

**HOUSE BILL NO. 1103**

Introduced by

Appropriations Committee

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

1 A BILL for an Act to create and enact a new section to chapter 15-03, a new section to chapter  
2 15-04, and an new section to chapter 15-07 of the North Dakota Century Code, relating to  
3 authority for payment of expenses by the board of university and school lands; to amend and  
4 reenact sections 15-03-01.2, 15-03-16, 15-04-23, 15-06-22, 15-08-04, and 47-30.1-23 of the  
5 North Dakota Century Code, relating to authority for the payment of expenses by the board of  
6 university and school lands; to repeal section 15-03-01.3 of the North Dakota Century Code;  
7 relating to apportionment of board of university and school lands maintenance fund balances;  
8 and to provide a continuing appropriation.

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

10 **SECTION 1. AMENDMENT.** Section 15-03-01.2 of the North Dakota Century Code is  
11 amended and reenacted as follows:

12 **15-03-01.2. Payment of salaries and expenses from maintenance fund - Vouchers**  
13 **and warrants.** All administrative salaries and operating expenses of the office of the  
14 commissioner of university and school lands must be paid from ~~said the~~ the state lands  
15 maintenance fund upon itemized vouchers in duplicate, approved by the commissioner, setting  
16 forth the accounts covered ~~thereby, duly itemized~~, one copy to be retained in the  
17 commissioner's office and the other to be filed with the office of management and budget, and  
18 warrants for the payment ~~thereof~~ drawn by ~~said the~~ the office of management and budget upon  
19 ~~said the~~ the fund.

20 **SECTION 2. AMENDMENT.** Section 15-03-16 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22 **15-03-16. ~~Appropriation~~ Continuing appropriation for investments.** There is  
23 ~~hereby~~ appropriated annually the ~~sum~~ amounts necessary ~~for the payment of fees for~~ to pay  
24 costs related to investments controlled by the board of university and school lands, including

1 investment management fees, trustee fees, consulting fees, ~~appraisal fees, and~~ custodial  
2 fees, and the cost of capitalized building repairs and renovations as approved by the board.  
3 Each payment must be made from the trust fund for which the investment is made. ~~For the~~  
4 ~~purpose of this section, the term investments includes all unclaimed property held in trust,~~  
5 ~~financial securities, surface lands, and minerals for which the board is responsible.~~

6 **SECTION 3.** A new section to chapter 15-04 of the North Dakota Century Code is  
7 created and enacted as follows:

8 **Appropriation for land expenses - Continuing appropriation.** There is appropriated  
9 annually the amounts necessary to pay expenses for trust lands controlled by the board of  
10 university and school lands, including appraisal fees, survey costs, surface lease refunds, weed  
11 and insect control costs, clean-up costs, capital improvement rent credits, rural fire district  
12 reimbursements for fire protection, land rental or land value survey costs, and expenses  
13 determined by the board as necessary to manage, preserve, and enhance the value of the trust  
14 asset. Each payment must be made from the trust fund for which the land is held.

15 **SECTION 4. AMENDMENT.** Section 15-04-23 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **15-04-23. County services benefiting school trust lands - Payment - Continuing**  
18 **appropriation.** On or before March first of each year, the board of university and school lands  
19 shall pay a fee to the board of county commissioners of each county in which the state retains  
20 original grant lands. The board of county commissioners shall forward a prorated portion of any  
21 fee received under this section to the organized townships in which the original grant lands are  
22 located for use in the repair, maintenance, and construction of roads and bridges and shall use  
23 the remainder of the fee for the repair, maintenance, and construction of roads and bridges in  
24 unorganized townships in which original grant lands are located. The total fees paid under this  
25 section may not exceed five percent of the net revenue generated from the original grant lands  
26 in that county during the year preceding the payment. For purposes of this section, net revenue  
27 means the gross revenue from surface management, less any administrative and operating  
28 expenses, but does not include any moneys that must be deposited in a permanent trust fund.  
29 There is appropriated annually the amounts necessary to pay all fees under this section. Each  
30 payment must be made from the trust fund for which the land is held.

