

# EDUCATION

## CHAPTER 133

### SENATE BILL NO. 2081

(Government and Veterans Affairs Committee)  
(At the request of the Department of Trust Lands)

AN ACT to amend and reenact section 15-03-16 of the North Dakota Century Code, relating to a continuing appropriation for investments controlled by the board of university and school lands.

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

**SECTION 1. AMENDMENT.** Section 15-03-16 of the North Dakota Century Code is amended and reenacted as follows:

#### **15-03-16. Continuing appropriation for investments.**

There is appropriated annually the amounts necessary to pay costs related to investments controlled by the board of university and school lands, including investment management fees, trustee fees, consulting fees, custodial fees, and the cost of capitalized performance measurement fees; expenses associated with money manager searches and onsite audits and reviews of investment managers; expenses associated with building repairs, maintenance, and renovations as approved by the board; and payments in lieu of taxes for the building and grounds. Each payment must be made from the trust fund for which the investment is made cost was incurred.

Approved March 28, 2019

Filed March 29, 2019

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## CHAPTER 134

### SENATE BILL NO. 2082

(Agriculture Committee)

(At the request of the Department of Trust Lands)

AN ACT to repeal sections 15-04-02 and 15-04-04 of the North Dakota Century Code, relating to cultivated lands for summer fallow.

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

**SECTION 1. REPEAL.** Sections 15-04-02 and 15-04-04 of the North Dakota Century Code are repealed.

Approved March 19, 2019

Filed March 20, 2019

## CHAPTER 135

### HOUSE BILL NO. 1120

(Representatives Lefor, Schatz, Steiner)  
(Senators Elkin, Wardner)

AN ACT to authorize the state board of higher education to convey the arts building at Dickinson state university; and to declare an emergency.

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

**SECTION 1. TRANSFER OF LAND AUTHORIZED - DICKINSON STATE UNIVERSITY ARTS BUILDING.** The state of North Dakota, by and through the state board of higher education, may convey certain real property known as the arts building, 1031 west villard street, lots 6 through 14, block 26, in the records of the city of Dickinson, if determined appropriate by the state board of higher education. If any of the real property authorized to be conveyed under this section is conveyed, the terms of the conveyance must be determined by the state board of higher education or a designee of the board and must include repayment of the investment in improvements to the building made by the current lessee. The amount of the investment must be determined by comparing the appraised value of the building before the improvements were made and the appraised value of the building after the improvements were made. Sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this Act.

**SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.

Approved March 14, 2019

Filed March 14, 2019

## CHAPTER 136

### HOUSE BILL NO. 1171

(Representatives Grueneich, Blum, Dockter, Headland, Howe, Mitskog, Pollert,  
Satrom)  
(Senators Cook, Wanzek)

AN ACT to create and enact two new sections to chapter 15-10 of the North Dakota Century Code, relating to the development and implementation of a skilled workforce student loan repayment program and a skilled workforce scholarship program; to provide continuing appropriations; to provide for transfers; to provide for reports to the legislative management; and to declare an emergency.

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

**SECTION 1.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report.**

1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants.
2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. The state board of higher education and the North Dakota workforce development council shall compile a list of qualifying educational programs annually. Qualifying educational programs must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.
5. Graduates of qualifying educational programs from institutions or entities in this state may apply for the skilled workforce student loan repayment program.

- To be eligible to receive student loan repayment grants under the program, the applicant:
- a. Must have successfully completed a qualifying educational program from an eligible institution of higher education;
  - b. Must have a student loan with the Bank of North Dakota or other participating lender;
  - c. Following completion of a qualifying educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and
  - d. Must have met and shall continue to meet any requirements established by rule.
6. The state board of higher education shall adopt rules to ensure compliance with residency and occupation requirements after completion of the qualifying educational program.
  7. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.
  8. If an individual is receiving loan forgiveness under any other provision, the individual may not receive a student loan repayment grant under this section during the same application year. An individual who received a skilled workforce scholarship under section 2 of this Act is not eligible for loan forgiveness under this section.
  9. The skilled workforce student loan repayment program must be a joint public and private effort. The state board of higher education shall provide one dollar of funding for each one dollar of funding raised from the private sector. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.
  10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:
    - a. The eligible high-demand professional and technical skills and emerging occupations;
    - b. The qualifying educational programs;
    - c. The number of applicants, eligible applicants, and applicants receiving awards;
    - d. The amount of private funding raised; and

- e. The average and total amounts awarded under the program.

