

# November 5, 2024 ND Ballot Measure Summaries

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# **Constitutional Measure No. 1**

If approved, the measure would replace outdated terminology related to public institutions in North Dakota. A Yes vote would make these updates to our state constitution:

- "The school for the deaf and dumb" in Devils Lake would be changed to "the school for the deaf and hard of hearing."
- "A state hospital for the insane" in Jamestown would be changed to "a state hospital for the care of individuals with mental illness."
- "An "institution for the feebleminded" in Grafton would be changed to "a facility for individuals with developmental disabilities."

**A Yes vote means** you support the above updates to the state Constitution related to public institutions in North Dakota.

A No vote means you don't want to change the existing language in our constitution.

Full text of the measure can be found here: Constitutional Measure 1

A constitutional measure is a change to the state's constitution proposed by the North Dakota Legislature that is brought to citizens for consideration on the ballot. A constitutional measure must have a simple majority vote of the North Dakota Legislature to be placed on the ballot. <u>Senate Concurrent Resolution (SCR) 4001</u> passed in the 2023 legislative session to place this measure on the ballot.

#### **OFFICIAL BALLOT LANGUAGE:**

This constitutional measure would amend and reenact sections 12 and 13 of article IX of the Constitution of North Dakota, relating to the replacement of outdated terminology describing public institutions of the state. The amended sections are summarized as follows: the "school for the deaf and dumb of North Dakota" is changed to the "school for the deaf and hard of hearing"; a "state hospital for the insane" is changed to a "state hospital for the care of individuals with mental illness"; an "institution for the feebleminded" is changed to a "facility for individuals with



developmental disabilities"; and a "state hospital for the mentally ill" is changed to a "state hospital for the care of individuals with mental illness."

The estimated fiscal impact of this measure is none.

**Yes** – Means you approve the measure as summarized above. **No** – Means you reject the measure as summarized above.

(SCROLL DOWN FOR MEASURE 2)



## **Constitutional Measure No. 2**

If approved, the measure would change the process for citizen-initiated constitutional ballot measures. Approving Constitutional Measure 2 would make these changes:

- Approval in Two Elections: A citizen-initiated ballot measure would need to be approved by voters in two elections to be enacted. The measure would first be placed on the state primary ballot for voters to consider. If it passed by a majority vote in the primary, it would move on to the general election ballot. Only if it were approved by a majority of voters in both elections, would it become law.
- Single Subject Requirement: A citizen-initiated ballot measure would be limited to a single subject. The North Dakota Secretary of State would decide if a measure had only one subject.
- Signature Requirement Increase: It would increase the number of signatures needed to place a citizen-initiated constitutional measure on the ballot, changing it from 4% to 5% of the population. For a dive into the numbers: In 2024, 31,164 signatures were needed to place an initiated constitutional measure on the ballot, but if it were increased to 5%, the requirement would have been 38,955 signatures.
- Petition Circulators and Signers: It would add the word "qualified" before the word "electors" to state that those circulating or signing a petition must be "qualified" electors. A qualified elector in North Dakota means someone is a US citizen, at least 18 years old, a ND resident, and a resident in the precinct at least 30 days preceding any election. It would also add that those signing the petition must use a residential address, not a PO Box. Currently, it's required by state law that petition signers print their "complete residential address or rural route or general delivery address," and this language is listed on all ballot initiative petitions.

**A Yes vote means** you support the above updates to the citizen-initiated constitutional ballot measure process.

**A No vote means** you don't want to change the existing process for citizen-initiated constitutional measures. Currently, there is no single subject requirement; signature requirements are set at 4% of the population; and voters need to approve citizen-initiative constitutional ballot measures in just one election - either the state primary or the general election.

Full text of the measure can be found here: Constitutional Measure 2

**Unfamiliar with ballot measures?** The secretary of state has <u>a video explainer</u> on how they work.



A constitutional measure is a change to the state's constitution proposed by the North Dakota Legislature that is brought to citizens for consideration on the ballot. A constitutional measure must have a simple majority vote of the North Dakota Legislature to be placed on the ballot. <u>Senate Concurrent Resolution (SCR) 4013</u> passed in the 2023 legislative session to place this measure on the ballot.

#### **OFFICIAL BALLOT LANGUAGE**

This constitutional measure would amend and reenact sections 2, 3, 4, and 9 of article III of the Constitution of North Dakota, relating to initiated constitutional amendments. The proposed amendments would require both constitutional and non-constitutional initiated measures to be limited to one subject as determined by the Secretary of State, who may not approve the initiated petition if it comprises more than one subject; require that measure sponsors be qualified electors; require that only qualified electors may circulate a petition; require petition signers to provide a complete residential address; and increase the number of signatures required to place a constitutional initiated measure on the ballot from four percent to five percent of the North Dakota resident population. Additionally, the proposed amendments would require that constitutional initiated measures approved by the Secretary of State be voted upon by the voters at the next primary election and, if approved by a majority of the voters, voted upon at the primary or general election, the measure is deemed failed.

