2017 - 2019 CIP / NPIAS PLANNING REPORT

FAA / State National Plan of Integrated Airport System (NPIAS) General Aviation and Commercial Service Program

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FAA Priority - The higher the number, the higher the priority on a scale of: 0 - 97

	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
47	Rugby RUG	Airfield Electrical Project, CS and Sfc Treatment	56	66	550	
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	100
		Construct SRE Building	32	36	500	
		Runway 12-30, Taxiway and Taxiway Rehabilitation	56	66		3000
		ALP Update / AGIS and Exhibit A	32	55		250
		WHA, Construct Fence and Signage	31	64		2200
48	Stanley 08D	Pavement Maintenance (RTA, RCF, Seal)	56	66	50	150
		Construct Jet Fuel System	22	17	100	
		Land Acquisition (16.7 Acres)	41	42	300	
		Hangar/Parking Lot Improvements	12	27	800	800
		Construct SRE Building	32	36		400
		AGIS Survey	31	42		100
		Construct Hangar	12	27		800
49	Tioga D60	Pavement Maintenance (RTA, RCF, Seal)	56	68	300	
		WHSV and WHMP Study	45	62	50	
		Construct Fence and Signage	31	64	1500	
		Runway 12-30 Rehabilitation	56	66		1300
		Construct Full Length Parallel Taxiway (EA '27)	41	42		2400
		Construct Terminal Building	21	40	500	
		Fuel System Relocation - Design and Construction	22	17	400	
50	Valley City BAC	Wildlife Fence, Hangar Park., Cultur. Inv. (D '17, C'18 / '20)	31	38	1000	
		Rwy 13/31 Rehabilitation and Marking	56	66		450
		Rwy 5/23 Construction (EA '23, Design '26, Construc. '27)	46	59		1300
		Apron Reconstruction (Design '25, Construction '26)	44	38		1100
		Land Acquisition (95 Acres)	41	42	475	475
		Update ALP/MP with AGIS and Exhibit A	31	42		250
		Pavement Maintenance (RTA, RCF, Seal)	56	66	100	100
51	Wahpeton BWP	Main Taxiway Reconstruction (Rwy 15 End)	41	64	410	
		Apron Rehabilitation (Design '19, Phase 1-'21, Phase2-'22)	44	38	2600	2500
		Land Acquisition (Rwy 33 End-House)	56			200
		Rwy 3/21 Paving (Crosswind)	46	59		1000
		Wildlife Fence and Signage	31	38		1000
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	100
52	Walhalla 96D	New Hangar	12	29	650	
		Update Lighting (MIRL)	56	45	50	300
		Parallel Taxiway Rejuvenate	45	64	250	
		Update ALP/MP with AGIS and Exhibit A	31	42		150
		Need \$ Transfer Out to Another Airport 2017	-	-		
		Pavement Maintenance (RTA, RCF, Seal)	56	66	50	100
		Rwy 15/33 Rehabilitation (Seal Coat)	56	66		250
		Wildlife Fence and Signage	31	38	1000	

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#2

2017 - 2019 CIP / NPIAS PLANNING REPORT

FAA / State National Plan of Integrated Airport System (NPIAS) General Aviation and Commercial Service Program

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NDAC Priority - The higher the number, the higher the priority on a scale of: 10 - 57

FAA Priority - The higher the number, the higher the priority on a scale of: 0 - 97

	AIRPORT	PROJECT	NDAC Priority	FAA Priority	Identified Infrastructure Projects (Thousands)	
					1 to 5 Yrs.	6 to 10 Yrs.
53	Washburn 5C8	ALP/MP Update, AGIS/Exhibit A, Environmental and WHSV	32	55	300	
		Construct Apron Expansion (Phase II - EA 18)	47	50	100	
		Construct Fueling System (Design '20)	22	59	600	
		Pavement Maintenance (RTA, RCF, Seal)	56	66		800
		Construct Hangar Taxilane	45	46		500
		Construct Fence and Signage	31	64		1400
		Construct Access Road	33	20		150
54	Watford City S25	Land Acquisition	41	42	700	
		Runway Realignment (Design '18)	46	48	18200	
		Construct Fence and Signage	31	64		3200
		New Airport Beacon	41	42	50	
		Pave Access Road / Parking	33	21		400
		Pavement Maintenance (RTA, RCF, Seal)	56	68	100	100
55	State PCI		51	56	1000	1000
56	State Av-Impact		51	64		600
57	State System Plan Update		51	64		600
	Total Based AC:		GA Totals:		121,865	163,190
			CA Totals:		487,710	184,725
			CA & GA Totals:		606,775	347,915

This report reflects a snapshot of the State Wide Capital Improvement Program (CIP) for Public Airports in North Dakota as of January 3rd, 2017. The actual CIP data changes continually as projects come under contract, change scope, or are abandoned.

In addition the availability of State and Federal funding varies. Although listing a project in the CIP is the first step toward funding, that funding is not guaranteed for the projects listed.

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Airport Association of North Dakota

**Matthew Remyse - President Anthony Dudas - Vice President
Samuel Seafeldt - Sec. / Treasurer**

PO Box 1560 Jamestown, North Dakota 58402-1560
(701) 355-1808

January 17, 2017

RE: Testimony to Senate Finance and Taxation Committee on SB 2200

Chairman Cook and members of the committee,

I am Matthew Remyse, the President of the Airport Association of North Dakota (AAND). I want to thank you for the opportunity to speak here today and thank you for the past support of airports. I'm here today to speak in support of SB 2200. AAND is the professional organization for North Dakota Airports and it serves to promote airports, aviation, and safety across North Dakota. Among its members are all eight commercial service airports, 70 of 81 general aviation airports and aviation engineering and planning firms.

AAND is supporting SB 2200 due to the need for airports to obtain additional sources of funding when developing their capital projects budget. Currently, airports in the state typically have access to three forms of funding when developing their capital projects budget. The main source of funding for eligible airports is Airport Improvement Program (AIP) grant funding through the Federal Aviation Administration (FAA). The second is the North Dakota Aeronautics Commission's (NDAC) airport grant funding program. The third is local funding, which can come from revenue earned on the airport or local mills levied through the governing body. Typically, the mills levied for an airport are used for operations and maintenance of the airfield. Although North Dakota has seen an uptick in the amount of AIP grants coming into the state, the program is unable to meet the needs of all North Dakota airports. The NDAC's grant

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pg 2

program is underfunded and it cannot meet all the needs that are requested of it. This leaves local funding to fill the gap left by the shortfall in state and federal funding. This bill provides airports and their local governing body additional resources when developing their capital projects budget. Airports and local governments could use the additional mills offered by this language to cover the costs of one project in a year or one large project over multiple years, which is beneficial if an airport needs to bond or take out a loan to complete capital projects.

If an airport is unable to fill the gap left by the shortfall in state, federal, and local funding, it must delay the project until there is more funding available. Delaying vital projects will hinder airports which are a vital driver of the state's economic development, and quality of life. North Dakota's 89 airports generate \$1.56 billion annually in economic impact and touch all major industries including agriculture, healthcare, manufacturing, tourism, energy, and technology.

In the upcoming biennium there are several airports throughout the state with large capital projects:

- Bismarck Airport has a main runway reconstruction project that will total \$70 million when complete. The City of Bismarck is funding \$30 million dollars of this project because of limited Federal funding.
- Williston's new airport broke ground last fall and is scheduled to be completed in 2018.
- Dickinson Airport is starting to develop its runway project
- Grand Forks Airport is starting to develop its runway project.
- Several general aviation airports are preparing large projects too: Northwood, Ashely, Hillsboro, and Watford City will have major runway projects this biennium.

