

**HOUSE BILL NO. 1367**

Introduced by

Representatives Bellew, Delzer, Dockter, Kading, Schatz, Toman

Senator O. Larsen

1 A BILL ~~for an Act to create and enact a new section to chapter 57-15 of the North Dakota~~  
2 ~~Century Code, relating to adoption and referral of preliminary budgets of cities, counties, school~~  
3 ~~districts, and park districts; and to provide an effective date:~~ for an Act to provide for a legislative  
4 management study regarding referral of political subdivision budgets.

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

6 **SECTION 1.** ~~A new section to chapter 57-15 of the North Dakota Century Code is created~~  
7 ~~and enacted as follows:~~

8 ~~— **Adoption and referral of preliminary budget of city, county, school district, or park**~~  
9 ~~**district.**~~

10 ~~— 1. The governing body of a city, county, school district, or park district shall adopt a~~  
11 ~~preliminary budget by July tenth of each year. The governing body shall publish notice~~  
12 ~~of the preliminary budget in the official newspaper of the city, county, school district, or~~  
13 ~~park district at least once each week for two consecutive weeks, with the second~~  
14 ~~publication to be made not later than July thirtieth.~~

15 ~~— 2. The preliminary budget adopted by the governing body is subject to referral. The~~  
16 ~~governing body shall put the issue before the qualified electors of the city, county,~~  
17 ~~school district, or park district at a regular or special election if a petition is presented~~  
18 ~~to that governing body in writing, signed by qualified electors of the city, county, school~~  
19 ~~district, or park district equal in number to at least ten percent of the total vote cast in~~  
20 ~~the city, county, or park district for the office of governor of the state at the last regular~~  
21 ~~election, or at least ten percent of the total number of electors voting in the most~~  
22 ~~recent election in the school district. The preliminary budget must contain a statement~~  
23 ~~of the percentage and dollar amount of the increase or decrease in comparison to the~~  
24 ~~previous year's budget and an estimate of the percentage and dollar amount of the~~

~~increase or decrease in property taxes for an average property owner in the city,  
county, school district, or park district.~~

~~3. If a majority of the qualified electors of the city, county, school district, or park district  
voting on the question in a referral election under subsection 2 disapprove the  
preliminary budget as adopted by the governing body, the governing body of the city,  
county, school district, or park district may not adopt a final budget or levy exceeding  
the amount in dollars levied by the city, county, school district, or park district in the  
immediately preceding taxable year, increased by an amount equal to the sum  
determined by application of the immediately preceding taxable year's calculated mill  
rate for that taxing district to the current year's taxable valuation of any taxable  
property that was not taxable in the taxing district for the preceding year.~~

~~4. If the preliminary budget of the city, county, school district, or park district is not  
disapproved by the electors of the taxing district, the final budget adopted by the city,  
county, school district, or park district governing board may not exceed the amount in  
dollars of the preliminary budget.~~

~~**SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after  
December 31, 2021.~~

**SECTION 1. LEGISLATIVE MANAGEMENT STUDY - REFERRAL OF POLITICAL  
SUBDIVISION BUDGETS.** During the 2021-22 interim, the legislative management shall  
consider studying the feasibility and desirability of allowing the qualified electors of a political  
subdivision to disapprove the preliminary budget adopted by the local governing body by voting  
on the question in a referral election. The study must consider the deadlines by which a political  
subdivision's preliminary budget must be complete and the petition requirements for placing the  
question on the ballot. The legislative management shall report its findings and  
recommendations, together with any legislation required to implement the recommendations, to  
the sixty-eighth legislative assembly.