

# GOVERNMENTAL FINANCE

## CHAPTER 269

SENATE BILL NO. 2122  
(Committee on Industry, Business, and Labor)  
(At the request of the Bank of North Dakota)

### INTEREST RATE CEILING ON BONDS

AN ACT to amend and reenact sections 2-06-10, 15-55-02, 15-55-05.1, 18-10-08, 21-02-02, 21-02-13, 21-03-08, 23-11-19, 23-11-22, 23-24-10, 40-24-02, 40-24-19, 40-29-15, 40-31-09, 40-33-05, 40-34-03, 40-35-08, 40-35-09, 40-54-10, subsections 3 and 4 of section 40-58-10, subsections 1 and 2 of section 40-61-08, sections 54-17-25, 55-08-08, 61-02-48, 61-02-53, 61-08-07, 61-08-20, 61-12-38, 61-16-13, 61-16-28, 61-16-32, 61-21-50, and 61-21-53 of the North Dakota Century Code, relating to interest rate ceilings of bonds, warrants, and certificates of indebtedness issued by public entities and sold to the state of North Dakota or any of its agencies or instrumentalities, the denominations of certain warrants, and the sale of certain bonds under par value; and to repeal section 54-30-06 of the North Dakota Century Code, relating to interest rate of bonds; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 2-06-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2-06-10. BONDS AND OTHER OBLIGATIONS. An authority shall have the power to borrow money for any of its corporate purposes and issue its bonds therefor, including refunding bonds, in such form and upon such terms as it may determine, payable out of any revenues of the authority, including grants or contributions from the federal government or other sources, which bonds may be sold at not less than ninety-eight percent of par plus the interest accrued on the bonds to the date of the delivery thereof. ~~Such bonds shall be sold at public sale, except when such obligations do not exceed the total sum of one hundred thousand dollars, and Bond issues sold at private sale shall bear interest at a rate or rates and be sold at a price resulting in an average annual net interest cost not exceeding eight percentum twelve percent per annum on those issues which are sold at private sale.~~ There shall be is no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Any bonds issued pursuant to

this chapter by an authority, or by a governing body exercising the powers thereof, shall be payable, as to principal and interest, solely from revenues of an airport or air navigation facility or facilities, and shall so state on their face, but if any such issue of bonds constitutes an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction, each bond of the issue shall be an equally valid and binding special obligation of the authority or municipality, as the case may be, in accordance with its terms, in an amount proportionate to the total amount of the issue which is within such limitation or restriction. Neither the commissioners of an authority nor the governing body of a municipality nor any person executing such bonds shall be liable personally thereon by reason of the issuance thereof, except to the extent that the bonds, if constituting an indebtedness, exceed any applicable limitation or restriction.

In case any of the commissioners or officers of an authority or municipality whose signatures appear on any bonds or coupons ~~shall~~ cease to be such commissioners or officers after authorization but before the delivery of the bonds, the signature shall, nevertheless, be valid and sufficient for all purposes, the same as if the commissioners or officers had remained in office until delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this chapter shall be fully negotiable.

Any bond reciting in substance that it has been issued by the authority or municipality pursuant to ~~the provisions of~~ this chapter and for a purpose or purposes authorized ~~to be accomplished~~ by this chapter shall be conclusively deemed, in any suit, action, or proceeding involving the validity or enforceability of the bond or the security therefor, to have been issued pursuant to ~~such provisions~~ this chapter and for such purpose or purposes.

Bonds issued by an authority or municipality pursuant to ~~the provisions of~~ this chapter are declared to be issued for an essential public and governmental purpose and, together with interest thereon, and income therefrom, shall be exempt from all taxes.

For the security of any such bonds the authority or municipality may by resolution make and enter into any covenant, agreement, or indenture authorized to be made as security for revenue bonds issued under chapter 40-35. The sums required from time to time to pay principal and interest and to create and maintain a reserve for the bonds may be made payable from any and all revenues referred to in this chapter, prior to the payment of current costs of operation and maintenance of the facilities. Whenever bonds are issued under this chapter and made payable from revenues of an airport involving municipalities with over ten thousand population, the governing body of the municipality ~~shall be required, in the event that,~~ if at any time all revenues, including taxes, appropriated and theretofore collected for such bonds are insufficient to pay principal or interest then due, ~~to~~ shall levy a general tax upon all of the taxable property in the municipality for

the payment of such the deficiency and. If at any time a deficiency is likely to occur within one year for the payment of principal and interest due on such the bonds, the governing body, in its discretion, may levy a general tax upon all the taxable property in the municipality for the payment of such the deficiency, ~~and such~~. The taxes shall not be subject to any limitation of rate or amount applicable to other municipal taxes, provided that the initial resolution authorizing bonds for airport financing shall be published in the official paper, and any owner of taxable property within the city may within sixty days after such publication file with the city auditor a protest against the adoption of the resolution. If the governing body finds such the protests to have been signed by the owners of taxable property having an assessed valuation equal to twenty percent or more of the assessed valuation of all taxable property within the city, as theretofore last finally equalized, all further proceedings under such the initial resolution shall be barred.

SECTION 2. AMENDMENT. Section 15-55-02 of the 1977 Pocket Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-55-02. BOARD MAY BORROW MONEY AND ISSUE BONDS - CONDITIONS - BONDS TAX FREE. For the purpose of paying all or part of, but not to exceed, the cost of construction, equipment, and furnishing of any such buildings or any addition to existing buildings, or other campus improvements, or in order to refund any outstanding bonds or interim financing issued for such purpose, the state board of higher education may borrow money on the credit of the income and revenue to be derived from the operation of the said building or buildings or other campus improvements, and, in anticipation of such collections of such income and revenues, may issue negotiable bonds in such an amount as, in the opinion of said the board, may be necessary for such purposes, all within the limits of the authority granted by the legislative assembly in each instance, and may provide for the payment of such bonds and the rights of the holders thereof as provided in this chapter. Such The bonds shall be payable serially, and may be issued in one or more series, may bear such date or dates, may mature at such time or times not exceeding fifty years from their date, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, may be subject to such terms of redemption with or without premium, and may bear such rate or rates of interest as may be provided by resolution or resolutions to be adopted by the state board of ~~higher education~~. Such. The bonds may be sold in such manner and at such price or prices not less than ~~ninety-eight~~ ninety-five percent of par plus accrued interest to date of delivery, as may be considered by the board to be advisable. Such bonds shall be sold at public sale, except when such obligations do not exceed the total sum of one hundred thousand dollars, but the The average ~~annual~~ net interest cost to maturity for any bonds issued hereunder bond issues sold at private sale shall not exceed

~~eight twelve~~ percent per annum ~~on these issues which are sold at private sale.~~ There ~~shall be~~ is no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Any grants agreed to be made by the United States of America or any agency or instrumentality thereof to reduce the interest cost of bonds, whether or not pledged to the payment of the bonds or interest thereon as part of the income and revenue to be derived from the operation of the buildings or improvements pledged to the payment of the issue, shall be considered as a reduction in the interest costs of the bonds with respect to which the grant is made, for purposes of the rate limitations on interest costs provided herein. ~~Such~~ The bonds shall have all of the qualities and incidents of negotiable paper, and shall not be subject to taxation by the state of North Dakota, or by any county, municipality, or political subdivision therein. The board, in its discretion, may authorize one issue of bonds hereunder for the construction, furnishing, and equipment of more than one building or other campus improvement and may make the bonds payable from the combined revenues of all buildings or other campus improvements acquired in whole or in part with the proceeds thereof, and where bonds are so issued the words "the building", as herein used, ~~shall be construed to refer~~ refers to all the buildings or other campus improvements so acquired.

