

**HOUSE BILL NO. 1119**

Introduced by

Education Committee

(At the request of the Board of University and School Lands)

1 A BILL for an Act to create and enact a new chapter to title 15 of the North Dakota Century  
2 Code, relating to establishing the Indian cultural education trust; and to provide a continuing  
3 appropriation.

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

5 **SECTION 1.** A new chapter to title 15 of the North Dakota Century Code is created and  
6 enacted as follows:

7 **Trust establishment.** The Indian cultural education trust is established for the purpose  
8 of generating income to benefit Indian culture.

9 **Powers and duties of board.** The board of university and school lands may accept  
10 and administer any gift, grant, bequest, or devise of land or money, on behalf of the state, for  
11 the purposes of the Indian cultural education trust. The board may refuse to accept any gift,  
12 grant, devise, or bequest that is upon terms or circumstances unacceptable to the board. The  
13 board shall manage all land and money in the trust in the same manner that it manages its  
14 other trust land and money except as is otherwise provided in this chapter, in the donor  
15 agreement, or as may otherwise be required to satisfy the purposes of this chapter.

16 The board, in its sole discretion, may divest any land or money acquired under this  
17 chapter. The donor agreement which placed the land and money into the trust must provide to  
18 whom the land is to be conveyed and money disbursed in the event the board decides to divest  
19 the land or money.

20 **Donation.** A person proposing to donate land or money for the benefit of the trust must  
21 present to the board an application and an executed donor agreement between the donor and  
22 tribal government of a federally recognized Indian tribe located in North Dakota, South Dakota,  
23 Montana, Minnesota, or Wyoming. In accepting the donor agreement, the board is not subject  
24 to the provisions of chapter 54-40.2. The board is not responsible for determining which lands

1 have cultural resource significance or for any site preservation or maintenance measures  
2 deemed necessary by the donor or the affected tribe. The donor agreement must also make  
3 any provision deemed necessary for access to the land by Indians for educational, cultural, or  
4 religious purposes.

5 **Trust management.** The board must be reimbursed from trust proceeds for all  
6 reasonable costs and expenses in managing land and investing trust proceeds. Such  
7 reimbursements are to be placed in the state lands maintenance fund. The net income derived  
8 from the land and money donated to the trust must be used for trust purposes, except the donor  
9 agreement may dedicate a percentage of the net income to trust principal.

10 The lands placed in the trust may be leased by the board only for grazing or haying  
11 purposes.

12 The board may maintain separate accounts in the trust if a donor agreement requires.

13 The donor agreement must designate the tribe entitled to receive trust proceeds. The  
14 net income from each account must be remitted annually to the designated tribe. The  
15 designated tribe is responsible for disbursements of trust proceeds. A dispute over a tribe's use  
16 of the disbursements must be resolved by the government of the designated tribe to which the  
17 disbursement has been made.

18 **Payments in lieu of taxation.** Net income from land and money in the trust must be  
19 used in part to pay to the county where the land is located the same amount that would have  
20 been assessed against the land for real property taxes if the land was privately owned.

21 **Continuing appropriation.** There is appropriated annually the amounts necessary to  
22 pay expenses for lands donated under this chapter and managed by the board of university and  
23 school lands, including survey costs, surface lease refunds, weed and insect control, cleanup  
24 costs, capital improvement rent credits, in lieu of tax payments, or expenses determined by the  
25 board as necessary to manage, preserve, and enhance the value of the trust asset. Each  
26 payment must be made from the trust fund account for which the land is held.