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- In addition to these major projects, there are several capital projects that are not included on the capital improvement plans because they are ineligible for grant funding and must be funded solely by the airport.

In conclusion, I ask that you support SB 2200. There is not enough federal and state grant funding to cover all the airport projects identified in the state. It is vital that airports have as much flexibility as possible when developing their capital projects budget and this bill, if approved, would provide that flexibility. I thank you for the opportunity to testify on SB 2200. I will take any questions at this time.

Respectfully,



Matthew Remynse
President, AAND



Airport Association of North Dakota

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3-1-17

**Matthew Remyse - President Anthony Dudas - Vice President
Samuel Seafeldt - Sec. / Treasurer**

PO Box 1560 Jamestown, North Dakota 58402-1560
(701) 355-1808

March 1, 2017

RE: Testimony to House Finance and Taxation Committee on SB 2200

Chairman Headland and members of the committee,

I am Matthew Remyse, the President of the Airport Association of North Dakota (AAND). I want to thank you for the opportunity to speak here today and thank you for the past support of airports. AAND is the professional organization for North Dakota Airports and it serves to promote airports, aviation, and safety across North Dakota. Among its members are all eight commercial service airports, 70 of 81 general aviation airports and aviation engineering and planning firms. I'm here today on behalf of the association to express our support of SB 2200.

AAND is supporting SB 2200 due to the need for airports to have additional sources of funding when developing the budget for their capital projects. Currently, airports in the state typically have access to three forms of funding when developing the budgets for their capital projects. The main source of funding for eligible airports is Airport Improvement Program (AIP) grant funding through the Federal Aviation Administration (FAA). The second is the North Dakota Aeronautics Commission's (NDAC) airport grant funding program. The third is local funding, which can come from revenue earned on the airport or local mills levied through the governing body. Typically, the mills levied for an airport are used for operations and maintenance of the airfield. Although North Dakota has seen an uptick in the amount of AIP grants coming into the state, the program is unable to meet the needs of all North Dakota airports. The NDAC's grant

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SB 2200
3-1-17

program is underfunded and it cannot meet all the needs that are requested of it. This leaves local funding to fill the gap left by the shortfall in state and federal funding. This bill provides airports and their local governing body an additional resource to consider when developing the budget for their capital projects. Airports and local governments could use the additional mills offered by this language to cover the costs of one project in a year or one large project over multiple years, which is beneficial if an airport needs to bond or take out a loan to complete capital projects.

If an airport is unable to fill the gap left by the shortfall in state, federal, and local funding, it must delay the project until there is more funding available. Delaying vital projects will hinder airports which are a vital driver of the state's economic development, and quality of life. North Dakota's 89 airports generate \$1.56 billion annually in economic impact and touch all major industries including agriculture, healthcare, manufacturing, tourism, energy, and technology.

In the upcoming biennium there are several airports throughout the state with large capital projects:

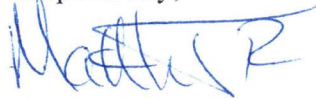
- Bismarck Airport has a main runway reconstruction project that will total \$70 million when complete. The City of Bismarck is funding \$30 million dollars of this project because of limited Federal funding.
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- The Dickinson and Grand Forks airport are starting to develop runway reconstruction projects
- Several general aviation airports are preparing large projects too: Northwood, Ashely, Hillsboro, and Watford City will have major runway projects this biennium.

- In addition to these major projects, there are several capital projects that are not included on the capital improvement plans because they are ineligible for grant funding and must be funded solely by the airport.

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3-1-17

In conclusion, I ask that you support SB 2200. Federal and state grant funding is limited and this may delay airport projects in the state. It is vital that airports and their local governing local bodies have as much flexibility as possible when developing the budget for their capital projects and this bill, if approved, would provide that flexibility. I thank you for the opportunity to testify on SB 2200. I will take any questions at this time.

Respectfully,



Matthew Remyse
President, AAND



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SB 2200
3-1-17

Testimony SB2200

3/1/2017

Good morning Chairman and committee members, Kelly Braun, Dickinson Theodore Roosevelt Regional Airport Manager, testifying in support of SB2200.

SB 2200 contains language that would allow airports to levy up to 10 additional mills for capital projects. This bill is very important as it would give airports another funding resource to evaluate when developing capital projects. Typically there are three funding sources which are used to pay for capital improvement projects, the FAA AIP grant program, the NDAC grant program, and local funding. SB2200 would help airports with the local funding requirement in the FAA AIP grant program.

Southwest North Dakota and particularly the Dickinson area have experienced substantial growth and impacts from oil development in Western North Dakota; as a corresponding result, additional aviation activity is occurring, putting operational challenges for the Dickinson Theodore Roosevelt Regional Airport front and center.

To address these issues the Airport developed a multiyear master plan in coordination with the Federal Aviation Administration (FAA). The plan identifies several issues and constraints to current Airport operations, which include the need to lengthen, widen and shift the main runway per the existing and future critical aircraft.

The main runway was designed for smaller aircraft typically weighing less than 37,500 lbs., but the jet aircraft that are currently providing commercial service are in excess of 50,000 pounds, that increased frequency and the heavier loads of these aircraft are weakening and deteriorating the pavement of the main runway at an accelerated pace. For aircraft currently operating at the airfield the main runway also has a deficient Runway Safety Area (RSA) and Runway Protection Zone both in length and width.



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SB 2200 Testimony Continued

To accomplish this multiyear project the anticipated financial needs total \$65M. The Federal share for this project would be \$40M, State share would be \$20M, and the remainder would be the local airport share at \$5M.

The Dickinson Airport acquires its operating revenue from several different sources, local mill levies, leases, user fees, and commissions. Being good stewards of public money is always a top priority, and thoughtful consideration is always given when developing annual budgets. This time tested method, combined with prudent expenditures has allowed the Airport to generate, overtime a cash reserve, but a project of this size and scope would deplete the Airports small cash reserve, resulting in a \$4.5 million shortfall. To make up for this funding shortfall our airport would be required to issue revenue bonds, having the ability to leverage additional mills would help back those bonds.

The community of Dickinson is supportive of the investments in its local Airport and recognizes it as a viable asset, now and in the future. I respectfully ask that after your thoughtful consideration, SB 2200 receives a "do pass".

I will stand for any questions this committee may have.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

- Page 2, line 13, remove the overstrike over "~~approved by~~"
 - Page 2, line 13, after "majority" insert "sixty percent or more"
 - Page 2, line 13, remove the overstrike over "~~of the electors of~~"
 - Page 2, line 14, remove the overstrike over "~~the city~~"
 - Page 2, line 15, remove the overstrike over "sixty"
 - Page 2, line 16, remove the overstrike over "~~percent or more~~"
 - Page 2, line 16, remove "a majority"
 - Page 2, line 22, remove the overstrike over "~~, when authorized to do so by~~"
 - Page 2, line 22, after "majority" insert "sixty percent or more"
 - Page 2, line 22, remove the overstrike over "~~of the~~"
 - Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or general election~~"
 - Page 2, line 24, remove the overstrike over "~~sixty percent or more~~"
 - Page 2, line 24, remove "a majority"
- Renumber accordingly

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2200

Introduced by

Senators Cook, Bekkedahl, Laffen

Representatives Owens, Rohr, Schreiber-Beck

1 A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10,
2 and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to
3 provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-15-06.6 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-15-06.6. County capital projects levy.**

8 The board of county commissioners of each county may levy an annual tax not exceeding
9 ten mills plus any voter-approved additional levy as provided in subsection 8 of section
10 57-15-06.7 for the purpose of the following capital projects:

- 11 1. Constructing and equipping and maintaining structural and mechanical components of
12 regional or county corrections centers or for the purpose of contracting for corrections
13 center space capacity from another public or private entity.
- 14 2. Acquiring real estate as a site for public parks and construction and equipping and
15 maintaining structural and mechanical components of recreational facilities under
16 section 11-28-06.
- 17 3. Acquiring real estate as a site for county buildings and operations and constructing
18 and equipping and maintaining structural and mechanical components of county
19 buildings and property.
- 20 4. Acquiring real estate as a site for county fair buildings and operations and constructing
21 and equipping and maintaining structural and mechanical components of county fair
22 buildings and property as provided in section 4-02-26.

