

Fifty-fifth
Legislative Assembly
of North Dakota

HOUSE CONCURRENT RESOLUTION NO. 3021

Introduced by

Representative Kretschmar

1 A concurrent resolution to create and enact a new article IX of the Constitution of North Dakota,
2 relating to school and institutional trust funds and the sale of school or institutional lands; to
3 repeal the present article IX of the Constitution of North Dakota, relating to trust lands; and to
4 provide an effective date.

5 **STATEMENT OF INTENT**

6 This amendment creates a new article IX of the Constitution of North Dakota to provide for a
7 trust fund for the benefit of elementary and secondary schools and educational and other public
8 institutions, to provide for the sale or lease of properties held in the trusts, and the safekeeping
9 of the trust funds. The amendment also repeals the present article IX of the Constitution of
10 North Dakota and provides that these changes will take effect on August 1, 1999.

11 **BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE** 12 **SENATE CONCURRING THEREIN:**

13 That the following proposed creation of a new article IX and the repeal of the present
14 article IX of the Constitution of North Dakota are agreed to and must be submitted to the
15 qualified electors of North Dakota at the primary election to be held in 1998, in accordance with
16 section 16 of article IV of the Constitution of North Dakota.

17 **SECTION 1.** A new article IX of the Constitution of North Dakota is created and
18 enacted as follows:

19 **Section 1.** All lands granted by the United States for the support of elementary and
20 secondary public schools of the state, and the proceeds from the sale of those lands, the
21 proceeds of property that falls to the state by escheat and all other property acquired for the
22 schools, except gifts and donations otherwise appropriated or qualified, must be and remain a
23 perpetual trust fund for the maintenance of the elementary and secondary public schools of the
24 state.

1 The principal of this fund must be retained and devoted to the trust purpose. The
2 interest and income of this fund must be used and applied each year for the benefit of the
3 elementary and secondary public schools, apportioned as provided by law.

4 **Section 2.** All lands granted by the United States for the support of educational or other
5 public institutions of the state, and the proceeds from the sale of those lands, must be and
6 remain a perpetual trust fund for the maintenance of each institution, and may be commingled
7 with similar funds for the same institution only, in a manner provided by law. The public
8 institutions that received lands by the Enabling Act of Congress approved on February 22,
9 1889, shall retain those lands, but the trust fund of any institution that the state ceases to
10 operate must be apportioned among other existing educational or public institutions within the
11 provisions of the Enabling Act.

12 The principal of these funds must be retained and devoted to the trust purpose. The
13 interest and income of each institutional trust fund held by the state must be appropriated by the
14 legislative assembly to the exclusive use of the institution to which the fund was allocated.

15 **Section 3.** The legislative assembly shall provide for the sale or lease at public auction
16 of all properties held by the state in the school or other institutional trust funds, except that
17 lands needed for public use may be sold at public sale for their fair market value. No interest in
18 trust lands may be created by adverse possession or by occupation in the nature of adverse
19 possession. In the sale of trust lands, the minerals, including oil, gas, coal, cement materials,
20 sodium sulphate, sand and gravel, road material, building stone, chemical substances, metallic
21 ores, uranium ore, and colloidal or other clays, must be reserved and excepted to the state.
22 Leases may be executed by the state for the extraction and sale of such materials in the
23 manner and upon conditions the legislative assembly may provide. The proceeds of all sales
24 and mineral leases must be credited to the trust fund from which the property was removed for
25 sale purposes. Any trust lands may be exchanged for lands of the United States, or of the state
26 of North Dakota or its political subdivisions, as provided by law.

27 **Section 4.** The legislative assembly shall provide for the investment, safekeeping,
28 transfer, and disbursement of these trust funds.

29 **SECTION 2. REPEAL.** The present article IX of the Constitution of North Dakota is
30 repealed.

- 1 **SECTION 3. EFFECTIVE DATE.** If approved by the voters, this measure becomes
- 2 effective on August 1, 1999.