**SECTION 2.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report.**

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, and tribally controlled community colleges.
2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. Qualifying educational programs must be able to be completed within four semesters or six quarters and must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.
5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive more than seventeen thousand dollars in total under this section.
6. To be eligible for a scholarship under this section, a student must be enrolled full time in an eligible program and maintain a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.
7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.

8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain a 2.5 cumulative grade point average while enrolled, discontinues attendance before the completion of any semester or quarter for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.
9. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.
10. The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state. Any matching funds received must be deposited in the skilled workforce scholarship fund.
11. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:
  - a. The eligible high-demand professional and technical skills and emerging occupations;
  - b. The qualifying educational programs;
  - c. The number of applicants, eligible applicants, and applicants receiving awards;
  - d. The amount of private funding raised; and
  - e. The average and total amounts awarded under the program.

**SECTION 3. TRANSFER - BANK OF NORTH DAKOTA - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The Bank of North Dakota shall transfer the sum of \$3,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the skilled workforce student loan repayment program fund during the period beginning with the effective date of this Act, and ending June 30, 2021.

**SECTION 4. TRANSFER - BANK OF NORTH DAKOTA - SKILLED WORKFORCE SCHOLARSHIP FUND.** The Bank of North Dakota shall transfer the sum of \$3,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the skilled workforce scholarship fund during the period beginning with the effective date of this Act, and ending June 30, 2021.

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

Approved April 25, 2019

Filed April 26, 2019

## CHAPTER 137

### SENATE BILL NO. 2147

(Senators Erbele, Klein, Luick)  
(Representatives Fisher, Headland, Trottier)

AN ACT to amend and reenact section 15-10-43 of the North Dakota Century Code, relating to admission committee members for the veterinary medical education program.

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

**SECTION 1. AMENDMENT.** Section 15-10-43 of the North Dakota Century Code is amended and reenacted as follows:

#### **15-10-43. Veterinary medical education program - Kansas state university - Contract.**

1. In addition to any contracts under section 15-10-28.2, the state board of higher education may contract with Kansas state university to provide an opportunity for up to five eligible students to enroll in the veterinary medical education program at Kansas state university.
2. Eligible students must be residents of this state and must have been selected for enrollment by an admissions committee consisting of one faculty member ~~from the department of veterinary and microbiological sciences~~ appointed by the vice president for agricultural affairs at North Dakota state university, one veterinarian practicing in this state, one member of the legislative assembly, and one livestock producer, all of whom must be appointed by the legislative management, and the chairman of the admissions committee at the Kansas state university school of veterinary medicine. The legislative management and the chairman of the admissions committee at the Kansas state university school of veterinary medicine may select an alternative for each of the designated positions to serve as necessary.
3. The admissions committee shall determine the criteria to be used in the selection of eligible students, with eligible students interested in large animal veterinary medicine receiving a priority.

Approved March 19, 2019

Filed March 20, 2019



## CHAPTER 138

### SENATE BILL NO. 2320

(Senators Holmberg, Davison)

(Representatives Becker, K. Koppelman, Mock, Schreiber-Beck)

AN ACT to create and enact chapter 15-10.4 of the North Dakota Century Code, relating to free speech at institutions under the control of the state board of higher education.

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

**SECTION 1.** Chapter 15-10.4 of the North Dakota Century Code is created and enacted as follows:

##### **15-10.4-01. Definitions.**

As used in this chapter:

1. "Constitutional time, place, and manner restrictions" means restrictions on the time, place, and manner of free speech which do not violate the First Amendment to the United States Constitution or section 4 of article I of the Constitution of North Dakota and which are reasonable, content- and viewpoint-neutral, and narrowly tailored to satisfy a significant institutional interest, and leave open alternative channels for the communication of the information or message.
2. "Faculty" means an individual, regardless of whether the individual is compensated by an institution, and regardless of political affiliation, who is tasked with providing scholarship, academic research, or teaching, including tenured and nontenured professors, adjunct professors, visiting professors, lecturers, graduate student instructors, and those in comparable positions. "Faculty" does not mean an individual whose primary responsibilities are administrative or managerial, unless the individual also teaches at least one credit-hour.
3. "Free speech" means speech, expression, and assemblies protected by the First Amendment to the United States Constitution or section 4 of article I of the Constitution of North Dakota, including all forms of peaceful assembly, protests, demonstrations, rallies, vigils, marches, public speaking, distribution of printed materials, carrying signs, displays, or circulating petitions. "Free speech" does not include the promotion, sale, or distribution of a product or service, unless the promotion, sale, or distribution of the product or service is incidental to the exercise of free speech.
4. "Institution" means an institution under the control of the state board of higher education.
5. "Student" means an individual enrolled in at least one course offered by an institution.