1 5. Acquiring and developing real estate, capital improvements, buildings, pavement,
2 equipment, and debt service associated with financing for county supported airports or
3 airport authorities.

4 6. Expenditures for the cost of leasing as an alternative means of financing for any of the
5 purposes for which expenditures are authorized under subsections 1 through 45.

6 Any voter-approved levy for the purposes specified in this section approved by the electors
7 before January 1, 2015, remains effective through 2024 or the period of time for which it was
8 approved by the electors, whichever is less, under the provisions of law in effect at the time it
9 was approved. After January 1, 2015, approval or re-authorization by electors of increased levy
10 authority under this section may not be effective for more than ten taxable years.

11 **SECTION 2. AMENDMENT.** Subsection 8 of section 57-15-10 of the North Dakota Century
12 Code is amended and reenacted as follows:

13 8. Taxes levied for a capital improvements fund ~~approved by a majority~~ sixty percent or
14 more of the electors of the city in accordance with section 57-15-38 may be levied in
15 an amount not exceeding ten mills. Taxes levied for a capital improvements fund
16 approved by ~~sixty percent or more~~ a majority of the electors of the city in accordance
17 with section 57-15-38 may be levied in an amount not exceeding an additional ten
18 mills.

19 **SECTION 3. AMENDMENT.** Section 57-15-38 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **57-15-38. City capital improvements fund levy.**

22 The governing body of any city may levy a tax for a capital improvements fund not
23 exceeding ten mills under section 57-15-10, ~~when authorized to do so by a majority~~ sixty
24 percent or more of the electors voting upon the question at a primary or general election.

25 When authorized by ~~sixty percent or more~~ a majority of the qualified electors voting upon the
26 question at a regular or special election in the city, the governing body of the city may levy and
27 collect an additional tax of ten mills for capital improvements fund purposes under section
28 57-15-10.

29 Any excess levy for capital improvements under this section approved by the electors of a
30 city before July 1, 2015, remains effective for ten taxable years or the period of time for which it
31 was approved by the electors, whichever is less, after it was approved, under the provisions of

Sixty-fifth
Legislative Assembly

1 law in effect at the time it was approved. After June 30, 2015, approval or re-authorization by
2 electors of increased levy authority under this section may not be effective for more than ten
3 taxable years.

4 The capital improvements fund must be used for paying all or part of the construction of
5 waterworks systems, sewage systems, public buildings, or any other public improvements;
6 acquiring real estate as a site for public buildings, maintaining structural and mechanical
7 components of public buildings, and furnishing of public buildings; a city's participating share in
8 urban renewal programs; capital improvements and equipment acquisition and maintaining
9 structural and mechanical components for fire department stations; ~~and~~ capital improvements
10 and equipment acquisition and maintaining structural and mechanical components for stations
11 for police protection services and correctional facilities; and acquiring and developing real
12 estate, capital improvements, buildings, pavement, equipment, and supporting debt service
13 associated with financing for city supported airports or airport authorities. The governing body of
14 any city, when submitting to the electors of the city the question of authorizing the tax levy, shall
15 specify the purposes for which the capital improvements fund is to be used. The governing body
16 of the city may create the capital improvements fund which may be accumulated in an amount
17 not in excess of twenty percent of the current annual appropriation for all other purposes
18 combined, exclusive of the appropriations to pay interest and principal of the bonded debt, and
19 not in excess of the limitations prescribed by law.

20 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
21 December 31, 2016.

Headland, Craig A.

From: Blake Crosby <blake@ndlc.org>
Sent: Friday, March 3, 2017 3:49 PM
To: Headland, Craig A.
Subject: SB 2200

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

Rep. Headland—below are the cities that levied for capital improvements with levy authority (1624), number of mills levied in 2016 (after passage of SB 2144 from 2013-15 session) and value of that levy.

City of Bismarck	1624	4.33	1,519,689.53
City of Lincoln	1624	5	56,527.91
EDGELEY CITY	1624	4.36	4,304.45
JUD CITY	1624	3.95	350.4
MARION CITY	1624	3.59	859.29
GACKLE CITY	1624	5	1,773.13
CITY OF WISHEK	1624	3.04	4,231.86
City of Minot	1624	1.14	261,841.21
City Of Williston	1624	1.78	276,130.80

Blake

R Blake Crosby

ND League of Cities | *Executive Director*
410 E Front Ave | Bismarck, ND 58504
701-223-3518 800-472-2692



4/6/17

SB 2200

Attachment # 2

Pg 1

Senate Bill 2200 Chart (Capital Improvement Fund)

	First 10 Mills	Second 10 Mills
Present Law Cities	50% Vote	60% Vote
SB 2200 Senate	Governing Body	50% Vote
SB 2200 House	60% Vote	60% Vote
Present Law Counties	Governing Body	50% Vote

Maximum fund length by statute is 10 years; re-vote is possible

4/6/17

SB 2200

Attachment #3

pg 1

17.0466.01005
Title.

Prepared by the Legislative Council staff for
Representative Steiner
April 6, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

That the House recede from its amendments as printed on page 810 of the Senate Journal and page 963 and 964 of the House Journal and that Senate Bill No. 2200 be amended as follows:

Page 3, line 13, overstrike the fourth "the" and insert immediately thereafter "a"

Page 3, line 13, after "levy" insert "of up to ten additional mills"

Page 3, line 14, overstrike "the purposes for which" and insert immediately thereafter "that"

Page 3, line 14, overstrike "is to be used" and insert immediately thereafter "may be used for any of the purposes listed in this section"

Re-number accordingly

17.0466.01005

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2200

Introduced by

Senators Cook, Bekkedahl, Laffen

Representatives Owens, Rohr, Schreiber-Beck

1 A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10,
2 and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to
3 provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-15-06.6 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-15-06.6. County capital projects levy.**

8 The board of county commissioners of each county may levy an annual tax not exceeding
9 ten mills plus any voter-approved additional levy as provided in subsection 8 of section
10 57-15-06.7 for the purpose of the following capital projects:

- 11 1. Constructing and equipping and maintaining structural and mechanical components of
- 12 regional or county corrections centers or for the purpose of contracting for corrections
- 13 center space capacity from another public or private entity.
- 14 2. Acquiring real estate as a site for public parks and construction and equipping and
- 15 maintaining structural and mechanical components of recreational facilities under
- 16 section 11-28-06.
- 17 3. Acquiring real estate as a site for county buildings and operations and constructing
- 18 and equipping and maintaining structural and mechanical components of county
- 19 buildings and property.
- 20 4. Acquiring real estate as a site for county fair buildings and operations and constructing
- 21 and equipping and maintaining structural and mechanical components of county fair
- 22 buildings and property as provided in section 4-02-26.

4/6/17

SB 2200

Attachment # 4

Sixty-fifth
Legislative Assembly

1 5. Acquiring and developing real estate, capital improvements, buildings, pavement,
2 equipment, and debt service associated with financing for county supported airports or
3 airport authorities.

4 6. Expenditures for the cost of leasing as an alternative means of financing for any of the
5 purposes for which expenditures are authorized under subsections 1 through 45.

