

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED SENATE BILL NO. 2302**

Introduced by

Senators Hogue, Stenehjem, Christmann

Representatives Carlson, Grande, Vigesaa

1 A BILL for an Act to create and enact a new section to chapter 21-10 of the North Dakota
2 Century Code, relating to the legacy and budget stabilization fund advisory board; to amend
3 and reenact sections 21-10-04 and 21-10-06 of the North Dakota Century Code, relating to
4 meetings of the state investment board and management of the legacy fund; and to declare an
5 emergency.

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

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

9 **21-10-04. Board - Meetings.**

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

13 **SECTION 2. AMENDMENT.** Section 21-10-06 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **21-10-06. Funds under management of board - Accounts.**

16 The

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

19 4.a. State bonding fund.

20 2.b. Teachers' fund for retirement.

21 3.c. State fire and tornado fund.

22 4.d. Workforce safety and insurance fund.

23 5.e. National guard tuition trust fund.

24 6.f. Public employees retirement system.

- 1 7-g. Insurance regulatory trust fund.
2 8-h. State risk management fund.
3 9-i. Budget stabilization fund.
4 10-j. Health care trust fund.
5 11-k. Cultural endowment fund.
6 12-l. Petroleum tank release compensation fund.
7 m. Legacy fund.

8 2. Separate accounting must be maintained for each of the above funds listed in
9 subsection 1. When it is deemed advantageous, theThe moneys of the individual
10 funds may be commingled for investment purposes when determined advantageous.

11 3. The state investment board may provide investment services to, and manage the
12 money of, any agency, institution, or political subdivision of the state, subject to
13 agreement with the industrial commission. The scope of services to be provided by the
14 state investment board to the agency, institution, or political subdivision must be
15 specified in a written contract. The state investment board may charge a fee for
16 providing investment services and any revenue collected must be deposited in the
17 state retirement and investment fund.

18 **SECTION 3.** A new section to chapter 21-10 of the North Dakota Century Code is created
19 and enacted as follows:

20 **Legacy and budget stabilization fund advisory board.**

21 The legacy and budget stabilization fund advisory board is created to develop
22 recommendations for the investment of funds in the legacy fund and the budget stabilization
23 fund to present to the state investment board. The goal of investment for the legacy fund is
24 principal preservation while maximizing total return. The board consists of two members of the
25 senate appointed by the senate majority leader, two members of the house of representatives
26 appointed by the house majority leader, the director of the office of management and budget or
27 designee, the president of the Bank of North Dakota or designee, and the tax commissioner or
28 designee. The board shall select a chairman and must meet at the call of the chairman. The
29 board shall report at least semiannually to the budget section. Legislative members are entitled
30 to receive compensation and expense reimbursement as provided under section 54-03-20 and
31 reimbursement for mileage as provided by law for state officers. The legislative council shall pay

1 the compensation and expense reimbursement for the legislative members. The legislative
2 council shall provide staff services to the legacy and budget stabilization fund advisory board.
3 The staff and consultants of the state retirement and investment office shall advise the board in
4 developing asset allocation and investment policies.

5 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.