SECTION 3. AMENDMENT. Section 15-55-05.1 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-55-05.1. INTERIM FINANCING. The board may provide for interim financing pending completion of revenue producing projects at state institutions of higher learning and financing the cost thereof and may authorize the issuance and sale of special interim warrants for that essential governmental purpose, such warrants to be paid with interest from (1) the proceeds of definitive bonds issued in accordance with this chapter, (2) warrants issued to refund outstanding warrants, or (3) the combined net revenues to be derived from the operation of buildings and campus improvements for which bonds are outstanding with which the definitive bonds to be issued for such project will be on a parity. The board shall arrange for the proper preparation and sale of ~~such~~ the warrants and shall issue ~~such~~ the warrants in an aggregate principal amount not exceeding the sum of bonds authorized and necessary to finance completion of the project. ~~Such interim~~ Interim warrants shall be subject to call and prepayment on thirty days' prior written notice to the place of payment at par and accrued interest to date of prepayment at the option of the board; shall mature not more than ~~two~~ three years from their date; and may bear such rate or rates of interest as the board may provide, not exceeding ~~seven~~ an average net interest cost of twelve percent per annum on issues sold at private sale. ~~Such interim~~ There is no interest rate ceiling on warrant issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Interim warrants may be sold on the basis of ~~ninety-five percent of par plus accrued interest to date of delivery, as may be considered by the board to be proper, but interest cost to maturity for any such warrants shall~~

~~not exceed a rate of seven percent per annum. Such interim.~~ All warrants for a particular project must mature within three years from the date of issuing the first warrants for the project. If warrants are issued to refund warrants, the refunded warrants shall be paid and canceled upon the issuance of the refunding warrants, or the proceeds at the sale of the refunding warrants, excepting the accrued interest received, shall be used to purchase direct obligations of the United States of America. Such obligations must mature at such time or times, with interest thereon or the proceeds received therefrom, to provide funds adequate to pay, when due or called for redemption prior to maturity, the warrants to be refunded together with the interest accrued thereon and any redemption premium due thereon. Such proceeds or obligations of the United States of America shall, with all other funds legally available for such purpose, be deposited in escrow with a banking corporation or national banking association located in and doing business in the state of North Dakota, with power to accept and execute trusts, or any successor thereto, which is also a member of the federal deposit insurance corporation and of the federal reserve system. The proceeds or obligations are to be held in an irrevocable trust solely for and until the payment and redemption of the warrant to be refunded. Any balance remaining in escrow after the payment and retirement of the warrants to be refunded shall be returned to the board to be used and held for use as revenues pledged for the payment of the definitive bonds. Interim warrants shall have all of the qualities and incidents of negotiable paper and shall not be subject to taxation by the state of North Dakota or by any county, municipality, or political subdivision therein. ~~Such interim~~ Interim warrants shall be eligible for investment of funds the same as definitive bonds are or would be eligible for investment under ~~the provisions of~~ section 15-55-08.

Such warrants shall not constitute a general obligation indebtedness of the state of North Dakota nor of the institution for which they are issued nor of the state board of higher education nor of the individual members, officers, or agents thereof; shall be payable solely ~~out of the proceeds of definitive bonds to be issued for the project under the provisions of this chapter as provided in this section;~~ and the warrants issued and sold shall so state.

SECTION 4. AMENDMENT. Section 18-10-08 of the 1979 Interim Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

18-10-08. INDEBTEDNESS OF DISTRICT LIMITED. No district shall become indebted for an amount that may not be payable from ninety percent of twenty times the current annual maximum tax levy as authorized by section 18-10-07. Within the limits herein authorized, the district shall have power to borrow money and to issue appropriate evidence of indebtedness thereof. No evidence of indebtedness issued under ~~the provisions of this chapter and sold at private sale~~ shall bear interest at a rate or rates and be sold ~~privately~~ at a price resulting in an average annual net interest cost higher than ~~eight~~ twelve percent per annum. There ~~shall be is~~

no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. No evidence of indebtedness issued under ~~the provisions of~~ this chapter shall be sold for less than ninety-eight percent of par value plus accrued interest, if any interest has accrued as of the date of delivery thereof. ~~The provisions of--this~~ This section shall not limit the authority of the district to incur indebtedness and issue bonds in accordance with chapter 21-03.

SECTION 5. AMENDMENT. Section 21-02-02 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-02-02. CERTIFICATES OF INDEBTEDNESS - BY WHOM ISSUED - TERM - INTEREST - TAX WHEN DEEMED LEVIED. Counties, cities, townships, school districts, park districts, irrigation districts, water conservation and flood control districts, Garrison Diversion Conservancy District, county park districts, or joint park districts shall have power to borrow in anticipation of revenues to be derived from proceeds to be received under currently existing contracts with the bureau of Indian affairs and from taxes already levied. The aggregate amount of such borrowings at any time shall not exceed the amount of uncollected taxes which have been levied during the year in which the borrowing is made, plus uncollected taxes remaining upon the tax lists of the four preceding years, exclusive of levies for the purpose of retiring bond issues and the interest thereon, plus funds to be received under currently existing bureau of Indian affairs contracts. For the purpose of borrowing, all such taxing districts may issue certificates of indebtedness. A certificate of indebtedness shall consist of an agreement on the part of the taxing district to pay a stated sum on a specified date, or on or before a specified date not more than twenty-four months in the future, together with interest thereon at a rate or rates resulting in an average annual net interest cost not exceeding ~~eight~~ twelve percent per annum if they are sold privately, which may be made payable semiannually. ~~Such~~ There is no interest rate ceiling on a certificate sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The certificate shall be signed on behalf of the district by its president or chairman and also by its auditor or secretary, and shall be payable out of funds derived from uncollected taxes levied for the current tax year and four previous years which have not been set aside for the payment of other certificates of indebtedness pursuant to sections 21-02-07, 21-02-08, and 21-02-09 and from funds received under bureau of Indian affairs contracts currently existing. However, a certificate of indebtedness shall be the general obligation of the issuing taxing district.

SECTION 6. AMENDMENT. Section 21-02-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-02-13. CERTIFICATES OF INDEBTEDNESS IN ANTICIPATION OF REVENUE TO BE RECEIVED FROM THE STATE. Any political subdivision which will receive a distribution of revenue pursuant to section

57-58-01 during any calendar year shall, in anticipation of such revenue, have power to borrow not more than the amount it will receive from that source during that year. For the purpose of borrowing, all such political subdivisions may issue certificates of indebtedness.

A certificate of indebtedness shall provide for payment by the political subdivision of a stated sum on ~~a specified date, or on~~ or before a specified date not more than six months in the future, together with interest thereon at a specified rate not exceeding seven twelve percent per annum if sold at private sale. There is no interest rate ceiling on a certificate sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. ~~Such~~ The certificate shall be payable out of the revenue received pursuant to section 57-58-01 but shall, however, be a general obligation of the issuing political subdivision.

For the purpose of administering the provisions of this section, all of the provisions of this chapter, to the extent consistent herewith, that relate to signing and issuance of certificates of indebtedness, the certificate of the county auditor on the certificates of indebtedness, the registration of certificates of indebtedness, certifying the amount to be received from the state by a political subdivision for the year, setting aside the amount to be received for payment of the certificates, order of payment of such certificates, except for municipalities over four thousand in population, and advertising for bids shall govern the administration of the provisions of this section.

SECTION 7. AMENDMENT. Section 21-03-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-03-08. MAXIMUM INTEREST RATE, MATURITY, AND DENOMINATIONS. No bonds issued under the provisions of this chapter shall bear interest at a rate or rates and be sold privately at a price resulting in an average ~~annual~~ net interest cost higher than eight twelve percent per annum. There shall--be is no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. No bonds issued ~~under the provisions of this chapter shall run for a longer period than twenty years from their date. Bonds--issued--under--the provisions of this chapter shall be in denominations of one--hundred dollars--each,--or--some multiple thereof.--Such~~ The bonds shall not bear a date earlier than the date of the election authorizing their issuance, if such election is required, nor earlier than the date of the adoption of the resolution of the governing body determining to issue bonds for which no election is required.

SECTION 8. AMENDMENT. Section 23-11-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

23-11-19. BONDS - ISSUED PURSUANT TO RESOLUTION - GENERAL PROVISIONS. Bonds of an authority shall be issued pursuant to a

resolution of the commissioners thereof. ~~Such~~ The resolution shall specify:

1. Whether ~~such~~ the bonds shall be issued in one or more series.
2. The date or dates which the bonds shall bear.
3. The time or times at which the bonds shall mature.
4. The interest rate or rates ~~resulting-in-an-average-annual net-interest-cost, not-exceeding-eight-percent-per--annum, on--these-issues-which-are-sold-at-private-sale, which-the bonds-shall-bear.~~
5. The denomination or denominations in which the bonds shall be issued.
6. The form, either coupon or registered, in which the bonds shall be issued.
7. The conversion or registration privileges, if any, which the bonds shall carry.
8. The rank or priority which shall exist between various issues of bonds and various kinds of bonds issued.
9. The manner in which the bonds shall be executed.
10. The medium in which the bonds shall be payable.
11. The place or places at which the bonds shall be payable.
12. The terms of redemption, and whether with or without premium, to which the bonds shall be subject.