6 Any voter-approved levy for the purposes specified in this section approved by the electors
7 before January 1, 2015, remains effective through 2024 or the period of time for which it was
8 approved by the electors, whichever is less, under the provisions of law in effect at the time it
9 was approved. After January 1, 2015, approval or re-authorization by electors of increased levy
10 authority under this section may not be effective for more than ten taxable years.

11 **SECTION 2. AMENDMENT.** Subsection 8 of section 57-15-10 of the North Dakota Century
12 Code is amended and reenacted as follows:

13 8. Taxes levied for a capital improvements fund ~~approved by a majority of the electors of~~
14 ~~the city~~ in accordance with section 57-15-38 may be levied in an amount not
15 exceeding ten mills. Taxes levied for a capital improvements fund approved by ~~sixty~~
16 ~~percent or more~~ a majority of the electors of the city in accordance with section
17 57-15-38 may be levied in an amount not exceeding an additional ten mills.

18 **SECTION 3. AMENDMENT.** Section 57-15-38 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **57-15-38. City capital improvements fund levy.**

21 The governing body of any city may levy a tax for a capital improvements fund not
22 exceeding ten mills under section 57-15-10, ~~when authorized to do so by a majority of the~~
23 ~~electors voting upon the question at a primary or general election.~~

24 When authorized by ~~sixty percent or more~~ a majority of the qualified electors voting upon the
25 question at a regular or special election in the city, the governing body of the city may levy and
26 collect an additional tax of ten mills for capital improvements fund purposes under section
27 57-15-10.

28 Any excess levy for capital improvements under this section approved by the electors of a
29 city before July 1, 2015, remains effective for ten taxable years or the period of time for which it
30 was approved by the electors, whichever is less, after it was approved, under the provisions of
31 law in effect at the time it was approved. After June 30, 2015, approval or re-authorization by

4/6/17

SB 2200

Attachment #4

Sixty-fifth
Legislative Assembly

1 electors of increased levy authority under this section may not be effective for more than ten
2 taxable years.

3 The capital improvements fund must be used for paying all or part of the construction of
4 waterworks systems, sewage systems, public buildings, or any other public improvements;
5 acquiring real estate as a site for public buildings, maintaining structural and mechanical
6 components of public buildings, and furnishing of public buildings; a city's participating share in
7 urban renewal programs; capital improvements and equipment acquisition and maintaining
8 structural and mechanical components for fire department stations; ~~and~~ capital improvements
9 and equipment acquisition and maintaining structural and mechanical components for stations
10 for police protection services and correctional facilities; and acquiring and developing real
11 estate, capital improvements, buildings, pavement, equipment, and supporting debt service
12 associated with financing for city supported airports or airport authorities. The governing body of
13 any city, when submitting to the electors of the city the question of authorizing ~~the~~a tax levy of
14 up to ten additional mills, shall specify ~~the purposes for which~~that the capital improvements fund
15 ~~is to be used~~may be used for any of the purposes listed in this section. The governing body of
16 the city may create the capital improvements fund which may be accumulated in an amount not
17 in excess of twenty percent of the current annual appropriation for all other purposes combined,
18 exclusive of the appropriations to pay interest and principal of the bonded debt, and not in
19 excess of the limitations prescribed by law.

20 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
21 December 31, 2016.

4/10/2017

SB 2200

Attachment #1

Pg 1

17.0466.01007
Title.

Prepared by the Legislative Council staff for
Representative Steiner
April 8, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

That the House recede from its amendments as printed on page 810 of the Senate Journal and page 963 and 964 of the House Journal and that Senate Bill No. 2200 be amended as follows:

Page 2, line 15, overstrike "ten" and insert immediately thereafter "twenty"

Page 2, line 15, overstrike "Taxes levied for a capital improvements fund approved by"

Page 2, line 16, remove "a majority"

Page 2, line 16, overstrike "of the electors of the city in accordance with section"

Page 2, overstrike line 17

Page 2, after line 20 insert:

"1."

Page 2, line 22, overstrike "ten" and insert immediately thereafter "twenty"

Page 2, line 23, overstrike the period

Page 2, line 24, overstrike "When" and insert immediately thereafter "when"

Page 2, line 24, remove "a majority"

Page 2, line 24, overstrike "of"

Page 2, line 25, overstrike ", the governing body of the city may levy and"

Page 2, overstrike line 26

Page 2, line 27, overstrike "57-15-10"

Page 2, after line 27, insert:

"2. The question pertaining to approval of the first ten mills of levy authority must be authorized by a majority of the electors voting upon the question at a primary or general election and approval of levy authority exceeding ten mills, but not exceeding twenty mills, must be authorized by sixty percent of the electors voting upon the question at a primary or general election. A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:

a. The singular purpose, selected from one of the six options provided under subsection 5, for which levy authority is being sought;

b. The number of mills requested for the purpose specified in subdivision a; and

c. The duration of the requested levy authority.

3. As an alternative to the requirements under subsection 2, a ballot containing a single question seeking approval for the first ten mills of levy authority for more than one of the purposes listed under subsection 5 must

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SB 2200

Attachment #1

be approved by sixty percent of the electors voting upon the question at a primary or general election and the ballot question must specify:

- a. The purposes for which levy authority is being sought;
- b. The combined number of mills requested for the purposes specified in subdivision a; and
- c. The duration of the requested levy authority.

4."

Page 3, after line 2 insert:

"5."

Page 3, line 3, overstrike "must" and insert immediately thereafter "may"

Page 3, line 3, overstrike "paying" and insert immediately thereafter ":

a. Paying"

Page 3, line 5, overstrike "acquiring" and insert immediately thereafter:

"b. Acquiring"

Page 3, line 6, overstrike "a" and insert immediately thereafter:

"c. A"

Page 3, line 7, overstrike "capital" and insert immediately thereafter:

"d. Capital"

Page 3, line 8, overstrike "capital" and insert immediately thereafter:

"e. Capital"

Page 3, line 10, replace "acquiring" with:

"f. Acquiring"

Page 3, line 12, overstrike "The governing body of"

Page 3, overstrike line 13

Page 3, line 14, overstrike "specify the purposes for which the capital improvements fund is to be used." and insert immediately thereafter:

"6."

Renumber accordingly

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SB 2200

Attachment # 2

Pg 1

17.0466.01007

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2200

Introduced by

Senators Cook, Bekkedahl, Laffen

Representatives Owens, Rohr, Schreiber-Beck

1 A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10,
2 and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to
3 provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-15-06.6 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-15-06.6. County capital projects levy.**

- 8 The board of county commissioners of each county may levy an annual tax not exceeding
9 ten mills plus any voter-approved additional levy as provided in subsection 8 of section
10 57-15-06.7 for the purpose of the following capital projects:
- 11 1. Constructing and equipping and maintaining structural and mechanical components of
12 regional or county corrections centers or for the purpose of contracting for corrections
13 center space capacity from another public or private entity.
 - 14 2. Acquiring real estate as a site for public parks and construction and equipping and
15 maintaining structural and mechanical components of recreational facilities under
16 section 11-28-06.
 - 17 3. Acquiring real estate as a site for county buildings and operations and constructing
18 and equipping and maintaining structural and mechanical components of county
19 buildings and property.
 - 20 4. Acquiring real estate as a site for county fair buildings and operations and constructing
21 and equipping and maintaining structural and mechanical components of county fair
22 buildings and property as provided in section 4-02-26.

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Sixty-fifth
Legislative Assembly

1 5. Acquiring and developing real estate, capital improvements, buildings, pavement,
2 equipment, and debt service associated with financing for county supported airports or
3 airport authorities.

