

Introduced by

Representatives Johnston, Becker, Paur, Pyle, Satrom

1 A concurrent resolution to amend and reenact section 2 of article IX of the Constitution of North  
2 Dakota, relating to the deposit of funds obtained through asset forfeiture into the common  
3 schools trust fund.

4 **STATEMENT OF INTENT**

5 This measure would require funds obtained by asset forfeiture to be faithfully used and applied  
6 each year for the benefit of the common schools of the state.

7 **BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE**  
8 **SENATE CONCURRING THEREIN:**

9 That the following amendment to section 2 of article IX of the Constitution of North Dakota  
10 is agreed to and must be submitted to the qualified electors of North Dakota at the general  
11 election to be held in 2020, in accordance with section 16 of article IV of the Constitution of  
12 North Dakota.

13 **SECTION 1. AMENDMENT.** Section 2 of article IX of the Constitution of North Dakota is  
14 amended and reenacted as follows:

15 **Section 2.** Distributions from the common schools trust fund, together with the net  
16 proceeds of all fines for violation of state laws, all funds obtained through asset forfeiture, and  
17 all other sums which may be added by law, must be faithfully used and applied each year for  
18 the benefit of the common schools of the state and no part of the fund must ever be diverted,  
19 even temporarily, from this purpose or used for any purpose other than the maintenance of  
20 common schools as provided by law. Distributions from an educational or charitable institution's  
21 trust fund must be faithfully used and applied each year for the benefit of the institution and no  
22 part of the fund may ever be diverted, even temporarily, from this purpose or used for any  
23 purpose other than the maintenance of the institution, as provided by law.

24 For the biennium during which this amendment takes effect, distributions from the perpetual  
25 trust funds must be the greater of the amount distributed in the preceding biennium or ten

1 percent of the five-year average value of trust assets, excluding the value of lands and  
2 minerals. Thereafter, biennial distributions from the perpetual trust funds must be ten percent of  
3 the five-year average value of trust assets, excluding the value of lands and minerals. The  
4 average value of trust assets is determined by using the assets' ending value for the fiscal year  
5 that ends one year before the beginning of the biennium and the assets' ending value for the  
6 four preceding fiscal years. Equal amounts must be distributed during each year of the  
7 biennium.