The conditions specified in the resolution may be printed in any trust indenture or mortgage given by the authority to secure any bonds issued by it.

SECTION 9. AMENDMENT. Section 23-11-22 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

23-11-22. SALE OF BONDS. ~~Except-as-hereinafter-provided,~~ Bonds Bonds issued by an authority ~~shall may~~ be sold at a private sale without notice or at public sale held after a notice has been published at least five days prior to the sale in a newspaper having a general circulation in the city or county, as the case may be, and in a financial newspaper published in the city of New York or in the city of Chicago. Bond issues sold at private sale shall bear interest at a rate or rates and be sold at a price resulting in an average net interest cost not exceeding twelve percent per annum. ~~There shall be~~ is no interest rate ceiling on issues sold at public sale. ~~Such bonds may be sold to the federal government, however, at~~

~~private-sale-without-public-advertisement. Such bonds may also be sold at a private sale when such obligations do not exceed the total sum of one hundred thousand dollars or to the state of North Dakota or any of its agencies or instrumentalities. The bonds shall not be sold for less than ninety-eight percent of par.~~

SECTION 10. AMENDMENT. Section 23-24-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

23-24-10. DISTRICT MAY ISSUE WARRANTS IN ANTICIPATION OF TAXES LEVIED TO PAY CURRENT EXPENSES. After a vector control district has been established and a board of commissioners has been appointed and organized, the board of commissioners may, in order to pay current district expenses including per diem compensation and expenses of commissioners and wages and salaries of officers or employees, by resolution authorize and issue district warrants in anticipation of impending collection and receipt of taxes levied. ~~Such~~ The warrants shall bear such rate of interest as the board may determine, not exceeding, however, eight to exceed twelve percent per annum. There is no interest rate ceiling on warrant issues sold to the state of North Dakota or any of its agencies or instrumentalities. The district treasurer shall keep a register in which to enter each warrant issued showing the date and amount of each warrant, the date of payment, and the amount paid in redemption thereof. All warrants shall be paid in order of their presentation for payment to the district treasurer. ~~Such~~ The warrants shall be drawn to the claimant or bearer in the same manner as a county warrant and shall be signed by the chairman of the board of commissioners and countersigned by the treasurer of the district. The total amount of such warrants issued in any year to pay current district expenses shall not exceed eighty percent of the district's tax levy for such year.

\* SECTION 11. AMENDMENT. Section 40-24-02 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-24-02. SPECIAL ASSESSMENTS WHEN DUE AND PAYABLE - INTEREST. All special assessments levied under ~~the provisions of~~ this title may be paid without interest within ten days after they have been approved by the governing body and thereafter shall bear interest at a rate of not exceeding ~~eight percent per annum or not exceeding one and one-half percentage points above the average net annual interest rate on any warrants or bonds for the payment of which they are pledged, whichever is higher,~~ on the total amount thereof remaining from time to time unpaid.

SECTION 12. AMENDMENT. Section 40-24-19 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-24-19. WARRANTS - ISSUANCE - WHEN PAYABLE - AMOUNTS - TEMPORARY WARRANTS - INTEREST - INTEREST COUPONS - NEGOTIABILITY - ELIGIBILITY AS INVESTMENTS. The municipality, at any time after

\* NOTE: Section 40-24-02 was also amended by section 1 of House Bill No. 1254, chapter 416.

making a contract or otherwise providing in accordance with section 40-22-27 for the construction of any improvement to be financed in whole or in part by assessments, under authority of any chapter of this title, or prior thereto but after the period for filing protests against the making of such improvement has expired and the protests filed, if any, have been heard and determined to be insufficient, and in anticipation of the levy and collection of such assessments and of any taxes or revenues derived from service charges pledged to pay for such improvement, may issue warrants on the fund created for such improvement. The municipality shall be responsible to the holders of such warrants for the proper advertisement and award of a contract or contracts or provision by other means for the completion of the improvement, for the acquisition of all land, easements, licenses, and permits required for such completion, and for the valid and final levy of special assessments upon all properties within the improvement district to be benefited by the improvement, in an aggregate principal amount equal to the total cost of the improvement as finally ascertained, less the portions thereof, if any, determined to be paid from taxes, service charges, and any other source, ~~and the~~. The issuance of such the warrants shall import constitute a representation and covenant binding upon the municipality, that the aggregate benefits to be derived from the making of the improvement by the properties to be assessed therefor, are not less than the aggregate amount of the special assessments so required to be levied. The warrants shall be issued and shall mature in such amounts as in the judgment of the governing body will be provided for, at or before the maturity dates specified, by the taxes and assessments to be levied and spread and the revenues pledged therefor, ~~except--that--in.~~ In lieu of issuing definitive warrants on any such fund, the governing body may by resolution authorize the issuance and sale of temporary warrants maturing in not to exceed three years from the date of issue of the first such warrant, to be repaid with interest from the proceeds of definitive warrants maturing as hereinabove required, which the governing body shall issue and sell at or before the maturing date of said temporary warrants, in the amount required, with moneys theretofore received in such fund, to pay the total cost of the improvement and all temporary warrants theretofore issued on the fund, with interest then accrued thereon. ~~Such~~ The warrants shall bear interest at a rate or rates and shall be sold at a price, not less than ninety-eight percent of par, resulting in an average ~~annual~~ net interest cost not to exceed ~~eight~~ twelve percent per annum payable annually or semiannually, except that there ~~shall--be~~ is no interest rate ceiling on an issue sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The definitive warrants may bear interest at a rate or rates higher or lower than those borne by the temporary warrants, as determined by the governing body in effecting the sale thereof. In the sale of temporary warrants, the municipality may by resolution of the governing body agree to issue to the holder or holders thereof definitive warrants upon specified terms as to interest, maturity, redemption provisions, and all other pertinent details, in the event that the municipality is unable to sell definitive warrants to others upon more favorable terms. Coupons

representing the interest for each year or lesser period may be attached to the warrants, whether definitive or temporary. All such warrants shall be negotiable within the meaning of and for all the purposes specified in title 41, and, to the same extent as general obligation bonds of the issuing municipality, shall be valid investments of the funds of any guardian, trustee, and other fiduciary of any kind or nature, any insurance company, bank, or other financial institution, any charitable, educational, or eleemosynary institution, and any public corporation or official, municipality, school district, or other political subdivision, including bond sinking funds, special improvement funds, municipal utility funds, and funds of the state of North Dakota and its instrumentalities and agencies.

SECTION 13. AMENDMENT. Section 40-29-15 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-29-15. WARRANTS - PAYABLE - INTEREST - INTEREST COUPONS - CONTENTS - SIGNED - DENOMINATIONS - USES. All sidewalk assessment warrants shall be payable as specified and in such amounts as in the judgment of the governing body will be provided by the taxes and assessments. ~~Such~~ The warrants shall bear interest at a rate of not more than eight percent per annum and interest shall be payable annually. They may have coupons attached representing each year's interest or rates and be sold at a price resulting in an average net interest cost not to exceed twelve percent per annum if sold at private sale. There is no interest rate ceiling on warrants sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The warrants shall state on their face the purpose for which they were issued and from what fund they are payable, and shall be signed by the executive officer, and countersigned by the city auditor under the seal of the municipality, ~~and shall be in denominations of not to exceed one thousand dollars each.~~ The warrants may be used in making payment on contracts for making the improvements or may be sold for cash at not less than ninety-eight percent of the par value thereof and the proceeds credited to the special fund and used to pay for such improvements.

SECTION 14. AMENDMENT. Section 40-31-09 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-31-09. WARRANTS - PAYABLE - INTEREST COUPONS - CONTENTS - DENOMINATIONS - USES. All curbing assessment warrants shall be payable as specified and in such amounts as in the judgment of the governing body will be provided by the taxes and assessments. ~~Such~~ The warrants shall bear interest at a rate or rates and be sold at a price resulting in an average net interest cost of not more than eight twelve percent per annum, payable annually, and on those issues sold at private sale. However, there is no interest rate ceiling on warrant issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The

warrants may have coupons attached representing each year's interest. The warrants shall state upon their face the purpose for which they were issued and the fund from which they are payable and shall be signed by the executive officer of the city, and countersigned by the city auditor under the seal of the city, ~~and be in denominations of not more than one thousand dollars each. --- Such.~~ The warrants may be used in making payments on contracts for making the improvements or may be sold for cash at not less than ninety-eight percent of the par value thereof and the proceeds credited to the special fund and used to pay for such improvements.