4 6. Expenditures for the cost of leasing as an alternative means of financing for any of the
5 purposes for which expenditures are authorized under subsections 1 through 45.

6 Any voter-approved levy for the purposes specified in this section approved by the electors
7 before January 1, 2015, remains effective through 2024 or the period of time for which it was
8 approved by the electors, whichever is less, under the provisions of law in effect at the time it
9 was approved. After January 1, 2015, approval or re-authorization by electors of increased levy
10 authority under this section may not be effective for more than ten taxable years.

11 **SECTION 2. AMENDMENT.** Subsection 8 of section 57-15-10 of the North Dakota Century
12 Code is amended and reenacted as follows:

13 8. Taxes levied for a capital improvements fund ~~approved by a majority of the electors of~~
14 ~~the city~~ in accordance with section 57-15-38 may be levied in an amount not
15 exceeding twenty mills. ~~Taxes levied for a capital improvements fund approved by~~
16 ~~sixty percent or more a majority of the electors of the city in accordance with section~~
17 ~~57-15-38 may be levied in an amount not exceeding an additional ten mills.~~

18 **SECTION 3. AMENDMENT.** Section 57-15-38 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **57-15-38. City capital improvements fund levy.**

21 1. The governing body of any city may levy a tax for a capital improvements fund not
22 exceeding twenty mills under section 57-15-10, ~~when authorized to do so by a~~
23 ~~majority of the electors voting upon the question at a primary or general election.~~
24 ~~When~~when authorized by ~~sixty percent or more a majority of~~ the qualified electors
25 voting upon the question at a regular or special election in the city, ~~the governing body~~
26 ~~of the city may levy and collect an additional tax of ten mills for capital improvements~~
27 ~~fund purposes under section 57-15-10.~~

28 2. The question pertaining to approval of the first ten mills of levy authority must be
29 authorized by a majority of the electors voting upon the question at a primary or
30 general election and approval of levy authority exceeding ten mills, but not exceeding
31 twenty mills, must be authorized by sixty percent of the electors voting upon the

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Sixty-fifth
Legislative Assembly

- 1 question at a primary or general election. A ballot submitted to the electors under this
2 subsection may contain multiple questions and each question must specify:
3 a. The singular purpose, selected from one of the six options provided under
4 subsection 5, for which levy authority is being sought;
5 b. The number of mills requested for the purpose specified in subdivision a; and
6 c. The duration of the requested levy authority.
7 3. As an alternative to the requirements under subsection 2, a ballot containing a single
8 question seeking approval for the first ten mills of levy authority for more than one of
9 the purposes listed under subsection 5 must be approved by sixty percent of the
10 electors voting upon the question at a primary or general election and the ballot
11 question must specify:
12 a. The purposes for which levy authority is being sought;
13 b. The combined number of mills requested for the purposes specified in
14 subdivision a; and
15 c. The duration of the requested levy authority.
16 4. Any excess levy for capital improvements under this section approved by the electors
17 of a city before July 1, 2015, remains effective for ten taxable years or the period of
18 time for which it was approved by the electors, whichever is less, after it was
19 approved, under the provisions of law in effect at the time it was approved. After
20 June 30, 2015, approval or re-authorization by electors of increased levy authority
21 under this section may not be effective for more than ten taxable years.
22 5. The capital improvements fund ~~must~~may be used for ~~paying~~:
23 a. ~~Paying~~ all or part of the construction of waterworks systems, sewage systems,
24 public buildings, or any other public improvements; ~~acquiring~~
25 b. ~~Acquiring~~ real estate as a site for public buildings, maintaining structural and
26 mechanical components of public buildings, and furnishing of public buildings; ~~a~~
27 c. ~~A~~ city's participating share in urban renewal programs; ~~capital~~
28 d. ~~Capital~~ improvements and equipment acquisition and maintaining structural and
29 mechanical components for fire department stations; ~~and capital~~

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Attachment #2

Sixty-fifth
Legislative Assembly

1 e. Capital improvements and equipment acquisition and maintaining structural and
2 mechanical components for stations for police protection services and
3 correctional facilities; and ~~acquiring~~

4 f. Acquiring and developing real estate, capital improvements, buildings, pavement,
5 equipment, and supporting debt service associated with financing for city
6 supported airports or airport authorities. ~~The governing body of any city, when~~
7 ~~submitting to the electors of the city the question of authorizing the tax levy, shall~~
8 ~~specify the purposes for which the capital improvements fund is to be used.~~

9 6. The governing body of the city may create the capital improvements fund which may
10 be accumulated in an amount not in excess of twenty percent of the current annual
11 appropriation for all other purposes combined, exclusive of the appropriations to pay
12 interest and principal of the bonded debt, and not in excess of the limitations
13 prescribed by law.

14 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
15 December 31, 2016.

Steiner, Vicky L.

From: Thompson, Emily L.
Sent: Monday, April 10, 2017 8:55 PM
To: Steiner, Vicky L.
Subject: RE: levy 4 mills?

Hi Representative Steiner,

A county, city, or township may levy up to four mills for airport or airport authority purposes. This mill levy authority does not require any type of vote and is separate from, and in addition to, the levy authority that would be provided in Senate Bill No. 2200. Thus, a city could levy four mills for airport or airport authority purposes under Section 2-06-15, and then levy up to an additional 20 mills for the city's capital improvement fund (*which could also be used for airport purposes pursuant to SB 2200*) for a total of 24 mills.

2-06-15. Tax levy by county, city, or township for airport or airport authority purposes.

A county, city, or township supporting an airport or airport authority may levy not exceeding four mills for airport or airport authority purposes. If any city or township within the county is levying a tax for support of an airport or airport authority and the total of the county and city or county and township levies exceeds four mills, the county tax levy within the city or township levying under this section must be reduced so the total levy in the city or township does not exceed four mills.

The levy authority under Section 2-06-15 is also referenced in subsection 1 of Section 57-15-06.7 (*for counties*) and in subsection 7 of Section 57-15-10 (*for cities*).

57-15-06.7. Additional levies Exceptions to tax levy limitations in counties. (*maximum total of 24 mills for airport purposes*)

The tax levy limitations specified in section 57-15-06 do not apply to the following mill levies, which are expressed in mills per dollar of taxable valuation of property in the county:

1. A county supporting an airport or airport authority may levy a tax not exceeding four mills in accordance with section 2-06-15. (*this subsection provides 4 mills of levy authority, with no vote required, for airport purposes*)

2. A county levying a tax for extension work as provided in section 4-08-15 may levy a tax not exceeding two mills and if a majority of the electors of the county have approved additional levy authority under section 4-08-15, the county may levy a voter-approved tax not exceeding an additional tax of two mills.

3. A county levying a tax for historical works in accordance with section 11-11-53 may levy a tax not exceeding one-quarter of one mill, except that if sixty percent of the qualified electors voting on the question of a levy limit increase as provided in section 11-11-53 shall approve, the tax levy limitation may be increased to not exceeding three-quarters of one mill.

4. A county levying a tax for a county or community hospital association as provided in section 23-18-01 may levy a tax for not more than five years not exceeding eight mills in any one year or, in the alternative, for not more than ten years at a mill rate not exceeding five mills.

5. A county levying a tax for county roads and bridges as provided in section 24-05-01 may levy a tax at a mill rate not exceeding ten mills. When authorized by a majority of the qualified electors voting upon the question at a primary or general election in the county, the county commissioners may levy and collect an additional tax

for road and bridge purposes as provided in section 24-05-01, not exceeding a combined additional tax rate of twenty mills.

6. A county levying a tax to establish and maintain a public library service as provided in section 40-38-02 may levy a tax not exceeding four mills.

