

HOUSE BILL NO. 1221

Introduced by

Representatives Uglem, Glassheim, Griffin, N. Johnson, Nottestad

Senator J. Lee

1 A BILL for an Act to create and enact a new section to chapter 37-17.1 of the North Dakota
2 Century Code, relating to creation of a political subdivision disaster recovery fund; to amend
3 and reenact section 21-10-06 of the North Dakota Century Code, relating to investment of the
4 political subdivision emergency recovery fund; to provide an appropriation; and to provide a
5 continuing appropriation.

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

7 **SECTION 1. AMENDMENT.** Section 21-10-06 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **21-10-06. Funds under management of board - Accounts.**

- 10 1. The board is charged with the investment of the following funds:
- 11 ~~4.~~ a. State bonding fund.
 - 12 ~~2.~~ b. Teachers' fund for retirement.
 - 13 ~~3.~~ c. State fire and tornado fund.
 - 14 ~~4.~~ d. Workforce safety and insurance fund.
 - 15 ~~5.~~ e. National guard tuition trust fund.
 - 16 ~~6.~~ f. Public employees retirement system.
 - 17 ~~7.~~ g. Insurance regulatory trust fund.
 - 18 ~~8.~~ h. State risk management fund.
 - 19 ~~9.~~ i. Veterans' cemetery trust fund.
 - 20 ~~10.~~ j. Health care trust fund.
 - 21 ~~11.~~ k. Cultural endowment fund.
 - 22 l. Political subdivision disaster recovery fund.

- 1 2. Separate accounting must be maintained for each of the ~~above~~ funds under
2 subsection 1. When it is deemed advantageous, the moneys of the individual
3 funds may be commingled for investment purposes.
- 4 3. The state investment board may provide investment services to, and manage the
5 money of, any agency, institution, or political subdivision of the state, subject to
6 agreement with the industrial commission. The scope of services to be provided
7 by the state investment board to the agency, institution, or political subdivision
8 must be specified in a written contract. The state investment board may charge a
9 fee for providing investment services and any revenue collected must be deposited
10 in the state retirement and investment fund.

11 **SECTION 2.** A new section to chapter 37-17.1 of the North Dakota Century Code is
12 created and enacted as follows:

13 **Political subdivision disaster recovery fund - Administration - Rules - Continuing**
14 **appropriation.**

- 15 1. The political subdivision disaster recovery fund is a special fund in the state
16 treasury administered by the department of emergency services. The state
17 investment board shall manage the investments of the fund in accordance with
18 chapter 21-10. Any earnings or interest upon moneys in the fund are appropriated
19 on a continuing basis for the purposes provided in this section. Section 54-44.1-11
20 does not apply to the fund. The department may deduct annually up to two percent
21 of the earnings or interest of the fund as an administration fee.
- 22 2. On a quarterly basis, the earnings and interest of the fund must be placed in a
23 special operating account that may be used by the department to provide grants as
24 provided under subsection 3.
- 25 3. The department shall adopt rules that include eligibility guidelines and procedures
26 for the disbursement of funds from the political subdivision disaster recovery fund.
27 The rules must provide that a political subdivision that has been included within the
28 area of a presidential disaster declaration may be eligible for a grant from the fund
29 to reimburse the political subdivision for up to fifty percent of the cost incurred by
30 the political subdivision in meeting the local cost-share required by the federal

1 emergency management agency to pay disaster and emergency response and
2 recovery costs associated with the disaster covered by the presidential declaration.

3 **SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the
4 general fund in the state treasury, not otherwise appropriated, the sum of \$11,500,000, or so
5 much of the sum as may be necessary, to the department of emergency services for deposit in
6 the political subdivision disaster recovery fund for the purpose of providing grants to political
7 subdivisions for emergency and disaster recovery, for the biennium beginning July 1, 2009, and
8 ending June 30, 2011. Of the amount appropriated under this section, \$1,500,000 must be
9 deposited in the special operating account created under section 2 of this Act. The remaining
10 amount must be deposited in the political subdivision disaster recovery fund and only earnings
11 and interest on that amount may be spent pursuant to section 2 of this Act.