\* SECTION 15. AMENDMENT. Section 40-33-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-33-05. PAYMENT OF COST OF PLANT, SYSTEM, OR LINE BY SPECIAL ASSESSMENT WARRANTS - REGULATIONS GOVERNING. If the governing body of the municipality deems it advisable to pay the whole or any part of the cost of a municipal utility by special assessment warrants, it shall create a special assessment district by ordinance, and such district shall include, as nearly as may be determined, all of the property in the municipality which will be benefited by the improvement, and such district may include the entire municipality or a portion thereof. The governing body thereafter shall adopt a resolution of necessity and hold a hearing thereon, estimate the amount of the cost of the improvement, let a contract or contracts therefor, create a fund for the district, issue and sell the warrants of the municipality drawn on the fund, complete the work of the improvement, and assess the property benefited thereby in the form and upon the notice and in the manner specified by the provisions of chapters 40-22 through 40-26 insofar as such provisions are applicable to an improvement being made under this chapter. The special assessments levied shall be payable in equal annual installments extending over a period of not more than twenty years and shall bear interest at a rate of not more than ~~seven--percent--annually~~ one and one-half percentage points above the average net interest rate on any warrants for the payment of which they are pledged on the total amount of the assessments remaining unpaid from time to time.

SECTION 16. AMENDMENT. Section 40-34-03 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-34-03. MORTGAGES AND MORTGAGE BONDS - ISSUANCE OVER DEBT LIMIT - NOT GENERAL OBLIGATIONS - VOTE REQUIRED TO ISSUE - CONDITIONS. Municipalities may issue mortgage bonds beyond the general limits of the bonded indebtedness prescribed by law for the purpose of defraying the cost, or a part thereof, of a sewage disposal plant and system or of a garbage disposal plant in accordance with the provisions of section 40-34-02. ~~Such~~ The bonds shall not impose any general liability upon the issuing municipality but shall be paid only out of the revenues received from the service charges as provided in this chapter or from the sale of the property under foreclosure of the mortgage or deed of trust. ~~Such bonds~~

\* NOTE: Section 40-33-05 was also amended by section 3 of House Bill No. 1254, chapter 416.

~~shall be sold at public sale, except when such obligations do not exceed the total sum of one hundred thousand dollars. Such~~ The bonds shall be sold for not less than ninety-eight percent of par and shall bear interest at a rate or rates resulting in an average annual net interest cost of not more than ~~eight~~ twelve percent per annum on those issues which are sold at private sale. There ~~shall be is~~ no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. No such bonds shall be issued, however, except upon the affirmative vote of three-fifths or more of the members of the governing body of the issuing municipality, and the form, recitals, maturities, rate of interest, and whether the bonds shall be payable annually or semiannually, shall be determined by the same vote. A municipality is authorized to execute and deliver any mortgage or deed of trust contemplated under ~~the provisions of~~ this chapter.

SECTION 17. AMENDMENT. Section 40-35-08 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-35-08. PROVISIONS GOVERNING REVENUE BONDS. The resolution or ordinance authorizing the issuance of revenue bonds under this chapter, or ordinances or resolutions adopted subsequent to the adoption of the original resolution or ordinance, shall prescribe:

1. ~~The rate or rates of interest, payable semiannually, resulting in an average annual net interest cost not exceeding eight percent per annum on those issues which are sold at private sale, which such bonds shall bear.~~
2. Whether the bonds shall be in one or more series.
3. The date or dates which such bonds shall bear.
4. The time or times, not exceeding forty years from their respective dates, when such bonds shall mature.
5. The medium in which such bonds shall be payable.
6. The place or places where such bonds shall be payable.
7. Whether or not such bonds shall carry registration privileges, and what such privileges, if any, shall be.
8. The terms of redemption, if any, to which such bonds shall be subject.
9. The manner in which such bonds shall be executed.
10. The terms, covenants, and conditions which such bonds shall contain ~~and~~.

11. The form, either coupon or registered, in which such bonds shall be issued.

SECTION 18. AMENDMENT. Section 40-35-09 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-35-09. SALE OF REVENUE BONDS - WHEN PRIVATE SALE AUTHORIZED - PUBLIC SALE AND NOTICE THEREOF. Revenue bonds shall be sold at not less than ninety-eight percent of par. ~~Such~~ The bonds may be sold at private sale ~~to the United States of America or any agency, instrumentality, or corporation thereof, or to the state of North Dakota or any agency or instrumentality thereof.~~ Unless the bonds are sold to the United States, to an agency, instrumentality, or corporation thereof, to the state of North Dakota, or to an agency or instrumentality thereof, or unless such obligations do not exceed the total sum of fifty thousand dollars, such bonds shall be sold without notice or at public sale after notice of such the sale has been published once at least five days prior to such the sale in a newspaper circulating in the municipality, and in a financial newspaper published in Chicago, Illinois, in New York, New York, in Minneapolis, Minnesota, or in San Francisco, California. Bonds sold at private sale shall bear interest at a rate or rates and be sold at a price resulting in an average net interest cost not exceeding twelve percent per annum. There shall be is no interest rate ceiling on issues sold at public sale. Provided, that if the principal amount of the series or issue of bonds to be sold does not exceed fifty thousand dollars, it shall not be necessary to publish a notice of sale of the bonds, and as or to the state of North Dakota or any of its agencies or instrumentalities. As to any series or issue of bonds for which a notice of sale was published but for which no bids were received or all bids received were rejected, the governing body may, without readvertising the bonds for sale, negotiate the sale of all of the bonds to any person upon terms complying with those specified in the notice of sale theretofore published and, if bids were rejected, more favorable to the municipality than those specified in the rejected bid.

SECTION 19. AMENDMENT. Section 40-54-10 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-54-10. GRAVEL ASSESSMENT WARRANTS - HOW PAID - INTEREST - CONTENTS. All gravel assessment warrants shall be payable as specified and in such amounts as in the judgment of the governing body will be provided by such special assessments. Such The warrants shall bear interest at a rate of not more than eight or rates and be sold at a price resulting in average net interest cost not exceeding twelve percent per annum, and interest shall be payable annually. They if sold privately. There is no interest rate ceiling on warrants sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The warrants may have coupons attached representing each year's interest payment. The warrants shall state on their face the purpose for

which they were issued, and from what fund they are payable, and shall be signed by the executive officer and countersigned by the city auditor under the seal of the municipality, ~~and shall be in denominations of not to exceed one thousand dollars each. Such~~ The warrants shall be used in making payment on the contract for the furnishing of gravel, or may be sold for cash at not less than ninety-eight percent of the par value thereof, and proceeds credited to the special fund and used to pay for ~~such~~ the gravel project.

SECTION 20. AMENDMENT. Subsections 3 and 4 of section 40-58-10 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Bonds issued under this section shall be authorized by resolution or ordinance of the local governing body and may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, resulting in an average annual net interest cost not exceeding ~~eight~~ twelve percentum per annum on those issues which are sold at private sale. Such bonds shall be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption with or without premium, be secured in such manner, and have such other characteristics, as may be provided by such resolution or trust indenture or mortgage issued pursuant thereto.
4. ~~Such~~ The bonds may be sold at not less than par at public sales held after notice published prior to such sale in a newspaper having a general circulation in the area of operation and in such other medium of publication as the municipality may determine or may be exchanged for other bonds on the basis of par, provided that ~~such~~ the bonds may be sold to the federal government at private sale at not less than par, and, in the event less than all of the authorized principal amount of ~~such~~ the bonds is sold to the federal government, the balance may be sold at private sale at not less than par at an interest cost to the municipality of not to exceed the interest cost to the municipality of the portion of the bonds sold to the federal government. ~~Such~~ The bonds may also be sold at private sale if such obligations do not exceed the total sum of one hundred thousand dollars. ~~There shall be is no interest rate ceiling on issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities.~~