7. A county levying a tax for a county veterans service officers salary, traveling, and office expenses in accordance with section 57-15-06.4 may levy a tax not exceeding two mills.

8. A county levying a tax for capital projects under section 57-15-06.6 may levy a tax not exceeding ten mills. When authorized by a majority of the qualified electors voting upon the question of a specific capital project or projects at a primary or general election in the county, the county commissioners may levy and collect an additional voter-approved tax for capital projects under section 57-15-06.6 not exceeding a tax rate of ten mills per dollar of the taxable valuation of property in the county. After January 1, 2015, approval or re-authorization by electors of increased levy authority under this subsection may not be effective for more than ten taxable years. Any voter-approved levy in excess of ten mills for the purposes specified in section 57-15-06.6 approved by the electors before January 1, 2015, remains effective through 2024 or the period of time for which it was approved by the electors, whichever is less, under the provisions of law in effect at the time it was approved. *(this subsection provides up to 20 mills of levy authority [10 mills without a vote, and mills 11-20 with a majority vote] which could now be used for airport purposes under SB 2200)*

[* * *]

57-15-10. Exceptions to tax levy limitations in cities. *(maximum total of 24 mills for airport purposes)*

The tax levy limitations specified in section 57-15-08 do not apply to the following tax levies:

1. Taxes levied pursuant to law for a proportion of the cost of a special improvement project by general taxation.

2. Taxes levied pursuant to law for the purpose of paying a deficiency in connection with a special improvement project.

3. Taxes levied to pay interest on a bonded debt, or the principal of such debt, at maturity.

4. Taxes, not exceeding four mills, levied for the purpose of establishing and maintaining a library fund for public library services in accordance with section 40-38-02.

5. Taxes levied on property of an agricultural fair association, a nonprofit club or like organization, or an organization of college students located within a municipality and otherwise exempt under subsection 10 or 11 of section 57-02-08, to pay such property's proportionate share of the cost of fire protection services maintained by the municipal corporation.

6. Taxes, not exceeding five mills, levied for the purpose of establishing and maintaining a municipal arts council in accordance with section 40-38.1-02.

7. Taxes levied for airport purposes in accordance with section 2-06-15 may be levied in an amount not exceeding four mills. *(this subsection provides 4 mills of levy authority, with no vote required, for airport purposes)*

8. Taxes levied for a capital improvements fund approved by a majority of the electors of the city in accordance with section 57-15-38 may be levied in an amount not exceeding ten mills. Taxes levied for a capital improvements fund approved by sixty percent or more of the electors of the city in accordance with section 57-15-38 may be levied in an amount not exceeding an additional ten mills. *(this subsection provides up to 20 mills*

4/11/2017

SB 2200

Attachment #1

of levy authority [10 mills with a majority vote, and mills 11-20 with a 60 percent vote] which could now be used for airport purposes under SB 2200)

[* * *]

I hope this provides a helpful illustration of where the various types of levy authority for counties and cities are referenced and how they interact. Please feel free to contact me if you have any additional questions.

Best regards,

Emily Thompson

Legal Counsel

North Dakota Legislative Council

600 East Boulevard Ave

Bismarck, ND 58505

emilythompson@nd.gov

701.328.2916

From: Steiner, Vicky L.

Sent: Monday, April 10, 2017 4:28 PM

To: Thompson, Emily L. <emilythompson@nd.gov>

Subject: levy 4 mills?

Emily,

Can you explain how the 4 mills weaves into our bill? The counties or cities can levy 4 mills which is currently allowed by law without a vote, correct? If they vote, how does that 4 mills play into it.

Rep. Vicky Steiner

N.D. House of Representatives

Finance and Taxation Committee

Government Veterans Affairs Committee

District 37

Dickinson, N.D.

vsteiner@nd.gov

Twitter: [@SteinerVicky](https://twitter.com/SteinerVicky)

Honored to serve District 37 and the Great State of North Dakota!



4/11/2017

SB2200

Attachment #2

pg 1

17.0466.01008
Title.

Prepared by the Legislative Council staff for
Representative Steiner
April 10, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

That the House recede from its amendments as printed on page 810 of the Senate Journal and page 963 and 964 of the House Journal and that Senate Bill No. 2200 be amended as follows:

Page 2, line 13, remove the overstrike over "~~approved by a majority of the electors of~~"

Page 2, line 14, remove the overstrike "~~the city~~"

Page 2, line 14, after "57-15-38" insert "for specified purposes"

Page 2, line 14, overstrike "an" and insert immediately thereafter "a specified"

Page 2, line 15, after the period insert "Taxes levied for a capital improvements fund approved by sixty percent or more of the electors of the city in accordance with section 57-15-38 for general purposes may be levied in an amount not exceeding ten mills."

Page 2, line 15, remove the overstrike over "~~sixty~~"

Page 2, line 16, remove the overstrike over "~~percent or more~~"

Page 2, line 16, remove "a majority"

Page 2, line 17, after "57-15-38" insert "for specified purposes"

Page 2, line 17, overstrike the first "an" and insert immediately thereafter "a specified"

Page 2, after line 20 insert:

"1."

Page 2, line 22, after "57-15-10" insert ", to be used for one of the purposes specified under subsection 5"

Page 2, line 22, remove the overstrike over "~~, when authorized to do so by a majority of the~~"

Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or general election~~"

Page 2, line 24, overstrike "When authorized by"

Page 2, line 24, remove "a majority"

Page 3, line 24, overstrike "of the qualified electors voting upon the"

Page 3, overstrike lines 25 through 27 and insert immediately thereafter "A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:

- a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
- b. The number of mills requested for the purpose specified in subdivision a; and
- c. The duration of the requested levy authority.

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Attachment #2

2. The governing body of any city may levy a tax for a capital improvements fund not exceeding ten mills under section 57-15-10, to be used for any of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the qualified electors voting upon the question at a primary or general election.
3. The governing body of any city may levy an additional tax for a capital improvements fund exceeding ten mills but not exceeding twenty mills under subsection 57-15-10, to be used for one of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the electors voting upon the question at a primary or general election. A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:
 - a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
 - b. The number of mills requested for the purpose specified in subdivision a; and
 - c. The duration of the requested levy authority.

4."

Page 3, after line 2 insert:

"5."

Page 3, line 12, overstrike "The governing body of"

Page 3, overstrike line 13

Page 3, line 14, overstrike "specify the purposes for which the capital improvements fund is to be used." and insert immediately thereafter:

"6."

Renumber accordingly

4/11/2017

SB2200

Attachment # 3

pg 1

17.0466.01008

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2200

Introduced by

Senators Cook, Bekkedahl, Laffen

Representatives Owens, Rohr, Schreiber-Beck

1 A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10,
2 and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to
3 provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-15-06.6 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-15-06.6. County capital projects levy.**

8 The board of county commissioners of each county may levy an annual tax not exceeding
9 ten mills plus any voter-approved additional levy as provided in subsection 8 of section
10 57-15-06.7 for the purpose of the following capital projects:

- 11 1. Constructing and equipping and maintaining structural and mechanical components of
12 regional or county corrections centers or for the purpose of contracting for corrections
13 center space capacity from another public or private entity.
- 14 2. Acquiring real estate as a site for public parks and construction and equipping and
15 maintaining structural and mechanical components of recreational facilities under
16 section 11-28-06.
- 17 3. Acquiring real estate as a site for county buildings and operations and constructing
18 and equipping and maintaining structural and mechanical components of county
19 buildings and property.
- 20 4. Acquiring real estate as a site for county fair buildings and operations and constructing
21 and equipping and maintaining structural and mechanical components of county fair
22 buildings and property as provided in section 4-02-26.

