

Introduced by

Senators Hogue, Stenehjem, Christmann

Representatives Carlson, Grande, Vigesaa

1 A BILL for an Act to amend and reenact sections 21-10-01, 21-10-04, and 21-10-06 of the North
2 Dakota Century Code, relating to the membership of the state investment board and
3 management of the legacy fund.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 21-10-01 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **21-10-01. State investment board - Membership - Term - Compensation - Advisory**
8 **council.**

9 1. ~~The~~Except as provided in subsection 2, the North Dakota state investment board
10 consists of the governor, the state treasurer, the commissioner of university and school
11 lands, the director of workforce safety and insurance, the insurance commissioner,
12 three members of the teachers' fund for retirement board or the board's designees
13 who need not be members of the fund as selected by that board, two of the elected
14 members of the public employees retirement system board as selected by that board,
15 and one member of the public employees retirement system board as selected by that
16 board. The director of workforce safety and insurance may appoint a designee, subject
17 to approval by the workforce safety and insurance board of directors, to attend the
18 meetings, participate, and vote when the director is unable to attend. The teachers'
19 fund for retirement board may appoint an alternate designee with full voting privileges
20 to attend meetings of the state investment board when a selected member is unable to
21 attend. The public employees retirement system board may appoint an alternate
22 designee with full voting privileges from the public employees retirement system board
23 to attend meetings of the state investment board when a selected member is unable to
24 attend. The members of the state investment board, except elected and appointed

1 officials and the director of workforce safety and insurance or the director's designee,
2 are entitled to receive as compensation sixty-two dollars and fifty cents per day and
3 necessary mileage and travel expenses as provided in sections 44-08-04 and
4 54-06-09 for attending meetings of the state investment board.

5 2. a. For purposes of management of the budget stabilization fund and the legacy
6 fund, the state investment board consists of:

7 (1) The governor;

8 (2) The state treasurer;

9 (3) The insurance commissioner;

10 (4) Two members of the senate, appointed by the senate majority leader, who
11 shall serve as nonvoting members of the board; and

12 (5) Two members of the house of representatives, appointed by the house
13 majority leader, who shall serve as nonvoting members of the board.

14 b. The members of the board under this subsection shall select from among
15 themselves one member to serve as chairman for the purposes of this
16 subsection.

17 c. The members of the state investment board who are appointed by the senate
18 majority leader and the house majority leader are entitled to compensation as
19 provided under subsection 1 of section 54-35-10 for each day spent in attending
20 meetings of the board and necessary lodging and travel expenses as provided in
21 sections 44-08-04 and 54-06-09.

22 d. The state investment board as constituted under this subsection is solely
23 responsible for the management of the budget stabilization fund and the legacy
24 fund.

25 3. The state investment board may establish an advisory council composed of individuals
26 who are experienced and knowledgeable in the field of investments. The state
27 investment board shall determine the responsibilities of the advisory council. Members
28 of the advisory council are entitled to receive the same compensation as provided the
29 members of the advisory board of the Bank of North Dakota and necessary mileage
30 and travel expenses as provided in sections 44-08-04 and 54-06-09.

1 **SECTION 2. AMENDMENT.** Section 21-10-04 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **21-10-04. Board - Meetings.**

4 The state investment board shall select one of its members to serve as chair, one to serve
5 as vice chair, and shall meet at the call of the chair, ~~investment director~~, or upon written notice
6 signed by two members of the board.

7 **SECTION 3. AMENDMENT.** Section 21-10-06 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **21-10-06. Funds under management of board - Accounts.**

10 The

11 1. Subject to the provisions of section 21-10-01, the board is charged with the investment
12 of the following funds:

- 13 4.a. State bonding fund.
- 14 2.b. Teachers' fund for retirement.
- 15 3.c. State fire and tornado fund.
- 16 4.d. Workforce safety and insurance fund.
- 17 5.e. National guard tuition trust fund.
- 18 6.f. Public employees retirement system.
- 19 7.g. Insurance regulatory trust fund.
- 20 8.h. State risk management fund.
- 21 9.i. Budget stabilization fund.
- 22 10.j. Health care trust fund.
- 23 11.k. Cultural endowment fund.
- 24 12.l. Petroleum tank release compensation fund.

25 m. Legacy fund.

26 2. Separate accounting must be maintained for each of the ~~above~~ funds listed in
27 subsection 1. When it is deemed advantageous~~Except for the budget stabilization fund~~
28 and the legacy fund, the moneys of the individual funds may be commingled for
29 investment purposes when determined advantageous.

30 3. The state investment board may provide investment services to, and manage the
31 money of, any agency, institution, or political subdivision of the state, subject to

1 agreement with the industrial commission. The scope of services to be provided by the
2 state investment board to the agency, institution, or political subdivision must be
3 specified in a written contract. The state investment board may charge a fee for
4 providing investment services and any revenue collected must be deposited in the
5 state retirement and investment fund.