

**Fifty-eighth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2003**

HOUSE BILL NO. 1103
(Appropriations Committee)
(At the request of the Board of University and School Lands)

AN ACT to create and enact a new section to chapter 15-04, a new section to chapter 15-05, and a new section to chapter 15-07 of the North Dakota Century Code, relating to authority for payment of expenses by the board of university and school lands; to amend and 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 North Dakota Century Code, relating to authority for the payment of expenses by the board of university and school lands; to repeal section 15-03-01.3 of the North Dakota Century Code, relating to apportionment of board of university and school lands maintenance fund balances; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

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

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

15-03-16. ~~Appropriation~~ Continuing appropriation for investments. There is hereby appropriated annually the ~~sum~~ amounts necessary for the payment of fees for to pay costs related to investments controlled by the board of university and school lands, including investment management fees, trustee fees, consulting fees, appraisal fees, and custodial fees, and the cost of capitalized building repairs and renovations as approved by the board. Each payment must be made from the trust fund for which the investment is made. ~~For the purpose of this section, the term investments includes all unclaimed property held in trust, financial securities, surface lands, and minerals for which the board is responsible.~~

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

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

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

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

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

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

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

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

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

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

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

15-08-04. Surveys to be made when necessary - Continuing appropriation for expenses. If it appears necessary in order to ascertain the true boundaries of any tract of land or to enable the commissioner of university and school lands to describe or dispose of the same in suitable and convenient lots, the board of university and school lands may order all necessary surveys to be made; ~~and the expenses thereof must be paid out of the state treasury as other incidental expenses of the board are paid.~~ There is appropriated annually the amounts necessary to pay all expenses under this section. Each payment must be made from the trust fund for which the land is held.

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

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

1. Except as otherwise provided by this section, the administrator shall promptly deposit in the state treasury to the credit of the common schools trust fund all funds received under this chapter, including the proceeds from the sale of abandoned property under section 47-30.1-22. ~~The administrator shall retain in a separate trust fund an amount not less than one hundred thousand dollars from which prompt payment of claims duly allowed must be made.~~
2. ~~Before making any deposit to the credit of the common schools trust fund, the administrator may deduct:~~ There is appropriated annually the amounts necessary to pay all expense deductions under this section, including:
 - a. Any costs in connection with the sale of abandoned property;
 - b. Costs of mailing ~~and~~, publication, and outreach efforts in connection with any abandoned property;
 - c. Reasonable service charges; ~~and~~
 - d. Costs incurred in examining records of holders of property and in collecting the property from those holders;
 - e. Funds for the payment of claims; and
 - f. Funds for the payment of holder refunds.

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

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 Fifty-eighth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1103.

House Vote: Yeas 93 Nays 0 Absent 1

Senate Vote: Yeas 45 Nays 0 Absent 2

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2003.

Approved at _____ M. on _____, 2003.

Governor

Filed in this office this _____ day of _____, 2003,

at _____ o'clock _____ M.

Secretary of State