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1 5. Acquiring and developing real estate, capital improvements, buildings, pavement,
2 equipment, and debt service associated with financing for county supported airports or
3 airport authorities.

4 6. Expenditures for the cost of leasing as an alternative means of financing for any of the
5 purposes for which expenditures are authorized under subsections 1 through 45.

6 Any voter-approved levy for the purposes specified in this section approved by the electors
7 before January 1, 2015, remains effective through 2024 or the period of time for which it was
8 approved by the electors, whichever is less, under the provisions of law in effect at the time it
9 was approved. After January 1, 2015, approval or re-authorization by electors of increased levy
10 authority under this section may not be effective for more than ten taxable years.

11 **SECTION 2. AMENDMENT.** Subsection 8 of section 57-15-10 of the North Dakota Century
12 Code is amended and reenacted as follows:

13 8. Taxes levied for a capital improvements fund approved by a majority of the electors of
14 the city in accordance with section 57-15-38 for specified purposes may be levied in
15 ~~an~~ specified amount not exceeding ten mills. Taxes levied for a capital improvements
16 fund approved by sixty percent or more of the electors of the city in accordance with
17 section 57-15-38 for general purposes may be levied in an amount not exceeding ten
18 mills. Taxes levied for a capital improvements fund approved by sixty percent or more
19 ~~a~~ majority of the electors of the city in accordance with section 57-15-38 for specified
20 purposes may be levied in ~~an~~ specified amount not exceeding an additional ten mills.

21 **SECTION 3. AMENDMENT.** Section 57-15-38 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-15-38. City capital improvements fund levy.**

24 1. The governing body of any city may levy a tax for a capital improvements fund not
25 exceeding ten mills under section 57-15-10, to be used for one of the purposes
26 specified under subsection 5, when authorized to do so by a majority of the electors
27 voting upon the question at a primary or general election.
28 ~~When authorized by sixty percent or more a majority of the qualified electors voting~~
29 ~~upon the question at a regular or special election in the city, the governing body of the~~
30 ~~city may levy and collect an additional tax of ten mills for capital improvements fund~~

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Attachment #3

Sixty-fifth
Legislative Assembly

- 1 ~~purposes under section 57-15-10.~~ A ballot submitted to the electors under this
2 subsection may contain multiple questions and each question must specify:
3 a. The singular purpose, selected from the purposes specified under subsection 5,
4 for which the levy authority is being sought;
5 b. The number of mills requested for the purpose specified in subdivision a; and
6 c. The duration of the requested levy authority.
7 2. The governing body of any city may levy a tax for a capital improvements fund not
8 exceeding ten mills under section 57-15-10, to be used for any of the purposes
9 specified under subsection 5, when authorized to do so by sixty percent or more of the
10 qualified electors voting upon the question at a primary or general election.
11 3. The governing body of any city may levy an additional tax for a capital improvements
12 fund exceeding ten mills but not exceeding twenty mills under subsection 57-15-10, to
13 be used for one of the purposes specified under subsection 5, when authorized to do
14 so by sixty percent or more of the electors voting upon the question at a primary or
15 general election. A ballot submitted to the electors under this subsection may contain
16 multiple questions and each question must specify:
17 a. The singular purpose, selected from the purposes specified under subsection 5,
18 for which the levy authority is being sought;
19 b. The number of mills requested for the purpose specified in subdivision a; and
20 c. The duration of the requested levy authority.
21 4. Any excess levy for capital improvements under this section approved by the electors
22 of a city before July 1, 2015, remains effective for ten taxable years or the period of
23 time for which it was approved by the electors, whichever is less, after it was
24 approved, under the provisions of law in effect at the time it was approved. After
25 June 30, 2015, approval or re-authorization by electors of increased levy authority
26 under this section may not be effective for more than ten taxable years.
27 5. The capital improvements fund must be used for paying all or part of the construction
28 of waterworks systems, sewage systems, public buildings, or any other public
29 improvements; acquiring real estate as a site for public buildings, maintaining
30 structural and mechanical components of public buildings, and furnishing of public
31 buildings; a city's participating share in urban renewal programs; capital improvements

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Legislative Assembly

1 and equipment acquisition and maintaining structural and mechanical components for
 2 fire department stations; ~~and~~ capital improvements and equipment acquisition and
 3 maintaining structural and mechanical components for stations for police protection
 4 services and correctional facilities; and acquiring and developing real estate, capital
 5 improvements, buildings, pavement, equipment, and supporting debt service
 6 associated with financing for city supported airports or airport authorities. ~~The~~
 7 ~~governing body of any city, when submitting to the electors of the city the question of~~
 8 ~~authorizing the tax levy, shall specify the purposes for which the capital improvements~~
 9 ~~fund is to be used.~~

10 6. The governing body of the city may create the capital improvements fund which may
 11 be accumulated in an amount not in excess of twenty percent of the current annual
 12 appropriation for all other purposes combined, exclusive of the appropriations to pay
 13 interest and principal of the bonded debt, and not in excess of the limitations
 14 prescribed by law.

15 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
 16 December 31, 2016.

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SB 2200

Attachment #1

pg 1

17.0466.01010
Title.

Prepared by the Legislative Council staff for
Representative Steiner
April 11, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2200

That the House recede from its amendments as printed on page 810 of the Senate Journal and page 963 and 964 of the House Journal and that Senate Bill No. 2200 be amended as follows:

Page 2, line 13, remove the overstrike over "~~approved by a majority of the electors of~~"

Page 2, line 14, remove the overstrike "~~the city~~"

Page 2, line 14, after "57-15-38" insert "for specified purposes"

Page 2, line 14, overstrike "an" and insert immediately thereafter "a specified"

Page 2, line 15, after the period insert "Taxes levied for a capital improvements fund approved by sixty percent or more of the electors of the city in accordance with section 57-15-38 for general purposes may be levied in an amount not exceeding ten mills."

Page 2, line 15, remove the overstrike over "sixty"

Page 2, line 16, remove the overstrike over "~~percent or more~~"

Page 2, line 16, remove "a majority"

Page 2, line 17, after "57-15-38" insert "for specified purposes"

Page 2, line 17, overstrike the first "an" and insert immediately thereafter "a specified"

Page 2, after line 20 insert:

"1."

Page 2, line 22, after "57-15-10" insert ", to be used for one of the purposes specified under subsection 5"

Page 2, line 22, remove the overstrike over "~~, when authorized to do so by a majority of the~~"

Page 2, line 23, remove the overstrike over "~~electors voting upon the question at a primary or general election~~"

Page 2, line 24, overstrike "When authorized by"

Page 2, line 24, remove "a majority"

Page 3, line 24, overstrike "of the qualified electors voting upon the"

Page 3, overstrike lines 25 through 27 and insert immediately thereafter "A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:

- a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
- b. The number of mills requested for the purpose specified in subdivision a; and
- c. The duration of the requested levy authority.

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2. The governing body of any city may levy a tax for a capital improvements fund not exceeding ten mills under section 57-15-10, to be used for any of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the qualified electors voting upon the question at a primary or general election.
3. The governing body of any city may levy an additional tax for a capital improvements fund exceeding ten mills but not exceeding twenty mills under subsection 57-15-10, to be used for one of the purposes specified under subsection 5, when authorized to do so by sixty percent or more of the electors voting upon the question at a primary or general election. A ballot submitted to the electors under this subsection may contain multiple questions and each question must specify:
 - a. The singular purpose, selected from the purposes specified under subsection 5, for which the levy authority is being sought;
 - b. The number of mills requested for the purpose specified in subdivision a; and
 - c. The duration of the requested levy authority.