The estimated fiscal impact of this measure is none.

**Yes** – Means you approve the measure as summarized above. **No** – Means you reject the measure as summarized above.

(SCROLL DOWN FOR MEASURE 3)



## **Constitutional Measure No. 3**

If approved, the measure would make changes related to spending and transfers from the Legacy Fund, such as decreasing the amount of money the North Dakota Legislature could spend from the fund's principal in their 2-year budget.

The Legacy Fund was created through a legislatively-referred constitutional ballot measure approved by North Dakota voters in 2010. It's a rainy day fund to save a portion of oil and gas revenue for the future. Thirty percent of the taxes on petroleum produced and extracted in North Dakota are transferred to the Legacy Fund monthly, and the fund value as of May 31, 2024 is more than \$10.5 billion.

Approving Constitutional Measure 3 would make these changes:

- **Spending the Fund:** It would decrease the amount of the principal the Legislature could spend in a biennium (2-year period). Only 5% of the principal could be spent every two years instead of 15%.
- **Legacy Fund Principal:** Transfers into the Legacy Fund by the Legislature and any earnings accrued prior to July 1, 2017 would be considered the fund's principal, or the amount invested in the fund. Currently, the constitution states that the Legislature may transfer funds into the Legacy fund that become part of the principal, but it doesn't mention earnings accrued being part of the principal.
- **Investing the Fund:** It would change the language of investment, so that the state investment board would invest the "moneys" in the Legacy Fund, instead of the "principal" of the fund.
- **Distributing the Fund:** The state treasurer would make a distribution from the Legacy Fund to a legacy earnings fund on July 1st of every odd-numbered year and may not spend any of the principal when doing so. Currently, the state treasurer transfers earnings to the state's general fund every 2 years.

**A Yes vote means** you support the above updates to the Legacy Fund spending and transfer process.

A No vote means you don't want to change the existing process.

Full text of the measure can be found here: Constitutional Measure 3

A constitutional measure is a change to the state's constitution proposed by the North Dakota Legislature that is brought to citizens for consideration on the ballot. A constitutional measure must have a simple majority vote of the North Dakota Legislature to be placed on the ballot. <u>House Concurrent Resolution (HCR) 3033</u> passed in the 2023 legislative session to place this measure on the ballot.



#### **OFFICIAL BALLOT LANGUAGE**

This constitutional measure would amend and reenact section 26 of article X of the Constitution of North Dakota, relating to spending and transfers from the legacy fund. The measure intends to decrease the amount of principal available for spending each biennium and clarify the distributions from the legacy fund. The proposed amendments would require transfers and earnings accruing prior to July 1, 2017 to be deemed as the principal of the legacy fund; reduce the amount of the principal of the legacy fund available to be expended during a biennium from fifteen percent to five percent; require the state investment board to invest the moneys in the legacy fund, not limited to the principal; and on July first of odd-numbered years, require the state treasurer to make a distribution of the legacy fund earnings into a legacy earnings fund.

The estimated fiscal impact of this measure is none.

**Yes** – Means you approve the measure as summarized above. **No** – Means you reject the measure as summarized above.

(SCROLL DOWN FOR MEASURE 4)



### **Initiated Constitutional Measure No. 4**

If approved, local governments wouldn't be allowed to levy, or charge, property taxes based on the assessed property value of property within their limits. This is how local governments currently raise revenue to pay for a portion of their budget. The only exception would be for the payment of bonded indebtedness incurred by early December 2024.

The state would be required to replace the property tax revenue by making payments yearly to the local governments in the amount levied on property tax in the 2024 calendar year. The State Tax Commissioner's projected fiscal impact of the measure is an estimated \$3.15 billion increase in the state's biennial (2-year) expenditures beginning in 2025.

In addition to addressing property taxes, the measure would decrease how much debt a local government could hold:

- Currently, a local government's debt cannot exceed 5% of the taxable property value within its limits, and this measure would decrease it to 2-1/2%.
- Currently, the voters in an incorporated city can approve by a <sup>2</sup>/<sub>3</sub> vote to increase the debt of the city by 3% of the taxable property value, and this measure would decrease it to 1-<sup>1</sup>/<sub>2</sub>%.
- Currently, the voters in a school district can approve by a majority vote to increase the district's debt by 5% of the taxable property value, and this measure would decrease it to 2-1/2%.
- Currently, a local government can hold an additional 4% debt for water projects, and this measure would decrease it to 2%.

Finally, under this measure, a local government would not be able to issue a general obligation bond paid for by property taxes on or after January 1, 2025.