6. "Student organization" means an officially recognized organization at an institution, or an organization seeking official recognition, comprised of admitted students receiving or are seeking to receive benefits through the institution.

**15-10.4-02. Adoption of campus free speech policy.**

By August 27, 2019, the state board of higher education and each institution shall adopt a policy that:

1. Protects students' rights to free speech, assembly, and expression;
2. Permits institutions to establish and enforce reasonable and constitutional time, place, and manner restrictions on free speech, assembly, and expression;
3. Permits students, faculty, or student organizations to invite guest speakers or groups to present regardless of the viewpoint or content of the anticipated speech of the guest speaker or group; and
4. Protects the academic freedom and free speech rights of faculty while adhering to guidelines established by the American association of university professors.

Upon adoption of the policies under this section, the state board of higher education shall provide a copy of the policies to the legislative management.

Approved April 15, 2019

Filed April 15, 2019

## CHAPTER 139

### SENATE BILL NO. 2249

(Senators Holmberg, Bekkedahl, Meyer)  
(Representatives Mock, J. Nelson, Porter)

AN ACT to create and enact sections 15-11-40 and 57-51.1-07.9 of the North Dakota Century Code, relating to the state energy research center and the state energy research center fund; to provide a continuing appropriation; to provide a report; and to provide an expiration date.

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

**SECTION 1.** Section 15-11-40 of the North Dakota Century Code is created and enacted as follows:

##### **15-11-40. State energy research center - Report.**

1. The state energy research center at the university of North Dakota energy and environmental research center is created for the purpose of conducting exploratory, transformational, and innovative research that advances future energy opportunities and benefits the state's economy and environment through:
  - a. Exploratory research of technologies and methodologies that facilitate the prudent development, and clean and efficient use, of the state's energy resources;
  - b. Greater access to energy experts for timely scientific and engineering studies to support the state's interests; and
  - c. Education and outreach related to the state's energy resources.
2. The state energy research center shall report all research activities and accomplishments annually to the interim legislative energy development and transmission committee and to the industrial commission. Upon request, the state energy research center shall report all research activities and accomplishments to the appropriations committees of the legislative assembly.
3. To effectuate the purposes of this section, the energy and environmental research center may:
  - a. Select the research topics and projects to be pursued;
  - b. Enter contracts or agreements with other North Dakota institutions of higher education to support select research topics and projects;
  - c. Enter contracts or agreements with federal, private, and nonprofit organizations to carry out selected research topics and projects; and
  - d. Accepting donations, grants, contributions, and gifts from any source to carry out the selected research topics and projects.

4. The state energy research center may not conduct research or pursue projects that will result in the exploration, storage, treatment, or disposal of high-level radioactive waste in North Dakota.

**SECTION 2.** Section 57-51.1-07.9 of the North Dakota Century Code is created and enacted as follows:

**57-51.1-07.9. State energy research center fund - Continuing appropriation.**

The state energy research center fund is a special fund in the state treasury. Before depositing oil and gas gross production tax and oil extraction tax revenues under section 57-51.1-07.5, one percent of the revenues must be deposited monthly into the state energy research center fund, up to five million dollars per biennium. All moneys deposited in the state energy research center fund and interest on all such moneys are appropriated on a continuing basis to the industrial commission for distribution to the state energy research center. The state energy research center shall use the funds in accordance with section 15-11-40.

**SECTION 3. EXPIRATION DATE.** This Act is effective through June 30, 2023, and after that date is ineffective.

Approved April 23, 2019

Filed April 24, 2019

## CHAPTER 140

### SENATE BILL NO. 2164

(Senators Vedaa, Clemens, Kreun, O. Larsen, Osland)  
(Representative Vetter)

AN ACT to create and enact a new section to chapter 15-18.2 of the North Dakota Century Code, relating to contents of tuition and fees statements.