SECTION 21. AMENDMENT. Subsections 1 and 2 of section 40-61-08 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. An authority ~~shall have the power and is hereby authorized~~ may from time to time ~~to~~ issue its negotiable bonds for any purpose mentioned in section 40-61-03, including the acquisition, construction, reconstruction, and repair of personal and real property of all kinds deemed by the board to be necessary or desirable to carry out such purpose, as well as to pay such expenses as may be deemed by the board necessary or desirable to the financing ~~thereof~~ and placing the project or projects in operation. An authority ~~shall have power~~ may from time to time and whenever it deems refunding expedient, ~~to~~ refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other purpose hereinabove described. The refunding bonds may be exchanged for the bonds to be refunded, with such cash adjustments as may be agreed, or may be sold and the proceeds applied to the purchase or payment of the bonds to be refunded. In computing the total amount of bonds of an authority which may at any time be outstanding the amount of the outstanding bonds to be refunded from the proceeds of the sale of new bonds or by exchange for new bonds shall be excluded. Except as may otherwise be expressly provided by an authority, the bonds of every issue shall be payable out of any moneys or revenues of an authority, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues. Notwithstanding the fact that the bonds may be payable from a special fund, if they are otherwise of such form and character as to be negotiable instruments under ~~article eight of the Uniform Commercial Code~~ chapter 41-08, the bonds shall be and are hereby made negotiable instruments within the meaning of and for all the purposes of ~~article eight of the Uniform Commercial Code~~ chapter 41-08, subject only to the provisions of the bonds for registration.
2. The bonds shall be authorized by resolution of the board and shall bear such date or dates, mature at such time or times, not exceeding thirty years from their respective dates, bear interest at such rate or rates, resulting in an average annual net interest cost not exceeding ~~eight~~ twelve percent per annum payable annually or semiannually on those issues which are sold at private sale, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. The bonds may be sold at public or private sale for such price or prices as the authority shall determine. There ~~shall be~~ is no interest rate ceiling on those issues sold at public sale or to the

state of North Dakota or any of its agencies or instrumentalities.

SECTION 22. AMENDMENT. Section 54-17-25 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-17-25. BONDS AUTHORIZED. Whenever the North Dakota industrial commission ~~shall decide~~ decides that it is in the public interest to diminish the investment of state funds in United States government guaranteed student loans, that it will be difficult to divest the state of appreciable amounts of such loans by piecemeal offering to the investing and saving public, that business conditions are favorable to a state-sponsored program to consolidate state-held student loans, and to enlarge private participation in such loans, ~~then the North-Dakota--industrial~~ commission may by plenary resolution duly adopted in accordance with the provisions hereof authorize preparation, sale, and issuance of ~~special-coupon~~ revenue bonds of North Dakota in such amounts and at such times and in such form as the commission shall determine to be for the public good. ~~Such~~ The bonds shall be a paramount charge upon a sufficient designated portion of the resources of the student loan trust, subject only to necessary administrative expenses of the trust duly appropriated out of the interest earning resources thereof. The bonds may bear such rate or rates of interest as the commission may provide, ~~not exceeding a net interest cost of eight percent per annum. There shall be no interest rates ceiling on these issues sold at public sale. Such~~ The bonds shall have all of the qualities and incidents of negotiable paper and shall not be subject to taxation by the state of North Dakota or by any county, municipality, or political subdivision therein. The bonds shall be payable solely out of resources generated from collection of payments on and earnings and proceeds of United States government guaranteed student loans, and shall so recite. They shall not be indebtedness of the state of North Dakota or of any agency, board, department, or officer or agent thereof.

SECTION 23. AMENDMENT. Section 55-08-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

55-08-08. STATE PARK REVENUE BONDS. For the purpose of paying all or part of the cost of acquisition, construction, reconstruction, improvement, betterment or extension of park properties for state parks, state campgrounds, state recreation areas and reserves, as described in subsection 2 of section 55-08-07, ~~subsection 2~~, which may, from time to time, be authorized by the legislative assembly ~~of the state of North Dakota~~, the money may be borrowed on the credit of the revenues to be received in the state park fund. Such borrowing shall be authorized by a board consisting of the governor, the state treasurer, and the director of state parks and recreation, by resolution or resolutions duly adopted by the vote of a majority of all members of such board. In anticipation of the collections of such revenues, negotiable bonds may be issued in such amount as, in the opinion of the board, may be

necessary for such purpose, within the limits of the authority granted by the legislative assembly in each instance, and the board may provide for the payment of such bonds and the rights of the holders thereof as provided in this chapter. The bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times not exceeding forty years from their date, may be in such denomination or denominations, may be in such form, either coupon or fully registered or registered as to ownership or principal, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, may be subject to such terms of redemption with or without premium, and may bear such rate or rates of interest, ~~resulting in an average annual net interest cost not exceeding eight percent per annum on these issues which are sold at private sale,~~ as may be provided by resolution or resolutions to be adopted by the board, subject to the further provisions of this section. ~~Such~~ The bonds may be sold in such manner and at such price or prices, not less than ninety-eight percent of par plus accrued interest to date of delivery, as may be considered by the board to be advisable. ~~There shall be no interest rate ceiling on these issues sold at public sale.~~ ~~Such~~ The bonds shall have all of the qualities and incidents of negotiable paper, and such bonds and the income therefrom shall be exempt from any taxes, except inheritance, estate, and transfer taxes. The board may in its discretion authorize one series of bonds hereunder for more than one project, at more than one state park, state campground, state recreation area or reserve. It may also issue series of bonds hereunder for the refunding of outstanding bonds issued hereunder when such action is desirable in its judgment and is consistent with the terms of the resolution or resolutions authorizing the outstanding bonds.

SECTION 24. AMENDMENT. Section 61-02-48 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-02-48. COMMISSION TO DETERMINE INTEREST RATE, FORM, DENOMINATION, AND EXECUTION OF BONDS. The commission shall determine the rate of interest bonds issued under ~~the provisions of~~ this chapter shall bear, the time or times of payment of such interest, the form of the bonds and the interest coupons to be attached thereto, and the manner of executing the bonds and coupons, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest thereon, which may be at any bank or trust company within or without this state. ~~Such~~ The bonds shall be ~~sold at public sale, except when such obligations do not exceed the total sum of one hundred thousand dollars,~~ and shall be sold at a price resulting in an average annual net interest cost not exceeding ~~eight~~ twelve percent per annum on those issues which are sold at private sale. ~~There shall be~~ is no interest rate ceiling on those issues sold at public sale.

SECTION 25. AMENDMENT. Section 61-02-53 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-02-53. ISSUANCE AND SALE OF BONDS - PROCEEDS FROM SALE - USE. The bonds authorized under ~~the provisions of~~ this chapter may be issued and sold from time to time, and in such amounts as may be determined by the commission. The commission may, subject to the provisions of section 61-02-48, sell the bonds in such manner and for such price as it may determine to be for the best interests of the state, but no such sale shall be made for less than ninety-eight percent of the par value of each bond. The proceeds of ~~such the~~ bonds shall be used solely for the payment of the cost of the works or the cost of acquiring lands and preparing or developing such lands for irrigation, as the case may be, and shall be paid out in such manner and under such restrictions as the commission may provide.

SECTION 26. AMENDMENT. Section 61-08-07 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-08-07. BONDS PAYABLE TO WHOM - INTEREST COUPONS - RATE OF INTEREST - NUMBERING. Every bond provided for in this chapter shall be a negotiable instrument payable to "bearer" or to the "bearer or registered owner", with interest coupons attached, payable annually or semiannually, at a rate or rates resulting in an average annual net interest cost which shall not exceed ~~eight~~ twelve percent per annum on those issues which are sold at private sale. ~~There shall be is~~ no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Each bond shall specify the time and place of payment of the principal and shall be numbered consecutively with the other bonds of the same issue, which shall begin with number one, or with any other number, as the board may direct, ~~and shall continue upward.~~

SECTION 27. AMENDMENT. Section 61-08-20 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-08-20. INTEREST ON WARRANTS - SIGNATURES - CONTENTS. District improvement warrants shall bear interest at such rate or rates as the board may determine, not to exceed ~~eight~~ an average net interest cost of twelve percent per annum if sold at private sale, and may have coupons attached representing each year's interest or each half-year's interest. ~~Such~~ There is no interest rate ceiling on warrant issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The warrants shall be signed by the chairman and countersigned by the secretary, shall bear the seal of the district, ~~shall be in denominations of net more than one thousand dollars each,~~ and shall be numbered consecutively with the other warrants issued for the same purpose. Each warrant, on the face thereof, shall state the purpose for which

issued. Such warrants shall be payable in lawful money of the United States.

SECTION 28. AMENDMENT. Section 61-12-38 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-12-38. INTEREST RATE OF BONDS. Flood irrigation bonds issued as provided in this chapter shall bear interest at a rate or rates resulting in an average ~~annual~~ net interest cost not exceeding ~~eight~~ twelve percent on those issues which are sold at private sale. There ~~shall--be~~ is no interest rate ceiling on those issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Interest and principal may be payable under the amortization plan over a period of not to exceed twenty years, or the principal may be divided into such amounts and made payable at such periods, not exceeding twenty years, as the board of county commissioners may determine.

