**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:

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| --- | --- | --- | --- |
| Ricky Becker, Chairperson6140 Ponderosa AveBismarck ND 58503 | Matthew Ruby315 4th St NWMinot ND 58703 | Tony Gehrig1329 9th St NFargo ND 58102 | Thomas Kading7205 County Road 31Fargo ND 58102 |
| Kenneth Graner5355 Highway 1806Mandan ND 58554 | Erin Magrum7565 9th Ave SELinton ND 58552 | Martin J Riske2901 27th St SFargo ND 58103 | Joe Miller214 Harris Ave NPark River ND 58270 |
| Jack Seaman1646 19th Ave EWest Fargo, ND 58078 | Oley Larsen11051 20th Ave SEMinot ND 58701 | Reed Christensen8454 16th St SECourtenay ND 58426 | David Singleton302 Elm CourtTower City ND 58071 |
| Beau O'Brien11961 41st St SWSouth Heart ND 58655 | Eugene Graner3227 Promontory DriveBismarck ND 58503 | McKenzie McCoy12123 41 V St NW Watford City ND 58854 | Charles Cartier13532 62 St NWWilliston ND 58801 |
| Catherine Cartier13532 62 St NWWilliston ND 58801 | Dwight Wrangham 301 52nd SEBismarck ND 58501 | Douglas Larsen104 Keidel Tr SWMandan ND 58554 | Perry Redmond13126 15th St SWFairfield ND 58627 |
| Melinda R Allickson704 Sweetbriar Road NWMandan ND 58554 | James Lowman1316 Whitetail RoadFairfield ND 58627 | Dustin Gawrylow1007 N 13th #4Bismarck ND 58501 | Matthew Skavroneck223 Northland EstatesJamestown ND 58401 |
| Jeremiah L Murphy711 25th Avenue SGrand Forks ND 58201 |  |  |  |

# 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 December 2, 2020, 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 2020 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 after December 2, 2020.

# 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 shall be prohibited from raising revenue ~~to defray the~~

 ~~expenses of the state~~ through the levying of ~~a~~any tax on the assessed value of real or personal property.

1. 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 on or before December 2, 2020, until such debt is paid.

1. 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 subdivision, excluding tax levied on real property for the payment of bonded indebtedness, during the 2020 calendar

 year.

**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 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, 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.

1. 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 not exceed the cost thereof, including all expenses reasonably incurred to complete and finance the project, but shall not be subject to any other limitation of amount.
2. The full faith and credit of the state shall 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 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 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 ~~legislature~~legislative assembly from time to time in conformity with any provisions made for the security of outstanding bonds.
3. The legislaturelegislative assembly shall pass such laws as are appropriate to implement this amendment.
4. 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 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 exceed ~~five per centum~~ two and one half

 percent upon the ~~assessed~~full and true value of the ~~t axable~~real property therein; provided that any incorporated city may, by a two-thirds vote, increase such indebtedness ~~t hree per centum~~one and onehalf percent on such ~~assessed~~full and true value beyond ~~said five per centum~~the two and onehalf percent limit, and a school district, by a majority vote may increase such indebtedness ~~five~~two and one half percent on such ~~a ssessed~~full and true value beyond ~~said five~~  ~~per centum~~the 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 be included; provided further that any incorporated city may become indebted in any amount not exceeding ~~four per centum~~two and one half 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 after December 2, 2020.

**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, 2022.

**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**

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**State of North Dakota**

**County of**

(county where signed)

I, , being sworn, say that I am a qualified elector; that I reside at (circulator)

 ;

(address)

that each signature contained on the attached petition was executed in my presence; and that to the best of my knowledge and belief each individual whose signature appears on the attached petition is a qualified elector; and that each signature contained on the attached petition is the genuine signature of the individual whose name it purports to be.

(signature of circulator)

Subscribed and sworn to before me on , 20 , at , North Dakota

(city)

(Notary Stamping Device)

(signature of notarial officer)