

GOVERNMENTAL FINANCE

CHAPTER 247

H. B. No. 151

(Sanstead, Hougen, R. Peterson, Sandness)

BOND AUTHORIZATION FOR SCHOOL DISTRICTS

AN ACT

To amend and reenact section 21-03-07, and to create and enact subsection 6 of section 21-03-07 of the North Dakota Century Code, relating to bond authorization for school district.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 21-03-07 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-03-07. Election Required—Exceptions.) No municipality, and no governing board thereof, except school districts, shall issue bonds without being first authorized to do so by a vote equal to sixty-six and two-thirds percent, in the case of municipalities having a population of less than five thousand, or a vote of sixty percent in the case of municipalities having a population of five thousand or more, of all the qualified voters of such municipality voting upon the question of such issue except:

Section 2.) Subsection 6 of section 21-03-07 of the North Dakota Century Code is hereby created and enacted to read as follows:

6. The school board of any school district may issue bonds of the municipality for the purposes and within the limitations specified by section 21-03-06, subsection 4, upon the authorization of sixty percent of the electors voting upon the question of such issue.

Approved March 29, 1969.

CHAPTER 248

S. B. No. 77
(Longmire)

**PLEDGE OF SECURITIES IN PLACE OF
DEPOSITORY BOND**

AN ACT

To amend and reenact section 21-04-09 of the North Dakota Century Code, relating to the pledge of securities for public deposits.

**Be It Enacted by the Legislative Assembly of the State of
North Dakota:**

Section 1. Amendment.) Section 21-04-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-04-09. Pledge of Security in Place of Depository Bond.) The board of any public corporation may accept from any banking corporation, as security for repayment of deposits, a pledge of securities in lieu of a personal or surety bond. When securities are so pledged to the board of any public corporation, such board shall require security in the amount of one hundred ten dollars for every one hundred dollars of public deposits. Securities which shall be eligible for such pledge shall be bills, notes or bonds issued by the United States government, its agencies or instrumentalities, all bonds and notes guaranteed by the United States government, Federal Land Bank bonds, bonds, notes, warrants, certificates of indebtedness and all other forms of securities issued by the state of North Dakota, its boards, agencies, or instrumentalities, or by any county, city, township, school district, park district or other political subdivision of the state of North Dakota, whether payable from special revenues or supported by the full faith and credit of the issuing body, and bonds issued by any other state of the United States. Such securities may be delivered to and held for safekeeping by any bank or trust company, other than the depository, which the depository and the public corporation may agree upon, which bank or trust company prior thereto has been approved as a custodian for such purpose by the state examiner. Whenever any such securities are so deposited for safekeeping

with any custodian, such custodian shall issue a receipt therefor jointly to the depository and the public corporation.

Any bank pledging such securities, at any time it deems it advisable or desirable, and without the consent of the board of the public corporation, may substitute other eligible securities for all or any part of the securities so pledged. The securities so substituted shall, at the time of such substitution, have a market value at least equal to the market value of the securities released and delivered to the depository.

In the event of such substitution the holder or custodian of the pledged securities shall, on the same day, forward by registered or certified mail to the public corporation and the depository bank a receipt specifically describing and identifying both the securities so substituted and those released and returned to the depository bank.

Approved February 22, 1969.

CHAPTER 249

H. B. No. 146

(Strinden, Froelich, Emerson)

PROPOSALS TO ACT AS DEPOSITORY
OF PUBLIC FUNDS

AN ACT

To amend and reenact sections 21-04-13 and 21-04-14 of the North Dakota Century Code, relating to designation and proposals for deposit of depositories of public funds.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 21-04-13 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-04-13. Board Meetings—Designating Depositories.) The governing board of any public corporation, except the board of supervisors of any township and the school board of any common school district, at its regular meeting in January of each even-numbered year, shall assemble and examine all outstanding bonds and require new bonds whenever necessary in order to comply with the provisions of this chapter. If no regular meeting of the board in January is required by any other law, the board shall assemble for said purpose not later than the third Tuesday in January. At such meeting, the board shall designate depositories of public funds in accordance with the provisions of this chapter.

Section 2. Amendment.) Section 21-04-14 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-04-14. Proposals for Deposit.) A proposal for deposit shall be sealed and delivered to the clerk and shall state in writing what rate of interest will be paid on time deposits, and shall have attached to it a statement showing the financial condition of the bank at that time and as disclosed in the several statements of financial condition made during the last preceding twelve months. The clerk shall lay the proposals before the board at the January meeting. Such proposals shall be opened by the clerk in

the presence of the board and the board, thereupon, shall proceed to designate a depository of public funds under its control.

Approved March 10, 1969.

CHAPTER 250

S.B. No. 167
(Sands, Lips)

BOND VALIDATING ACT

AN ACT

To amend and reenact sections 21-09-01 and 21-09-05 of the North Dakota Century Code, changing the title of "The 1967 Bond Validating Act" to "The 1969 Bond Validating Act", and relating to the application of chapter 21-09 of the North Dakota Century Code to bonds issued and proceedings taken prior to July 1, 1969.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 21-09-01 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-09-01. Citation.) This chapter may be cited as "The 1969 Bond Validating Act".

Section 2. Amendment.) Section 21-09-05 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-09-05. Application of Chapter.) The provisions of chapter 21-09 relating to validation shall be applicable to all bonds issued and proceedings taken by any public body prior to July 1, 1969.

Approved February 25, 1969.