

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

HOUSE BILL NO. 1278
(Representatives Lefor, Vigesaa, Vollmer, Swiontek)
(Senators Bekkedahl, Hogue, Patten, Rummel)

AN ACT to create and enact two new sections to chapter 54-11 of the North Dakota Century Code, relating to the management of moneys in the state treasury and a cash management board; to provide a report; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-11 of the North Dakota Century Code is created and enacted as follows:

Moneys in the state treasury - Management.

The state treasurer in coordination with the Bank of North Dakota and the cash management board shall review existing policies and procedures and, if necessary, develop policies and procedures for the management of moneys in the state treasury. For purposes of this section, moneys in the state treasury:

1. Include the general fund and special funds.
2. Exclude the veterans' postwar trust fund and funds invested by the state investment board and the board of university and school lands.

SECTION 2. A new section to chapter 54-11 of the North Dakota Century Code is created and enacted as follows:

Cash management board - Report.

1. The cash management board is created to:
 - a. Review existing policies and, if necessary, develop policies in coordination with the state treasurer and the Bank of North Dakota for the management of moneys in the state treasury.
 - b. Provide transparency regarding the state's consolidated financial position.
 - c. Identify state agency and interagency cash flow characteristics and processes.
 - d. Review state agency cash management technology and opportunities to improve state cash management practices.
 - e. Review state agency and statewide operational cash flow requirements and forecast cash flow needs.
 - f. Identify cash management practices to improve cash structures and to provide transaction efficiencies.
2. The board shall review existing policies and, if necessary, develop policies with a goal of managing moneys in the state treasury to ensure principal preservation and adequate liquidity for the state's cash flow needs while maximizing total return based on an appropriate level of statewide risk. The policies may include:
 - a. An appropriate tiered cash flow structure.

- b. Authorization to commingle, for management purposes, moneys in the state treasury when determined to be advantageous.
 - c. Prioritization to optimize cash flow structuring to align with the mission of state agencies and the state's consolidated financial position.
- 3. The Bank of North Dakota shall provide staff services to the board.
- 4. Upon request, a state agency shall provide information to the board regarding cash flow and liquidity needs, including projections for the timing of revenues and expenditures.
- 5. The board consists of:
 - a. The governor or the governor's designee who shall serve as the chairman;
 - b. The director of the office of management and budget or the director's designee;
 - c. The president of the Bank of North Dakota or the president's designee;
 - d. Two members of the house of representatives appointed by the house majority leader;
 - e. Two members of the senate appointed by the senate majority leader; and
 - f. The state treasurer or the state treasurer's designee.
- 6. Legislative members of the board are entitled to receive compensation and expense reimbursement as provided under section 54-03-20 and reimbursement for mileage as provided by law for state officers. The legislative council shall pay the compensation and expense reimbursement for the legislative members.
- 7. The board shall provide at least one report each fiscal year to the budget section.

SECTION 3. EXPIRATION DATE. This Act is effective through June 30, 2028, and after that date is ineffective.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1278.

House Vote: Yeas 90 Nays 1 Absent 3

Senate Vote: Yeas 45 Nays 1 Absent 1

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State