## FIRST ENGROSSMENT

Sixty-eighth Legislative Assembly of North Dakota

#### **ENGROSSED HOUSE BILL NO. 1288**

Introduced by

Representatives Roers Jones, Bahl, Ista, O'Brien, Swiontek

Senators Cleary, Patten, J. Roers, Sickler

- 1 A BILL for an Act to create and enact a new section to chapter 54-21 of the North Dakota
- 2 Century Code, relating to state entities contracting for property management services; and to
- 3 amend and reenact section 54-21-24.1 of the North Dakota Century Code, relating to the lease
- 4 of additional space by state agencies.

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

6 SECTION 1. AMENDMENT. Section 54-21-24.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 54-21-24.1. Lease of additional space by state agencies, departments, offices,

### 9 officers, boards, and institutions.

10 A lease or rental agreement or renewal of the lease or rental agreement for the lease or 11 rental of buildings or portions of buildings for use by state agencies, departments, offices, 12 officers, boards, and institutions, other than institutions under the board of higher education, the 13 adjutant general and department of transportation office and storage space for field engineering 14 and maintenance crews, unless approved may be entered by the director of the office of 15 management and budget subject to a determination of the legal sufficiency of the lease or rental 16 agreement. To ensure economy, efficiency, and cooperation between the state and its political 17 subdivisions, and to limit the number of locations of state offices for the convenience of 18 individuals traveling to the offices, the director shall promulgateadopt rules governing the lease 19 or rental of additional buildings or portions of the buildings by state agencies, departments, 20 offices, officers, boards, and institutions other than those under the board of higher education, 21 the adjutant general, and department of transportation office and storage space for field 22 engineering and maintenance crews. The department, agency, or board for which the office 23 space is sought must approve the office space before the director may finalize a contract or 24 lease for the office space. A lease or rental agreement entered under this section must include a

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- 1 list of all owners of the leased property, including each individual with an ownership interest in a
- 2 <u>business or businesses that directly or indirectly own the leased property if the individual's</u>
- 3 <u>aggregate ownership interest in the leased property is ten percent or more.</u>
- 4 **SECTION 2.** A new section to chapter 54-21 of the North Dakota Century Code is created
- 5 and enacted as follows:

# 6 Contract for services - Property management.

- 7 <u>A property management business that enters a contract to provide services to a state entity</u>
- 8 with an office located on state property or leased property used by a state entity under this
- 9 <u>chapter shall include a list of all the owners of the business providing the service, including each</u>
- 10 individual with an ownership interest in a business that directly or indirectly owns the business if
- 11 the individual's aggregate ownership interest in the business is ten percent or more.