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

**SECTION 1.** A new section to chapter 15-18.2 of the North Dakota Century Code is created and enacted as follows:

##### **Statement of tuition and fees - Contents of statement.**

Each tuition and fee billing statement provided to a student must include information identifying the average dollar amount of state aid per student per semester the institution receives under this chapter.

Approved March 21, 2019

Filed March 22, 2019

## CHAPTER 141

### SENATE BILL NO. 2216

(Senator Schaible)  
(Representative Owens)

AN ACT to create and enact a new section to chapter 15-19 of the North Dakota Century Code, relating to definitions; to amend and reenact sections 15-19-01, 15-19-02, 15-19-02.1, 15-19-06, 15-19-08, and 15-20.1-03 of the North Dakota Century Code, relating to distance education; and to repeal sections 15-19-03 and 15-19-04 of the North Dakota Century Code, relating to authorization of enrollments to the center for distance education by a superintendent of a school and advertising.

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

**SECTION 1. AMENDMENT.** Section 15-19-01 of the North Dakota Century Code is amended and reenacted as follows:

#### **15-19-01. ~~Distance~~North Dakota center for distance education courses - Establishment - Enrollment of students - Courses of instruction.**

The state shall provide ~~distance education~~kindergarten through grade twelve courses, comprehensive educational support, and high school diplomas through the center for distance education under the following provisions:

1. ~~A complete curriculum by distance education which has been specifically determined by prescribed by state-mandated education accreditation entities which meets the requirements for digital education the superintendent of public instruction as proper and suitable for instruction under distance education methods, such determination and approval to be made not less than once in each school year, must be maintained upon the campus of one of the state institutions of higher education has determined to be appropriate.~~
2. ~~Unless specifically excused in writing upon the course application forms by the superintendent or an administrator of the school approving~~may deny the enrollment application, ~~or of a student in that district at the center for distance education except~~ as provided in subsection 5, ~~all students under the age of sixteen taking advantage of the provisions of this chapter must be required to attend their local district schools and to study their distance education lessons under the supervision of a local supervisor. If not required to attend their local schools, their work may be done at a place designated by the state director. If in attendance at a local school, students must be supplied with desk space in their respective school without charge and shall attend school regularly and be under the same disciplinary supervision of the teachers as the other school students.~~
3. The center for distance education may provide services to persons who are not North Dakota residents.
4. ~~Distance~~Center for distance education students shall pay for ~~books and materials used by them, postage required to mail reports to the center, and~~

other fees as may be prescribed by the state ~~director~~board for career and technical education.

5. Students exempt from the compulsory school attendance laws pursuant to subdivision e of subsection 1 of section 15.1-20-02 may enroll in distance education courses offered through the center for distance education. These students may study their center for distance education lessons in their learning environment under the supervision of a parent. ~~The tests for the distance education study must be administered by an individual who is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board and employed either by the public school district in which the parent resides or a state-approved private or nonpublic school.~~

**SECTION 2.** A new section to chapter 15-19 of the North Dakota Century Code is created and enacted as follows:

**Definitions.**

In this chapter, unless the context otherwise requires:

1. "Administration" includes the leadership of the center for distance education.
2. "Board" means the state board for career and technical education.
3. "Center" means the North Dakota center for distance education.
4. "Director" means the director and executive officer of the department of career and technical education.

**SECTION 3. AMENDMENT.** Section 15-19-02 of the North Dakota Century Code is amended and reenacted as follows:

**15-19-02. Administration –~~Director of center~~Center for distance education - Appointment and duties.**

The program of and all activities related to the center for distance education are the responsibility of the center for distance education and under the ~~supervision~~authority of the ~~educational technology council~~state board for career and technical education. ~~The educational technology council shall~~director of the department of career and technical education shall hire a state director of~~administration and staff for the center for distance education who must be classified under the state personnel merit system. The director~~administration of the center shall carry out the director's responsibilities in the~~administration of~~operating the center for distance education in the manner approved by the educational technology councilstate board for career and technical education, under the supervision of the director of the department of career and technical education, and compliant with requirements established by the superintendent of public instruction and the education standards and practices board for public school administrators and teachers. The state board for career and technical education shall administer the responsibilities of the board of a school district relating to the center for distance education.