**A Yes vote means** you support eliminating the ability of local governments to levy, or charge, property taxes on the assessed property value, and you support decreasing the amount of debt a local government can hold.

**A No vote means** you support keeping the current process where local governments can levy, or charge, property taxes based on the assessed property value.

Property taxes in North Dakota are based on each property's assessed value. The amount of property taxes levied (charged to property owners) are determined when the local political bodies, like the city, county, and school district, set their budgets. The budgets determine how much revenue needs to come from property taxes. Property tax revenue goes toward funding local governments, like cities & towns, counties, school districts, and park districts.



Full text of the measure can be found here: Initiated Measure 4

This is a citizen-initiated ballot measure, which reaches the ballot through a process of signature collection. When enough North Dakota voters sign the petition, the measure goes on the ballot for a statewide vote. This is a constitutional ballot measure, so if it's approved by a majority of voters in the November 5, 2024 election, it would make these changes to our state constitution.

#### **OFFICIAL BALLOT LANGUAGE**

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 the assessed value of real or personal property, except for the payment of bonded indebtedness incurred through a certain date, and would require the state to provide replacement payments to political subdivisions of no less than the current real property tax levies. 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; however, by a vote, an incorporated city could increase its indebtedness to four percent and a school district could increase its indebtedness to five percent. It would allow an incorporated 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.

The <u>estimated fiscal impact</u> of this measure is \$3.15 billion increase in biennial expenditures to the state beginning in the 2025-2027 biennium.

**Yes** – Means you approve the measure as summarized above. **No** – Means you reject the measure as summarized above.

(SCROLL DOWN FOR MEASURE 5)



# **Initiated Statutory Measure No. 5**

If approved, the measure would legalize recreational marijuana, or cannabis, in North Dakota. The measure would make it legal for adults ages 21 and older to produce, process, sell, and use cannabis and would appoint a state body to regulate cannabis-related businesses in North Dakota.

**Cannabis Businesses:** The measure would allow for up to 7 cannabis manufacturing facilities and 18 dispensaries in North Dakota and outlines a process for registration and regulation of cannabis businesses, including that they are not to be located within 1,000 feet of a school.

**Personal Use:** The measure sets a maximum amount of cannabis products an adult age 21 and older could purchase in a single transaction and would allow an adult age 21 and older to grow up to 3 cannabis plants on their private property. Cannabis consumers would not be able to use or consume cannabis products in a public place, on the grounds of a cannabis business, or in a motor vehicle, and they would be prohibited from driving under the influence of cannabis.

**A Yes vote means** you support legalizing recreational cannabis in North Dakota for adults ages 21 and older.

**A No vote means** you do not support legalizing recreational cannabis in North Dakota. Currently, recreational cannabis is illegal in North Dakota, while medical cannabis is legal for adults ages 19 and older with specific medical conditions who register with the state's Medical Marijuana Program.

In 2019, the North Dakota Legislature decriminalized possession of up to 0.5 ounces of cannabis, which means the penalty wouldn't include jail or prison time but still carries a maximum penalty of a \$1,000 fine.

The following are some of the current penalties related to recreational cannabis use: Possession of marijuana has three levels based on the amount possessed: A person in possession of (a) Less than one-half ounce is guilty of an infraction. (b) At least one-half ounce but not more than 500 grams of marijuana is guilty of a class B misdemeanor. (c) More than 500 grams of marijuana is guilty of a class A misdemeanor. Delivery of marijuana in any amount is a class C felony.

Full text of the measure can be found here: Initiated Measure 5

This is a citizen-initiated ballot measure, which reaches the ballot through a process of signature collection. When enough North Dakota voters sign the petition, the measure goes on the ballot for a statewide vote. This is a statutory ballot measure, so if it's approved by a majority of voters in the November 5, 2024 election, it would make changes to our state laws, also known as the North Dakota Century Code.



#### **OFFICIAL BALLOT LANGUAGE**

The initiated measure would create a new chapter of the North Dakota Century Code. It would allow for the production, processing, and sale of cannabis and the possession and use of various forms of cannabis by individuals who are 21 years of age and older; direct a state entity to regulate and register adult use cannabis production businesses, dispensaries, and their agents; provide protections for individuals who are 21 years of age or older who use cannabis; provide penalties for violations of the chapter; preserve certain employer rights regarding use of cannabis products by employees; supersede local ordinances that otherwise would prohibit the purchase, sale, use, delivery, or growing of cannabis by or to individuals 21 years of age or older; and provide that fees must be appropriated for administration of this chapter.

The <u>estimated fiscal impact</u> of this measure includes revenues of \$10,227,600, expenses of \$8,324,275, and an undetermined amount of additional costs associated with behavioral health and social impacts for the 2025-2027 biennium.

**Yes** – Means you approve the measure as summarized above. **No** – Means you reject the measure as summarized above.