1           **SECTION 5.** A new section to chapter 15-05 of the North Dakota Century Code is  
2 created and enacted as follows:

3           **Appropriation for lease expenses - Continuing appropriation.** There is  
4 appropriated annually the amounts necessary to pay expenses for minerals controlled by the  
5 board of university and school lands, including appraisal fees, consulting fees, refunds, and  
6 expenses determined by the board as necessary to manage, preserve, and enhance the value  
7 of the trust asset. Each payment must be made from the trust fund for which the land is held.

8           **SECTION 6. AMENDMENT.** Section 15-06-22 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10           **15-06-22. Offer to purchase original grant land - Appraisal - Continuing**  
11 **appropriation.** When an offer to purchase any particular tract of original grant land has been  
12 made to the board of university and school lands, the commissioner shall request the county  
13 board of appraisers to appraise such tract. Upon receipt of such request by the county auditor,  
14 ~~he~~ the auditor shall immediately notify the members of the county board of appraisers, who  
15 shall, within ten days, proceed to view and appraise such tract. There is appropriated annually  
16 the amounts necessary to pay all expenses under this section. Each payment must be made  
17 from the trust fund for which the land is held.

18           **SECTION 7.** A new section to chapter 15-07 of the North Dakota Century Code is  
19 created and enacted as follows:

20           **Appropriation for expenses - Continuing appropriation.** There is appropriated  
21 annually the amounts necessary to pay expenses for trust land controlled by the board of  
22 university and school lands, including appraisal fees, survey costs, clean-up or demolition  
23 costs, weed and insect control costs, rural fire district reimbursements for fire protection, and  
24 expenses determined by the board as necessary to manage, preserve, and enhance the value  
25 of the trust asset. Each payment must be made from the trust fund for which the land is held.

26           **SECTION 8. AMENDMENT.** Section 15-08-04 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28           **15-08-04. Surveys to be made when necessary - Continuing appropriation for**  
29 **expenses.** If it appears necessary in order to ascertain the true boundaries of any tract of land  
30 or to enable the commissioner of university and school lands to describe or dispose of the same  
31 in suitable and convenient lots, the board of university and school lands may order all

1 necessary surveys to be made, ~~and the expenses thereof must be paid out of the state treasury~~  
2 ~~as other incidental expenses of the board are paid.~~ There is appropriated annually the amounts  
3 necessary to pay all expenses under this section. Each payment must be made from the trust  
4 fund for which the land is held.

5 **SECTION 9. AMENDMENT.** Section 47-30.1-23 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **47-30.1-23. Deposit of funds - Continuing appropriation.**

8 1. Except as otherwise provided by this section, the administrator shall promptly  
9 deposit in the state treasury to the credit of the common schools trust fund all funds  
10 received under this chapter, including the proceeds from the sale of abandoned  
11 property under section 47-30.1-22. ~~The administrator shall retain in a separate~~  
12 ~~trust fund an amount not less than one hundred thousand dollars from which~~  
13 ~~prompt payment of claims duly allowed must be made.~~

14 2. ~~Before making any deposit to the credit of the common schools trust fund, the~~  
15 ~~administrator may deduct:~~

16 There is appropriated annually the amounts necessary to pay all expense  
17 deductions under this section, including:

- 18 a. Any costs in connection with the sale of abandoned property;  
19 b. Costs of mailing ~~and~~, publication, and outreach efforts in connection with any  
20 abandoned property;  
21 c. Reasonable service charges; ~~and~~  
22 d. Costs incurred in examining records of holders of property and in collecting  
23 the property from those holders: ;  
24 e. Funds for the payment of claims; and  
25 f. Funds for the payment of holder refunds.

26 **SECTION 10. REPEAL.** Section 15-03-01.3 of the North Dakota Century Code is  
27 repealed.