

FULL TEXT OF THE MEASURE

IF MATERIAL IS UNDERSCORED, IT IS NEW MATERIAL WHICH IS BEING ADDED. IF MATERIAL IS OVERSTRUCK BY DASHES, THE MATERIAL IS BEING DELETED. IF MATERIAL IS NOT UNDERSCORED OR OVERSTRUCK, THE MATERIAL IS EXISTING LAW THAT IS NOT BEING CHANGED

BE IT ENACTED BY THE PEOPLE OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 1 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 1.

1. The legislative assembly and all political subdivisions may not raise ~~shall be prohibited from raising revenue to defray the expenses of the state~~ through the levying of any tax on the assessed value of real or personal property.
2. A political subdivision may continue to levy tax on the assessed value of real property if the tax was dedicated for the payment of bonded indebtedness incurred before the end of the thirty-day period following the date this amendment was approved by the voters, until such debt is paid.
3. The state shall provide annual property tax revenue replacement payments to political subdivisions in an amount equal to no less than the amount of tax levied on real property by the political subdivisions, excluding tax levied on real property for the payment of bonded indebtedness, during the calendar year in which this amendment was approved by the voters.

SECTION 2. AMENDMENT. Section 14 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 14.

1. Notwithstanding any other provision in the constitution, and for the purpose of promoting the economic growth of the state, the development of its natural resources, and the prosperity and welfare of its people, the state may issue bonds and use the proceeds ~~thereof~~ from the bonds to make loans to privately or cooperatively owned enterprises to plan, construct, acquire, equip, improve, and extend facilities for converting natural resources into power and generating and transmitting such power, and to acquire real and personal property and water and mineral rights needed for such facilities.
2. The state may issue general obligation bonds for this purpose to an amount ~~which that~~, with all outstanding general obligation bonds, less the amount of all money on hand and taxes in process of collection which are appropriated for their payment, will not exceed five percent of the full and true value of all of the ~~taxable real~~ property in the state, to be ascertained by the last assessment made for state and county purposes: ~~but nothing herein shall~~. The provision does not increase or diminish the limitations established by other provisions of the constitution on the amount of bonds therein authorized to be issued.
3. The state may also issue revenue bonds for the purpose of providing part or all of the funds required for any project undertaken under subsection 1, payable solely from sums realized from payments of principal and interest on money loaned for such project, and from other similar projects if so determined by the ~~legislature~~ legislative assembly, and from the liquidation of security given for such payments. Revenue bonds issued for any project ~~shall~~ may not exceed the cost ~~thereof~~ of the project, including all expenses reasonably incurred to complete and finance the project, but ~~shall~~ may not be subject to any other limitation of amount.
4. The full faith and credit of the state ~~shall~~ must be pledged for the prompt and full payment of all bonds issued under subsection 2. Its obligation with respect to bonds issued under subsection 3 ~~shall~~ must be limited to the prompt and full performance of such covenants as the ~~legislature~~ legislative assembly may authorize to be made respecting the enforcing of the provisions of underlying loan agreements and the segregation, accounting, and application of bond proceeds and of loan payments and other security pledged for the payment of the bonds. All bonds authorized by subsections 1 to 3, inclusive, ~~shall~~ must

mature within forty years from their respective dates of issue, but may be refunded at or before maturity in such manner and for such term and upon such conditions as the ~~legislature~~legislative assembly may direct. Any such bonds may, but need not be, secured by mortgage upon real or personal property acquired with the proceeds of the same or any other issue of general obligation or revenue bonds, or upon other property mortgaged by the debtor. Pledges of revenues and mortgages of property securing bonds of any issue may be prior or subordinate to or on a parity with pledges and mortgages securing any other issue of general obligation or revenue bonds, as determined by the ~~legislature~~legislative assembly from time to time in conformity with any provisions made for the security of outstanding bonds.

5. The ~~legislature~~legislative assembly shall pass such laws as are appropriate to implement this amendment.
6. If any subsection of this amendment, or any part of a subsection, or any application thereof to particular circumstances should be held invalid for any reason, such invalidity ~~shall~~may not affect the validity of all remaining provisions of this amendment which may be given effect without that which is declared invalid, as applied to any circumstances and for this purpose all subsections and parts of subsections and applications thereof are declared to be severable.

SECTION 3. AMENDMENT. Section 15 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 15. The debt of any county, township, city, ~~town~~, school district, or any other political subdivision, ~~shall never~~ may exceed ~~five per centum~~two and one-half percent upon the ~~assessed~~full and true value of the ~~taxable~~real property therein; provided that any incorporated city may, by a two-thirds vote, may increase such indebtedness ~~three per centum~~one and one-half percent on such ~~assessed~~full and true value beyond ~~said five per centum~~the two and one-half percent limit, and a school district, by a majority vote may increase such indebtedness ~~five~~two and one-half percent on such ~~assessed~~full and true value beyond ~~said five per centum~~the two and one-half percent limit; provided also that any county or city by a majority vote may issue bonds upon any revenue-producing utility owned by such county or city, or for the purchasing or acquiring the same or building or establishment thereof, in amounts not exceeding the physical value of such utility, industry or enterprise.

In estimating the indebtedness which a city, county, township, school district, or any other political subdivision may incur, the entire amount, exclusive of the bonds upon said revenue-producing utilities, whether contracted prior or subsequent to the adoption of this constitution, ~~shall~~must be included; provided further that any incorporated city may become indebted in any amount not exceeding ~~four per centum~~two percent of such ~~assessed~~full and true value without regard to the existing indebtedness of such city for the purpose of constructing or purchasing waterworks for furnishing a supply of water to the inhabitants of such city, or for the purpose of constructing sewers, and for no other purposes whatever. All bonds and obligations in excess of the amount of indebtedness permitted by this constitution, given by any city, county, township, ~~town~~, school district, or any other political subdivision shall be void.

SECTION 4. AMENDMENT. Section 16 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 16. Any city, county, township, ~~town~~, school district, or any other political subdivision incurring indebtedness shall, at or before the time of so doing, provide for ~~the collection of an annual tax~~revenues sufficient to pay the interest and also the principal thereof when due, and all laws or ordinances providing for the payment of the interest or principal of any debt ~~shall be~~irrepealable until such debt be paid. A political subdivision may not issue general obligation bonds secured with tax levied on the assessed value of property on or after the effective date of this amendment.

SECTION 5. REPEAL. Sections 4, 5, 7, 9, and 10 of article X of the Constitution of North Dakota are repealed.

SECTION 6. EFFECTIVE DATE. If approved by the voters, sections 1, 2, 3, and 5 of this measure become effective on January 1, 2025.