

January 23, 2019

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1501

Page 1, line 2, after "board" insert "; to amend and reenact section 54-10-15 of the North Dakota Century Code, relating to audits and suspension of school board members; and to declare an emergency"

Page 1, after line 9, insert:

**"SECTION 2. AMENDMENT.** Section 54-10-15 of the North Dakota Century Code is amended and reenacted as follows:

**54-10-15. Audits of political subdivisions by order of governor or the legislative audit and fiscal review committee, upon petition, or upon request of the state court administrator.**

1. The state auditor, by duly appointed deputy auditors or other authorized agents, shall audit or review the books, records, and financial accounts of any political subdivision when ordered by the governor or the legislative audit and fiscal review committee, requested by the governing board, or upon petition of at least thirty-five percent of the qualified electors of any political subdivision enumerated in section 54-10-14 voting for the office of governor at the preceding general election or, in the case of school districts, upon petition of at least thirty-five percent of the qualified electors voting at the preceding school board election, or upon the request of the state court administrator with respect to clerk of district court services provided by a county in accordance with chapter 27-05.2. Fees for the audits must be paid in accordance with the provisions of section 54-10-14.
2. If an audit is ordered due to financial irregularities or allegations of embezzlement, the governor may suspend an elected or appointed official from the official's duties if the governor determines suspension is in the best interest of the state pending the results of the audit. If the governor suspends an elected or appointed official, the governor immediately shall provide notice to the political subdivision or board with which the suspended official serves. Within five days of receiving notice, the political subdivision or board shall appoint an individual to replace the suspended official to serve during the pendency of the audit. The governor shall consult with the superintendent of public instruction in determining whether suspension of a member of a school board is in the best interest of the state.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly