

Sixty-second  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2302**

Introduced by

Senators Hogue, Stenehjem, Christmann

Representatives Carlson, Grande, Vigesaa

1 A BILL for an Act to amend and reenact sections 21-10-01, 21-10-04, and 21-10-06 of the North  
2 Dakota Century Code, relating to the membership of the state investment board and  
3 management of the legacy fund.

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

5 **SECTION 1. AMENDMENT.** Section 21-10-01 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **21-10-01. State investment board - Membership - Term - Compensation - Advisory**  
8 **council.**

9 1. ~~The~~Except as provided in subsection 2, the North Dakota state investment board  
10 consists of the governor, the state treasurer, the commissioner of university and school  
11 lands, the director of workforce safety and insurance, the insurance commissioner,  
12 three members of the teachers' fund for retirement board or the board's designees  
13 who need not be members of the fund as selected by that board, two of the elected  
14 members of the public employees retirement system board as selected by that board,  
15 and one member of the public employees retirement system board as selected by that  
16 board. The director of workforce safety and insurance may appoint a designee, subject  
17 to approval by the workforce safety and insurance board of directors, to attend the  
18 meetings, participate, and vote when the director is unable to attend. The teachers'  
19 fund for retirement board may appoint an alternate designee with full voting privileges  
20 to attend meetings of the state investment board when a selected member is unable to  
21 attend. The public employees retirement system board may appoint an alternate  
22 designee with full voting privileges from the public employees retirement system board  
23 to attend meetings of the state investment board when a selected member is unable to  
24 attend. The members of the state investment board, except elected and appointed

officials and the director of workforce safety and insurance or the director's designee, are entitled to receive as compensation sixty-two dollars and fifty cents per day and necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09 for attending meetings of the state investment board.

2. ~~For the purposes of management of the budget stabilization fund and the legacy fund, the state investment board consists of the governor, the state treasurer, the insurance commissioner, three members of the senate appointed by the senate majority leader, and three members of the house of representatives appointed by the house majority leader. These members shall select from among themselves one member to serve as chairman for the purposes of this subsection. The members of the state investment board who are appointed by the senate majority leader and the house majority leader are entitled to compensation as provided under subsection 1 of section 54-35-10 for each day spent in attending meetings of the board and necessary lodging and travel expenses as provided in sections 44-08-04 and 54-06-09. The state investment board as constituted under this subsection is solely responsible for the management of the budget stabilization fund and the legacy fund.~~

a. For purposes of management of the budget stabilization fund and the legacy fund, the state investment board consists of:

(1) The governor;

(2) The state treasurer;

(3) The insurance commissioner;

(4) Two members of the senate, appointed by the senate majority leader, who shall serve as nonvoting members of the board; and

(5) Two members of the house of representatives, appointed by the house majority leader, who shall serve as nonvoting members of the board.

b. The members of the board under this subsection shall select from among themselves one member to serve as chairman for the purposes of this subsection.

c. The members of the state investment board who are appointed by the senate majority leader and the house majority leader are entitled to compensation as provided under subsection 1 of section 54-35-10 for each day spent in attending

meetings of the board and necessary lodging and travel expenses as provided in sections 44-08-04 and 54-06-09.

d. The state investment board as constituted under this subsection is solely responsible for the management of the budget stabilization fund and the legacy fund.

3. The state investment board may establish an advisory council composed of individuals who are experienced and knowledgeable in the field of investments. The state investment board shall determine the responsibilities of the advisory council. Members of the advisory council are entitled to receive the same compensation as provided the members of the advisory board of the Bank of North Dakota and necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09.

**SECTION 2. AMENDMENT.** Section 21-10-04 of the North Dakota Century Code is amended and reenacted as follows:

**21-10-04. Board - Meetings.**

The state investment board shall select one of its members to serve as chair, one to serve as vice chair, and shall meet at the call of the chair, ~~investment director~~, or upon written notice signed by two members of the board.

**SECTION 3. AMENDMENT.** Section 21-10-06 of the North Dakota Century Code is amended and reenacted as follows:

**21-10-06. Funds under management of board - Accounts.**

The

1. Subject to the provisions of section 21-10-01, the board is charged with the investment of the following funds:

4.a. State bonding fund.

2.b. Teachers' fund for retirement.

3.c. State fire and tornado fund.

4.d. Workforce safety and insurance fund.

5.e. National guard tuition trust fund.

6.f. Public employees retirement system.

7.g. Insurance regulatory trust fund.

8.h. State risk management fund.

1           9-i. Budget stabilization fund.

2           10-j. Health care trust fund.

3           11-k. Cultural endowment fund.

4           12-l. Petroleum tank release compensation fund.

5           m. Legacy fund.

6           2. Separate accounting must be maintained for each of the ~~above~~ funds listed in  
7           subsection 1. When it is deemed advantageous~~Except for the budget stabilization fund~~  
8           and the legacy fund, the moneys of the individual funds may be commingled for  
9           investment purposes when determined advantageous.

10          3. The state investment board may provide investment services to, and manage the  
11          money of, any agency, institution, or political subdivision of the state, subject to  
12          agreement with the industrial commission. The scope of services to be provided by the  
13          state investment board to the agency, institution, or political subdivision must be  
14          specified in a written contract. The state investment board may charge a fee for  
15          providing investment services and any revenue collected must be deposited in the  
16          state retirement and investment fund.