**SECTION 4. AMENDMENT.** Section 15-19-02.1 of the North Dakota Century Code is amended and reenacted as follows:

**15-19-02.1. Distance education clearinghouse.**

The ~~director of the administration of the~~ center for distance education shall establish a clearinghouse for online courses delivered to North Dakota schools for the purpose of providing:

1. A list of the online courses and providers for all North Dakota schools to access.
2. Awareness of online courses available in new and emerging careers.
3. A list of comparative prices for online courses and other online services.
4. Awareness of the differences between technological innovation and learning innovation.

**SECTION 5. AMENDMENT.** Section 15-19-06 of the North Dakota Century Code is amended and reenacted as follows:

**15-19-06. Special funds - Deposit of collections - Transfers from general fund appropriations.**

1. A special operating fund for the center for distance education must be maintained within the state treasury and all income and fees collected by the center for distance education from any source must be remitted monthly by the director to the state treasurer and credited to the special operating fund. All expenditures from the fund must be within the limits of legislative appropriations and must be made upon vouchers, signed and approved by the ~~technology director appointed by the educational technology council~~ director. Upon approval of the vouchers by the office of the budget, warrant-checks must be prepared by the office of management and budget. ~~The state treasurer shall make periodic transfers upon order of the director of the office of management and budget from the center for distance education general fund appropriation to the special operating fund whenever its balance falls so low as to require supplementation.~~
2. ~~The educational technology council may establish an administrative operational fund, of not to exceed ten thousand dollars, out of the special operating fund for the center for distance education. The administrative operational fund must be deposited in the Bank of North Dakota and may be drawn upon by the state director of the center for distance education for the payment of necessary expenses in the administration and operation of the center for distance education within the limits and rules prescribed by the educational technology council. The director shall submit a full, minute, and itemized statement of every expenditure made during the month to the council in accordance with the rules adopted by the council, and thereafter the council may periodically authorize additional transfers to the administrative operational fund, but the balance in the fund may never exceed ten thousand dollars, and any unencumbered balance at the end of any biennium must revert to the state treasury. The administrative operational fund may not be used to pay salaries or expenses of the director.~~
3. ~~The educational technology council~~ state board for career and technical education may establish an endowment and scholarship fund to provide financial grants to students enrolled in courses offered through the center for distance education. The endowment and scholarship fund may consist only of those funds specifically appropriated by the legislative assembly and property received by the ~~council~~ or the center for distance education as a gift, devise,



or bequest. Any gift, devise, or bequest of property received by the council or center for distance education which is designated by the council state board for career and technical education and donor for the endowment and scholarship fund must be deposited in the scholarship fund at the Bank of North Dakota. The state director of the center for distance education may draw only on the interest earned by the scholarship fund for the award of scholarships within the limits and rules adopted by the educational technology council. The interest earned by the scholarship fund is appropriated to the center for distance education. The center for distance education may draw on the endowment and scholarship fund for the award of endowments and scholarships within the limits and rules adopted by the state board for career and technical education.

**SECTION 6. AMENDMENT.** Section 15-19-08 of the North Dakota Century Code is amended and reenacted as follows:

**15-19-08. Distance education worksupport and services.**

The amount of money appropriated by the legislative assembly for distance education worksupport and services for a biennium, or so much thereof as may be necessary, must be expended first for work provided by distance education as determined by the center for distance education and approved by the state board for career and technical education.

**SECTION 7. AMENDMENT.** Section 15-20.1-03 of the North Dakota Century Code is amended and reenacted as follows:

**15-20.1-03. Powers and duties of state board relating to career and technical education.**

The state board shall have all authority necessary to cooperate with the United States department of education or other department or agency of the United States of America in the administration of acts of Congress relating to career and technical education, including the following powers and duties:

1. To administer any legislation enacted by the legislative assembly of this state pursuant to or in conformity with acts of Congress relating to career and technical education.
2. To administer the funds provided by the federal government and by this state for the promotion of career and technical education and to contract with:
  - a. Any public or private institution or agency, board of trustees of any agricultural and training school, or school district of this state; or
  - b. Any public or private institution or agency, or political subdivision, of another state.
3. To formulate plans for the promotion of career and technical education in such subjects as are an essential and integral part of the public school system of education in this state.
4. To provide for the preparation of teachers.
5. To fix the compensation of such officers and assistants as may be necessary to administer the federal acts and the provisions of this chapter relating to

career and technical education and to pay the same and other necessary expenses of administration from any funds appropriated for such purpose.

