# INITIATIVE PETITION TO THE SECRETARY OF STATE, STATE OF NORTH DAKOTA

We, the undersigned, being qualified electors request the following initiated law be placed on the ballot as provided by law.

# **SPONSORING COMMITTEE**

The following are the names and addresses of the qualified electors of the state of North Dakota who, as the sponsoring committee for the petitioners, represent and act for the petitioners in accordance with law:

Ricky Becker, Chairperson	Thomas Kading	Richard Jensen	Kelly L Schmidt
6140 Ponderosa Ave	7205 Co Rd 31	354 Kennedy Ave	1049 Larkin Lane W
Bismarck ND 58503	Fargo ND 58102	Harvey ND 58341	West Fargo ND 58078
Beau O'Brien	Amy Lee	Steven E Moen	Tony Gehrig
1499 9th Ave E	110 Antler Dr	7979 County Road 15 W	1329 9th St N
Dickinson ND 58601	Devils Lake ND 58301	Minot ND 58703	Fargo ND 58102
Timothy Knutson	Estee S Nenow	Melinda Allickson	Lianne M Zeltinger
1721 10th St SW	5262 58th St SE	704 Sweetbriar Rd NW	422 17th St NW
Minot ND 58701	Streeter ND 58483	Mandan ND 58554	Minot ND 58703
Martin J Riske	Cynthia Rae Sondrol	Ben Simons	Robert J Mushitz
2901 27th St S	403 Minnie Ave	1509 E River Rd	1604 South Washington St, Ste 201
Fargo ND 58103	Wilton ND 58579	Medora ND 58645	Grand Forks ND 58201
Kathleen Schneibel	Ann Hoggarth	Perry Redmond	Jerol W Gohrick
3 Carlin Drive	101 5th Ave SE	13126 15th St SW	10619 77th St NW
Lincoln ND 58504	Buchanan ND 58420	Fairfield ND 58627	McGregor ND 58755
Kari Roller	Christina Wolff	Marvin Lepp	Alan Arther Conner
201 4th St SW	5200 12 <sup>th</sup> St SW	501 Aspen Ave	395 Libbie St
South Heart ND 58655	Minot ND 58701	Bismarck ND 58503	Newburg ND 58762
Travis Zablotney			
1412 12th St SW			
Minot ND 58701			

#### **PETITION TITLE**

This initiated measure would amend sections 1, 14, 15, and 16 and repeal sections 4, 5, 7, 9 and 10 of Article X of the North Dakota Constitution. It would prohibit political subdivisions from levying any tax on real or personal property except 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, and would require the state to provide replacement payments to political subdivisions of no less than the amount of tax levied on real property during the 2024 calendar year. It would limit the debt of a political subdivision to an amount not to exceed two and one-half percent of the full and true value of the real property in the political subdivision, except that an incorporated city, by a two-thirds vote, could increase the indebtedness of the city one and one-half percent beyond the two and one-half percent limit and a school district, by a majority vote, could increase the indebtedness of the school district two and one-half percent beyond the two and one-half percent limit. It would allow an incorporated city, without regard to the existing indebtedness of the city, to become indebted in an amount not exceeding two percent of its full and true value for water and sewer projects. It would require a political subdivision incurring indebtedness to provide for annual revenues to pay the debt payments when due and would prohibit a political subdivision from issuing general obligation bonds secured with tax levied on the assessed value of property on or after January 1, 2025.

#### **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 Except as provided in subsection 2, 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 legislaturelegislative assembly, and from the liquidation of security given for such payments. Revenue bonds issued for any project shallmay not exceed the cost thereofof the project, including all expenses reasonably incurred to complete and finance the project, but shallmay not be subject to any other limitation of amount.
- 4. The full faith and credit of the state shallmust 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 shallmust be limited to the prompt and full performance of such covenants as the legislaturelegislative 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, shallmust 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 legislaturelegislative 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 legislaturelegislative assembly from time to time in conformity with any provisions made for the security of outstanding bonds.
- 5. The legislaturelegislative 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 shallmay 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, tewn, school district, or any other political subdivision, shall never may exceed five per centumtwo and one-half percent upon the assessedfull and true value of the taxablereal property therein; provided that any incorporated city may, by a two-thirds vote, may increase such indebtedness three per centumone and onehalf percent on such assessedfull and true value beyond said five per centumthe two and onehalf percent limit, and a school district, by a majority vote may increase such indebtedness fivetwo and onehalf percent on such assessedfull and true value beyond said five per centumthe two and onehalf 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 centumtwo percent of such assessedfull 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, tewn, 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 taxrevenues 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 are 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.

## **INSTRUCTIONS TO PETITION SIGNERS**

You are being asked to sign a petition. You must be a qualified elector. This means you are eighteen years old, you have lived in North Dakota thirty days, and you are a United States citizen. All signers shall also legibly print their name, complete residential address or rural route or general delivery address, and the date of signing on the petition. Every qualified elector signing a petition must do so in the presence of the individual circulating the petition.

# **QUALIFIED ELECTORS**

Month/Day /Year	PRINTED Name of Qualified Elector	SIGNED  Name of Qualified Elector	Residential Address or Complete Rural Route or General Delivery Address	City, State, Zip Code
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Month/Day /Year	<b>PRINTED</b> Name of Qualified Elector	SIGNED  Name of Qualified Elector	Residential Address or Complete Rural Route or General Delivery Address	City, State, Zip Code
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PRINTED  Name of Qualified Elector	SIGNED  Name of Qualified Elector	Residential Address or Complete Rural Route or General Delivery Address	City, State, Zip Code
		,	
			General Delivery Address  General Delivery Address

State of North Dakota					
County of (county where signed)					
I,(circulator)	_, being sworn, say	/ that I ar	n a qualifie	d elector; that I	reside at
	(address)				;
that each signature contained on the attached individual whose signature appears on the attagenuine signature of the individual whose name	ached petition is a	qualified			
					(signature of circulator)
Subscribed and sworn to before me on		, 20	, at	(city)	, North Dakota
(Notary Stamping Devic	e)				
					(signature of notarial officer)