\* SECTION 29. AMENDMENT. Section 61-16-13 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-16-13. DISTRICT MAY ISSUE WARRANTS IN ANTICIPATION OF TAXES LEVIED TO PAY CURRENT EXPENSES. After a water conservation and flood control district has been established and a board of commissioners has been appointed and organized, the board of commissioners may, in order to pay current district expenses including per diem, compensation, and expenses of commissioners and wages or salaries of officers and employees, by resolution authorize and issue district warrants in anticipation of and pending collection and receipt of taxes levied. ~~Such~~ The warrants shall bear such rate of interest as the board may determine, not exceeding, ~~however,~~ ~~eight~~ twelve percent per annum on those issues sold at private sale. There is no interest rate ceiling on warrants sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. The district treasurer shall keep a register in which to enter each warrant issued, showing the date and amount of each warrant, the date of payment, and the amount paid in redemption thereof. All warrants shall be paid in order of their presentation for payment to the district treasurer. ~~Such~~ The warrants shall be drawn to the claimant or bearer in the same manner as a county warrant, and shall be signed by the chairman of the board of commissioners and countersigned by the treasurer of the district. The total amount of ~~such~~ warrants issued in any year to pay current district expenses shall not exceed eighty percent of the district's tax levy for such year.

\*\* SECTION 30. AMENDMENT. Section 61-16-28 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-16-28. CERTIFICATION OF ASSESSMENTS TO COUNTY AUDITOR. When a district board of commissioners has by resolution levied, or

\* NOTE: Section 61-16-13 was repealed by section 11 of House Bill No. 1077, chapter 632.

\*\* NOTE: Section 61-16-28 was repealed by section 11 of House Bill No. 1077, chapter 632.

caused to be levied, special assessments to cover the cost of constructing a project, the board shall determine the rate of interest unpaid special assessments shall bear, which rate shall not exceed ~~eight percent per annum and shall not be less than one and one-half~~ percentage points above the warrant rate. Interest on unpaid special assessments shall commence on the date the assessments are finally confirmed by the board. Special assessments may be certified and made payable in equal annual installments, the last of which shall be due and payable not more than thirty years after date of the warrants to be paid. The secretary of the district shall certify to the county auditor of the county in which the district is situated, or if the district embraces more than one county, to the county auditor of each county in which district lands subject to such special assessments are situated, the total amount levied against such lands in his county and the proportion or percentage of such amount assessed against each piece, parcel, lot, or tract of land. The secretary of the district shall also file with the county auditor of each county in which district lands lie a statement showing the cost of the project, the part thereof, if any, which will be paid out of the general taxes, and the part to be financed by special assessments. Funds needed to pay the cost of maintaining a project may be raised in the same manner as funds were raised to meet construction costs. If the project was financed in whole or in part through the use of special assessments, the board of commissioners shall prorate the costs of maintaining projects in the same proportion as were the original costs of construction or, in the event a reassessment of benefits has been adopted, the costs shall be prorated in accordance with the reassessment of benefits as authorized by section 61-16-26.1.

\* SECTION 31. AMENDMENT. Section 61-16-32 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-16-32. WARRANTS - ISSUANCE - WHEN PAYABLE - AMOUNTS - INTEREST - INTEREST COUPONS. A water management district may, at any time after entering into a contract for a project to be financed in whole or in part by special assessments, issue temporary and definitive warrants on the project fund, created for that purpose, in the manner and subject to the limitations prescribed in section 40-24-19, and may pledge to the payment of warrants issued to finance a sewer or water project the net revenues derived from the imposition of service charges to be imposed and collected with respect thereto as provided in section 40-22-16 payable at specified times, except that the first maturity date of any such warrant shall not be less than two years from the date of issuance. The warrants shall be issued in such amounts as in the judgment of the district's board of commissioners will be necessary for such project. Such The warrants shall bear interest at a rate of not to exceed eight or rates and be sold at a price resulting in an average net interest cost not exceeding twelve percent per annum, payable annually or semiannually if sold at private sale. There is no interest rate ceiling on warrant issues sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Coupons

\* NOTE: Section 61-16-32 was repealed by section 11 of House Bill No. 1077, chapter 632.

evidencing the interest for each year or half year, as the case may be, may be attached to the warrants. The warrants shall state upon the face thereof the purpose for which issued and the project fund from which they are payable and shall be signed by the chairman of the board of commissioners and countersigned by the secretary of the district. ~~Such~~ The warrants shall be payable serially in such amounts as the board shall determine, extending over a period of not more than thirty years.

SECTION 32. AMENDMENT. Section 61-21-50 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-21-50. DRAIN WARRANTS - TERMS AND AMOUNTS. Drain costs shall be paid upon order of the board by warrants signed by the chairman and one other member of the board. ~~Such~~ The warrants shall be payable from the proper drain fund and, upon maturity, shall be receivable by the treasurer for drain assessments supporting such fund. ~~Such~~ The warrants may be issued at any time after the order establishing ~~the~~ the drain has become final and after incurring liability to pay for any drain work to be financed by drain assessments and in anticipation of levy and collection of such assessments. Every ~~such~~ warrant not made payable on demand shall specify the date when it ~~shall--become~~ becomes payable. Demand warrants not paid for want of funds shall be registered by the county treasurer and shall thereafter bear interest at a rate determined by the board, not exceeding eight percent per annum. Warrants of specified maturities shall bear interest according to their provisions at a rate or rates resulting in an average net interest cost not exceeding eight twelve percent per annum payable annually or semiannually if sold at private sale, and may be made and issued with interest coupons attached. There is no interest rate ceiling on warrants sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. All drain warrants shall state upon their face the purpose for which they are issued and the drain fund from which they are payable, ~~and shall be in denominations of not more than five thousand dollars each--Such.~~ The warrants may be used to pay drain obligations, or may be sold at not less than ninety-eight percent of par value, provided that the proceeds of warrants sold shall be placed in the proper drain fund and used exclusively for drain expenses. Any unpaid warrants issued for the acquisition of right of way or the construction of any drain, including all incidental costs in connection therewith, shall be funded by a bond issue within one hundred eighty days from and after the filing of the assessment of all such costs with the county auditor as provided in section 61-21-27, but such requirement shall not be construed as prohibiting the funding of warrants or the issuance of bonds after such one hundred eighty-day period.

SECTION 33. AMENDMENT. Section 61-21-53 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

61-21-53. DRAIN BONDS. The board may issue bonds to finance acquiring drain right of way, locating and constructing drains, and funding unpaid drain warrants heretofore issued, or issued hereafter under ~~the provisions of~~ this chapter. Drain bonds issued in whole or in part to finance expenditures for which warrants have not been issued shall not be authorized until after firm contracts for projected drain work have been made and proper undertakings therefor have been executed and filed, or until after the drain work has been completed. Proceedings for the issuance of such bonds shall be initiated by the adoption of a preliminary resolution of the board which shall include information and findings as follows:

1. The maximum amount of drain bonds proposed to be issued.
2. The maximum interest rate such bonds shall bear.
3. Designation of the calendar years in which such bonds shall mature.
4. The complete name of the drain for which such bonds are to be issued.
5. The purpose or purposes for which the proceeds of the bonds will be used including the total amount of drain warrants to be bought with such proceeds.