6. To make studies and investigations relating to career and technical education.
7. To promote and aid in the establishment of schools, departments, or classes, and to cooperate with local communities in the maintenance of career and technical education schools, departments, or classes.
8. To prescribe the qualifications and provide for the certification of teachers, directors, and supervisors.
9. To cooperate with governing bodies of school districts and with organizations and communities in the maintenance of classes for the preparation of teachers, directors, and supervisors of career and technical education, to maintain classes for such purposes under its own direction and control, and to establish and control, by general regulations, the qualifications to be possessed by persons engaged in the training of career and technical education teachers.
10. To coordinate new and existing farm management programs offered by any state agency or entity.
11. To create and expand marketing clubs as adjuncts to new and existing farm management programs.
12. To administer and supervise the program and all activities of the center for distance education.

**SECTION 8. REPEAL.** Sections 15-19-03 and 15-19-04 of the North Dakota Century Code are repealed.

Approved April 25, 2019

Filed April 26, 2019

## CHAPTER 142

### HOUSE BILL NO. 1044

(Government and Veterans Affairs Committee)  
(At the request of the Teachers' Fund for Retirement)

AN ACT to amend and reenact section 15-39.1-34 of the North Dakota Century Code, relating to Internal Revenue Code compliance.

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

**SECTION 1. AMENDMENT.** Section 15-39.1-34 of the North Dakota Century Code is amended and reenacted as follows:

##### **15-39.1-34. Internal Revenue Code compliance.**

1. The board shall administer the plan in compliance with section 415, section 401(a)(9), section 401(a)(17), and section 401(a)(31) of the Internal Revenue Code, as amended, and regulations adopted pursuant to those provisions as they apply to governmental plans.
2. Pursuant to the rollover rules under section 401(a)(31) of the Internal Revenue Code, a distributee may elect to have an eligible rollover distribution, as defined in section 402(f)(2)(A) of the Internal Revenue Code, paid in a direct rollover to an eligible retirement plan, as defined in section 402(c)(8)(B) of the Internal Revenue Code, specified by the distributee.
  - a. The definition of eligible retirement plan also applies in the case of a distribution to an alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Internal Revenue Code.
  - b. Any portion of a distribution that consists of after-tax employee contributions not included in gross income may not be transferred except to an individual retirement account or individual retirement annuity described in section 408 or 408A of the Internal Revenue Code or to a qualified plan or an annuity contract described in sections 401(a) and 403(b) of the Internal Revenue Code, respectively, which agrees to separately account for such amounts, including separately accounting for the portion of the distribution which is included in gross income and the portion of the distribution which is not so included.
  - c. For purposes of this section, "distributee" includes a nonspouse beneficiary of a deceased member; except in the case of a nonspouse beneficiary, the direct rollover may be made only to an individual retirement account or individual retirement annuity described in section 408 or 408A of the Internal Revenue Code which is established on behalf of the nonspouse beneficiary and will be treated as an inherited individual retirement account or inherited individual retirement annuity pursuant to section 402(c)(11) of the Internal Revenue Code.

Approved March 20, 2019

Filed March 21, 2019

## CHAPTER 143

### SENATE BILL NO. 2202

(Senators Sorvaag, Meyer, Poolman, Robinson)  
(Representatives M. Johnson, Pyle)

AN ACT to amend and reenact section 15-62.4-02 of the North Dakota Century Code, relating to criteria governing the award procedures under the student financial assistance program.

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

**SECTION 1. AMENDMENT.** Section 15-62.4-02 of the North Dakota Century Code is amended and reenacted as follows:

#### **15-62.4-02. Student financial assistance program - Criteria and procedures.**

The state board of higher education shall adopt:

1. Criteria governing the application process;
2. Criteria governing the determination of financial need, which must include consideration of parental contributions to educational expenses, but may not include consideration of other scholarships or grants awarded by other public or private entities when determining the unmet financial need of the student;
3. Criteria governing the selection process; and
4. Procedures for providing fiscal control, fund accounting, and reports.

Approved March 21, 2019

Filed March 22, 2019