

Fifty-fifth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Monday, the sixth day of January, one thousand nine hundred and ninety-seven

**HOUSE CONCURRENT RESOLUTION NO. 3002
(Legislative Council)
(Budget Committee on Government Finance)**

A concurrent resolution directing the Legislative Council to study the state's investment process as it relates to the state bonding fund and the fire and tornado fund and monitor the performance of all investments of the State Investment Board and the Board of University and School Lands.

WHEREAS, it is beneficial for the state to realize maximum investment returns while minimizing investment risks; and

WHEREAS, the State Investment Board oversees the investment of the fire and tornado fund, which totaled \$16.1 million as of June 30, 1996, and the state bonding fund, which totaled \$3.7 million as of June 30, 1996, along with many other statutory and contracted funds totaling over \$2 billion; and

WHEREAS, the fire and tornado fund and the state bonding fund earned one-year annualized returns as of the June 30, 1996, of 6.45 percent and 6.98 percent, respectively, while other funds administered by the State Investment Board earned one-year annualized returns as of June 30, 1996, ranging from 5.63 percent to 24.7 percent; and

WHEREAS, the mission of the State Investment Board is to prudently invest assets entrusted to it in the best financial interests of each fund's beneficiaries; and

WHEREAS, the objectives of the Retirement and Investment Office include providing the greatest possible long-term benefits by maximizing the total rate of return on investments or maintaining the desired minimum balance in a fund, within prudent risk parameters and appropriate liquidity restraints; and

WHEREAS, the adequacy of the funds is dependent on the investment performance of the funds;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:

That the Legislative Council study the state's investment process as it relates to the state bonding fund and the fire and tornado fund and to monitor the performance of all investments of the State Investment Board and the Board of University and School Lands; and

BE IT FURTHER RESOLVED, that the Legislative Council report its findings and recommendations, together with any legislation required to implement the recommendations, to the Fifty-sixth Legislative Assembly.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

Filed in this office this _____ day of _____, 1997,
at _____ o'clock _____ M.

Secretary of State