4."

Page 3, after line 2 insert:

"5."

Page 3, line 3, overstrike "must" and insert immediately thereafter "may"

Page 3, line 3, overstrike "paying" and insert immediately thereafter ":

a. Paying"

Page 3, line 5, overstrike "acquiring" and insert immediately thereafter:

"b. Acquiring"

Page 3, line 6, overstrike "a" and insert immediately thereafter:

"c. A"

Page 3, line 7, overstrike "capital" and insert immediately thereafter:

"d. Capital"

Page 3, line 8, overstrike "capital" and insert immediately thereafter:

"e. Capital"

Page 3, line 10, replace "acquiring" with:

"f. Acquiring"

Page 3, line 12, overstrike "The governing body of"

Page 3, overstrike line 13

Page 3, line 14, overstrike "specify the purposes for which the capital improvements fund is to be used." and insert immediately thereafter:

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"6."

Renumber accordingly

4/11/2017

SB 2200

Attachment #1A

pg 1

17.0466.01010

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2200

Introduced by

Senators Cook, Bekkedahl, Laffen

Representatives Owens, Rohr, Schreiber-Beck

1 A BILL for an Act to amend and reenact section 57-15-06.6, subsection 8 of section 57-15-10,
2 and section 57-15-38 of the North Dakota Century Code, relating to capital project levies; and to
3 provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Section 57-15-06.6 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-15-06.6. County capital projects levy.**

- 8 The board of county commissioners of each county may levy an annual tax not exceeding
9 ten mills plus any voter-approved additional levy as provided in subsection 8 of section
10 57-15-06.7 for the purpose of the following capital projects:
- 11 1. Constructing and equipping and maintaining structural and mechanical components of
12 regional or county corrections centers or for the purpose of contracting for corrections
13 center space capacity from another public or private entity.
 - 14 2. Acquiring real estate as a site for public parks and construction and equipping and
15 maintaining structural and mechanical components of recreational facilities under
16 section 11-28-06.
 - 17 3. Acquiring real estate as a site for county buildings and operations and constructing
18 and equipping and maintaining structural and mechanical components of county
19 buildings and property.
 - 20 4. Acquiring real estate as a site for county fair buildings and operations and constructing
21 and equipping and maintaining structural and mechanical components of county fair
22 buildings and property as provided in section 4-02-26.

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Sixty-fifth
Legislative Assembly

1 5. Acquiring and developing real estate, capital improvements, buildings, pavement,
2 equipment, and debt service associated with financing for county supported airports or
3 airport authorities.

4 6. Expenditures for the cost of leasing as an alternative means of financing for any of the
5 purposes for which expenditures are authorized under subsections 1 through 45.

6 Any voter-approved levy for the purposes specified in this section approved by the electors
7 before January 1, 2015, remains effective through 2024 or the period of time for which it was
8 approved by the electors, whichever is less, under the provisions of law in effect at the time it
9 was approved. After January 1, 2015, approval or re-authorization by electors of increased levy
10 authority under this section may not be effective for more than ten taxable years.

11 **SECTION 2. AMENDMENT.** Subsection 8 of section 57-15-10 of the North Dakota Century
12 Code is amended and reenacted as follows:

13 8. Taxes levied for a capital improvements fund approved by a majority of the electors of
14 the city in accordance with section 57-15-38 for specified purposes may be levied in
15 ana specified amount not exceeding ten mills. Taxes levied for a capital improvements
16 fund approved by sixty percent or more of the electors of the city in accordance with
17 section 57-15-38 for general purposes may be levied in an amount not exceeding ten
18 mills. Taxes levied for a capital improvements fund approved by sixty percent or more
19 majority of the electors of the city in accordance with section 57-15-38 for specified
20 purposes may be levied in ana specified amount not exceeding an additional ten mills.

21 **SECTION 3. AMENDMENT.** Section 57-15-38 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **57-15-38. City capital improvements fund levy.**

24 1. The governing body of any city may levy a tax for a capital improvements fund not
25 exceeding ten mills under section 57-15-10, to be used for one of the purposes
26 specified under subsection 5, when authorized to do so by a majority of the electors
27 voting upon the question at a primary or general election.
28 ~~When authorized by sixty percent or more a majority of the qualified electors voting~~
29 ~~upon the question at a regular or special election in the city, the governing body of the~~
30 ~~city may levy and collect an additional tax of ten mills for capital improvements fund~~

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SB2200

Attachment #1A

Sixty-fifth
Legislative Assembly

- 1 ~~purposes under section 57-15-10.~~ A ballot submitted to the electors under this
2 subsection may contain multiple questions and each question must specify:
- 3 a. The singular purpose, selected from the purposes specified under subsection 5,
4 for which the levy authority is being sought;
- 5 b. The number of mills requested for the purpose specified in subdivision a; and
6 c. The duration of the requested levy authority.
- 7 2. The governing body of any city may levy a tax for a capital improvements fund not
8 exceeding ten mills under section 57-15-10, to be used for any of the purposes
9 specified under subsection 5, when authorized to do so by sixty percent or more of the
10 qualified electors voting upon the question at a primary or general election.
- 11 3. The governing body of any city may levy an additional tax for a capital improvements
12 fund exceeding ten mills but not exceeding twenty mills under subsection 57-15-10, to
13 be used for one of the purposes specified under subsection 5, when authorized to do
14 so by sixty percent or more of the electors voting upon the question at a primary or
15 general election. A ballot submitted to the electors under this subsection may contain
16 multiple questions and each question must specify:
- 17 a. The singular purpose, selected from the purposes specified under subsection 5,
18 for which the levy authority is being sought;
- 19 b. The number of mills requested for the purpose specified in subdivision a; and
20 c. The duration of the requested levy authority.
- 21 4. Any excess levy for capital improvements under this section approved by the electors
22 of a city before July 1, 2015, remains effective for ten taxable years or the period of
23 time for which it was approved by the electors, whichever is less, after it was
24 approved, under the provisions of law in effect at the time it was approved. After
25 June 30, 2015, approval or re-authorization by electors of increased levy authority
26 under this section may not be effective for more than ten taxable years.
- 27 5. The capital improvements fund ~~must~~may be used for ~~paying~~:
- 28 a. Paying all or part of the construction of waterworks systems, sewage systems,
29 public buildings, or any other public improvements; ~~acquiring~~
- 30 b. Acquiring real estate as a site for public buildings, maintaining structural and
31 mechanical components of public buildings, and furnishing of public buildings; a

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- 1 c. A city's participating share in urban renewal programs; ~~capital~~
- 2 d. Capital improvements and equipment acquisition and maintaining structural and
- 3 mechanical components for fire department stations; ~~and capital~~
- 4 e. Capital improvements and equipment acquisition and maintaining structural and
- 5 mechanical components for stations for police protection services and
- 6 correctional facilities; ~~and acquiring~~
- 7 f. Acquiring and developing real estate, capital improvements, buildings, pavement,
- 8 equipment, and supporting debt service associated with financing for city
- 9 supported airports or airport authorities. ~~The governing body of any city, when~~
- 10 ~~submitting to the electors of the city the question of authorizing the tax levy, shall~~
- 11 ~~specify the purposes for which the capital improvements fund is to be used.~~
- 12 6. The governing body of the city may create the capital improvements fund which may
- 13 be accumulated in an amount not in excess of twenty percent of the current annual
- 14 appropriation for all other purposes combined, exclusive of the appropriations to pay
- 15 interest and principal of the bonded debt, and not in excess of the limitations
- 16 prescribed by law.

17 **SECTION 4. EFFECTIVE DATE.** This Act is effective for taxable years beginning after

18 December 31, 2016.