When such preliminary resolution has been duly adopted by the board, the board shall proceed to have the text thereof published in a legal newspaper of general circulation in the locality in which the particular drain is situated, and there shall be published with and as a part of such text a statement that from and after the expiration of thirty days next following the date of the first printing of such text, no action may be commenced or maintained, and no defense or counterclaim may be recognized in the courts of this state to question or impair the drain warrants resolved to be funded, or the drain assessments supporting such warrants. There shall also be included in such publication the further statement that a complete list identifying the drain warrants proposed to be funded has been filed in the office of the county auditor of the county or counties in which the affected lands are located. Such publication shall be made once each week for three successive weeks and proper proof thereof shall be filed with the board. The validity and enforceability of any drain warrant or of any assessment supporting the same shall not be vulnerable to attack in the courts of this state unless an appropriate action or proceeding is commenced or a defense or counterclaim is served within thirty days next following the date of first printing of such publication. ~~It shall be the duty of the~~ The board ~~to cause to be prepared and filed~~ shall prepare and file with the auditor of the proper county or counties a complete list identifying the drain warrants proposed to be funded by such bonds, and such list, or true copies thereof, shall be ~~so~~ filed prior to the date of first printing of said preliminary resolution. Within a reasonable time, and more than thirty days after the first printing of such preliminary resolution,

the board may proceed to authorize the preparation and sale of drain bonds in accordance with such resolution. Such The bonds shall bear interest at a rate or rates resulting in an average ~~annual~~ net interest cost not to exceed ~~eight~~ twelve percent per annum on those issues which are sold at private sale. There ~~shall be~~ is no interest rate ceiling on those issues sold at public sale--~~Such~~ or to the state of North Dakota or any of its agencies or instrumentalities. The bonds shall contain a provision that interest thereon shall cease at maturity unless the holder shall present the same for payment and payment is refused, shall designate the fund from which they are payable, and shall be offered for sale and sold as provided in chapter 21-03, for the offering and sale of general obligation bonds of governmental subdivisions of this state. Wherever drain bonds are issued for drain warrants, ~~such the~~ bonds in the appropriate amount may be exchanged for ~~such the~~ warrants, but the basis of exchange shall be such that the average ~~annual~~ net rate of interest on the bonds will not exceed the rate on the warrants refunded. Drain warrants purchased with the proceeds of bonds shall not be canceled but shall be retained by the board as assets of the drain fund from which ~~such the~~ warrants are payable. ~~Such The~~ fund shall be continued and payments therefrom shall be made on the warrants drawn thereon without reference to the bond issue, but all such payments shall be placed in the fund from which the bonds are payable and shall be applied to service such bonds and to pay the interest thereon. Bonds issued by drainage districts shall be eligible for purchase by the various trust funds of the state of North Dakota and its instrumentalities.

SECTION 34. REPEAL. Section 54-30-06 of the 1979 Supplement to the North Dakota Century Code is hereby repealed.

SECTION 35. EMERGENCY. This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved April 1, 1981

## CHAPTER 270

SENATE BILL NO. 2262  
(Senators Lips, Wenstrom)  
(Representatives Kuchera, Wagner)

## "VALUE OF TAXABLE PROPERTY" DEFINED

AN ACT to amend and reenact subsection 4 of section 21-03-01 of the North Dakota Century Code, relating to the value of property for purposes of determining indebtedness limitations of political subdivisions; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 4 of section 21-03-01 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4. "Value of taxable property" or "the assessed valuation" of a municipality shall mean ~~the full and true one hundred percent~~ six times the net value of all taxable property in such municipality as finally equalized by the state board of equalization determined pursuant to section 57-02-28, provided that these terms may never mean more than market value of the property.

SECTION 2. EMERGENCY. This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved March 31, 1981

## CHAPTER 271

HOUSE BILL NO. 1292  
(Unhjem)

## COUNTY BRIDGE BOND ISSUE

AN ACT to amend and reenact subdivision b of subsection 1 of section 21-03-06 of the North Dakota Century Code, relating to county bonds issued for the construction, enlargement, or repair of bridges.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subdivision b of subsection 1 of section 21-03-06 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- b. To construct, enlarge, or repair, or aid in the construction, enlargement, or repair, of bridges within or without ~~such~~ the county, but all outstanding unpaid bonds for ~~such~~ this purpose shall not exceed in amount at any one time one percent of the value of taxable property in ~~such~~ the county.

Approved March 26, 1981

## CHAPTER 272

HOUSE BILL NO. 1243  
(Representatives Conmy, Gerl, A. Hausauer)  
(Senators Barth, Dykshoorn)

## JUNIOR COLLEGE CONSTRUCTION BOND ISSUE

AN ACT to authorize school districts having community or junior colleges or off-campus educational centers to issue bonds and levy taxes for capital construction purposes.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1. BOND ISSUES FOR CAPITAL CONSTRUCTION FOR COMMUNITY OR JUNIOR COLLEGES OR OFF-CAMPUS EDUCATIONAL CENTERS - LEVY OF TAX. The school board of any school district having a community or junior college or off-campus educational center, as provided in chapter 15-18 which has an enrollment of one thousand or more students may, upon motion of the board, issue and sell bonds for capital construction purposes, including the construction and equipping of new buildings or repairing or renovating and equipping of existing buildings. The school board may levy a tax not exceeding two mills on the dollar of the net assessed valuation of the school district for the purpose of paying the principal and interest on bonds issued pursuant to this Act. The mill levy authorized by this Act shall be in addition to any mill levy limitations provided by law. The total principal amount of bonds issued pursuant to this Act shall not exceed seven hundred thousand dollars, and any indebtedness incurred by a school district shall be within debt limitations established by law. Bonds issued under this Act shall never become a general obligation of the state of North Dakota.

Approved April 6, 1981

## CHAPTER 273

HOUSE BILL NO. 1519  
(G. Larson, Unhjem)

## MUNICIPAL BOND REFUNDING

AN ACT to amend and reenact subdivision c of subsection 7 of section 21-03-06, section 40-27-13, and subsection 3 of section 40-36-13 of the North Dakota Century Code, relating to the refunding of bonds by counties, cities, townships, school districts, park districts, recreation service districts, and rural fire protection districts.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subdivision c of subsection 7 of section 21-03-06 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- c. To refund outstanding bonds not yet due or to become due or subject to redemption and prepayment within six months, when in the judgment of the governing body the best interests of the municipality will be served thereby, through the reduction of ~~interest~~ debt service costs or the extension or adjustment of maturities in relation to the resources available for their payment. The proceeds of the refunding bonds, including any premium and accrued interest, shall be deposited in escrow with a suitable bank or trust company, having its principal place of business within or without the state, and shall be invested in such amount and in securities maturing on such dates and bearing interest at such rates as shall be required to provide funds sufficient to pay when due the interest to accrue on each bond refunded to its maturity or, if it is prepayable and called for redemption, to ~~the earliest~~ an earlier prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such bond at maturity or, if prepayable and called for redemption, at ~~its-earliest~~ the earlier redemption date; and any premium required for redemption on such date; and the governing body's resolution authorizing the refunding bonds shall

irrevocably appropriate for these purposes the escrow fund and all investments thereof, which shall be held in safekeeping by the escrow agent, and all income therefrom, and ~~shall~~ may provide for the call for redemption of all prepayable bonds in accordance with their terms. The securities to be purchased with the escrow fund shall be limited to general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following United States government agencies: banks for cooperatives, federal home loan banks, federal intermediate credit banks, federal land banks, and the federal national mortgage association. Such securities shall be purchased simultaneously with the delivery of the refunding bonds. Moneys on hand in the sinking fund maintained for the payment of the outstanding bonds, and not immediately needed for the payment of interest or principal due, may likewise be deposited in the escrow fund and invested in the same manner as the proceeds of the new bonds, to the extent consistent with the provisions of resolutions authorizing the outstanding bonds.

SECTION 2. AMENDMENT. Section 40-27-13 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-27-13. REFUNDING CALLABLE FUNDING BONDS OR REFUNDING WARRANTS - TERMS AND CONDITIONS. Any municipality may refund, according to the procedure set forth in this chapter, any funding bonds issued under ~~the provisions of~~ this chapter which are callable prior to maturity or which shall be surrendered voluntarily for refunding, by the issuance of bonds upon the same terms and conditions except as to interest, whenever by so doing a saving in interest can be effected. Any municipality having valid outstanding special improvement warrants or bonds issued pursuant to ~~the provisions of~~ this chapter, which are past due or which are redeemable either at the option of the municipality or with the consent of the warrant or bondholders, may issue new refunding special improvement bonds to refund such outstanding warrants or bonds, if there is not sufficient money in the fund or funds against which such outstanding refunding warrants or bonds are drawn to pay the same. Such new bonds may be issued for the purpose of extending the maturities of the outstanding refunding warrants or bonds, or reducing the ~~interest costs~~ debt service thereon, or equalizing the general tax which the municipality may be, or may become, obligated to levy to discharge deficiencies in the fund or funds against which they are drawn. Such new bonds shall be issued according to the procedure set forth in this chapter for the issuance of the original refunding special improvement warrants or bonds. In any case where refunding improvement bonds are issued and sold six months or more before the earliest date on which all outstanding refunding improvement warrants or bonds of the issue to be refunded thereby

mature or are prepayable in accordance with their terms, the proceeds of the new bonds, including any premium and accrued interest, shall be deposited in escrow with a suitable bank or trust company, having its principal place of business within or without the state, and shall be invested in such amount and in securities maturing on such dates and bearing interest at such rates as shall be required to provide funds sufficient to pay when due the interest to accrue on each warrant or bond refunded to its maturity or, if it is prepayable and called for redemption, to ~~the earliest~~ an earlier prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such warrant or bond at maturity or, if prepayable and called for redemption, at ~~its earliest~~ the earlier redemption date, and any premium required for redemption on such date. The governing body's resolution authorizing the new bonds shall irrevocably appropriate for these purposes the escrow fund and all investments thereof, which shall be held in safekeeping by the escrow agent, and all income therefrom, and ~~shall~~ may provide for the call for redemption of all prepayable bonds in accordance with their terms. The securities to be purchased with the escrow fund shall be limited to general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following United States government agencies: banks for cooperatives, federal home loan banks, federal intermediate credit banks, federal land banks, and the federal national mortgage association. Such securities shall be purchased simultaneously with the delivery of the new bonds. Moneys on hand in the refunding improvement bond fund maintained for the payment of the outstanding bonds, and not immediately needed for the payment of interest or principal due, may likewise be deposited in the escrow fund and invested in the same manner as the proceeds of the new bonds, to the extent consistent with the provisions of resolutions authorizing the outstanding bonds.

SECTION 3. AMENDMENT. Subsection 3 of section 40-36-13 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Exchange or sell any refunding bonds more than six months in advance of the date on which the bonds being refunded mature or are redeemable in accordance with their terms to reduce the ~~interest~~ debt service costs, extend or adjust maturities in relation to the revenues pledged for payment of the bonds, permit the more advantageous sale of additional bonds, or any other purpose deemed necessary or desirable by the governing body, then the proceeds of the refunding bonds, including any premium and accrued interest, shall be deposited in escrow with a suitable bank or trust company, having its principal place of business within or without the state, and shall be invested in such amount and in securities maturing on such dates and bearing interest at such rates as shall be required to provide funds sufficient to pay when due the interest to accrue on each bond refunded to its maturity

or, if it is prepayable and called for redemption, to ~~the earliest~~ an earlier prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such bond at maturity or, if prepayable and called for redemption, at ~~its--earliest~~ the earlier redemption date, and any premium required for redemption on such date. The governing body's resolution authorizing the refunding bonds shall irrevocably appropriate for these purposes the escrow fund and all investments thereof, which shall be held in safekeeping by the escrow agent, and all income therefrom, and ~~shall~~ may provide for the call for redemption of all prepayable bonds in accordance with their terms. The securities to be purchased with the escrow fund shall be limited to general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following United States government agencies: banks for cooperatives, federal home loan banks, federal intermediate credit banks, federal land banks, and the federal national mortgage association. Such securities shall be purchased simultaneously with the delivery of the refunding bonds. Moneys on hand in the sinking fund maintained for the payment of the outstanding bonds, and not immediately needed for the payment of interest or principal due, may likewise be deposited in the escrow fund and invested in the same manner as the proceeds of the new bonds, to the extent consistent with the provisions of resolutions authorizing the outstanding bonds.

Approved March 11, 1981

## CHAPTER 274

SENATE BILL NO. 2151  
(Committee on Political Subdivisions)  
(At the request of the Bank of North Dakota)

## MUNICIPAL BOND SALE TO MUNICIPAL BOND BANK

AN ACT to amend and reenact section 21-03-30 of the North Dakota Century Code, relating to the sale of municipal bonds to the North Dakota municipal bond bank.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 21-03-30 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-03-30. MUNICIPAL BONDS - PRIVATE SALE TO UNITED STATES OR STATE AGENCIES. The procedure prescribed in this chapter relative to calling for bids upon the sale of municipal bonds shall not be required in case bonds are sold to ~~the~~:

1. The state board of university and school lands ~~ex-to-the~~.
2. The Bank of North Dakota ~~nor-in-case-ether-trust~~.
3. The North Dakota municipal bond bank.
4. Trust funds administered by public officials ~~are-invested in-them, or-they-are-sold-to-the~~.
5. The United States of America, or any agency or instrumentality thereof.

Approved March 5, 1981

## CHAPTER 275

HOUSE BILL NO. 1240  
(Representative Black)  
(Senator Stenehjem)

## MUNICIPAL BOND SALE PROCEEDS DISPOSAL

AN ACT to amend and reenact section 21-03-38.1 of the North Dakota Century Code, relating to disposal of bond proceeds.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 21-03-38.1 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-03-38.1. DISPOSAL OF BOND PROCEEDS. The proceeds of any municipal bond sale, which have not been used for the purpose issued within ~~ten~~ three years after date of issue, may be disposed of by the governing body of the municipality as follows:

1. Sufficient funds shall be transferred to the sinking fund of ~~such~~ the issue in an amount equal to the principal of bonds outstanding and the interest requirements.
2. The governing body may by a two-thirds vote of all its members transfer ~~such~~ the funds to any or all other debt sinking funds of the municipality.
3. The governing body, upon approval by a majority vote of the electors, voting at an election called therefor, may use the funds for some other purpose authorized by law.

If any funds remain, they shall be transferred to the general fund of the municipality.

Approved February 20, 1981

## CHAPTER 276

HOUSE BILL NO. 1178  
 (Committee on Political Subdivisions)  
 (At the request of the State Auditor)

## GOVERNMENTAL DOCUMENT DESTRUCTION

AN ACT to amend and reenact sections 21-06-05 and 21-06-06 of the North Dakota Century Code, relating to the destruction of documents; and to repeal section 40-16-10 of the North Dakota Century Code, relating to the destruction of city records.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
 STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 21-06-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-06-05. DOCUMENTS WHICH MAY BE DESTROYED - WHEN. ~~All bonds, bond coupons for interest, warrants, special assessment warrants, and any and all other documents evidencing debt made or executed by any school district, city or park district in the state may be destroyed when ten years have elapsed after their payment, and when the period within which an action might be commenced to determine the validity of such documents has expired. After the same have been offered to the state archivist for preservation as archival resources, the auditor or clerk of a school district, city or park district may destroy, by any suitable means as determined by the governing body, their records after the same have become five years old except the following which shall be retained as permanent records of the school district, city or park district:~~

1. Governing body's proceedings.
2. Receipt and expenditure journals.
3. Payroll records.

SECTION 2. AMENDMENT. Section 21-06-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-06-06. PROCEDURE FOR DESTRUCTION OF DOCUMENTS. The governing body of any school district, city or park district desiring to destroy any documents described in section 21-06-05, at its first meeting in January of each year, shall procure from the

auditor or clerk of such school district, city or park district a list of such documents which have been paid more than ~~ten~~ five years prior to such time and against which the period within which an action might be commenced to determine the validity of such documents has expired, which said list shall contain a full statement and description of the documents desired to be destroyed, and thereupon shall check said documents with such lists. If found correct, the said governing body by resolution shall order said documents to be destroyed and in said resolution shall provide the manner of such destruction. The list provided for in this section shall be filed in the office of the city auditor or clerk of the school district or park district and retained as a permanent record.

SECTION 3. REPEAL. Section 40-16-10 of the 1979 Supplement to the North Dakota Century Code is hereby repealed.

Approved March 26, 1981

## CHAPTER 277

SENATE BILL NO. 2095  
(Lodoen)

## MUNICIPAL BOND VALIDATION

AN ACT to amend and reenact section 21-09-05 of the North Dakota Century Code, relating to the validation of bonds and other evidences of indebtedness issued by public bodies of the state prior to July 1, 1981; and to repeal sections 1-07-07, 1-07-09, 1-07-10, 1-07-11, 1-07-12, 1-07-13, 1-07-14, chapter 21-08, and sections 21-09-01 and 40-24-24 of the North Dakota Century Code, relating to the validation of bonds and other evidences of indebtedness issued prior to certain designated years preceding July 1, 1961, and to the citation of the 1975 Bond Validating Act.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 21-09-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-09-05. APPLICATION OF CHAPTER. The provisions of this chapter relating to validation ~~shall--be--applicable~~ apply to all bonds issued and proceedings taken by any public body prior to July 1, ~~1975~~ 1981.

SECTION 2. REPEAL. Sections 1-07-07, 1-07-09, 1-07-10, 1-07-11, 1-07-12, 1-07-13, 1-07-14, chapter 21-08, and sections 21-09-01 and 40-24-24 of the North Dakota Century Code are hereby repealed.

Approved March 6, 1981