

HOUSE CONCURRENT RESOLUTION NO. 3017

Introduced by

Representatives Hatlestad, B. Anderson, Kreidt, Longmuir, Richter, Trottier

Senator Bekkedahl

1 A concurrent resolution to amend and reenact section 2 of article IX of the Constitution of North
2 Dakota, relating to allowable uses of the common schools trust fund.

3 **STATEMENT OF INTENT**

4 This measure would allow the Legislative Assembly to transfer a portion of the assets of the
5 common schools trust fund balance into a common schools building and renovation grant fund
6 each biennium and allow grants to be awarded to school districts to reduce existing bond
7 issues.

8 **BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE**
9 **SENATE CONCURRING THEREIN:**

10 That the following proposed amendment to section 2 of article IX of the Constitution of
11 North Dakota is agreed to and must be submitted to the qualified electors of North Dakota at the
12 general election to be held in 2020, in accordance with section 16 of article IV of the
13 Constitution of North Dakota.

14 **SECTION 1. AMENDMENT.** Section 2 of article IX of the Constitution of North Dakota is
15 amended and reenacted as follows:

16 **Section 2.** Distributions from the common schools trust fund, together with the net
17 proceeds of all fines for violation of state laws and all other sums which may be added by law,
18 must be faithfully used and applied each year for the benefit of the common schools of the
19 state, including elementary and secondary bonded debt reduction and school construction as
20 provided by law, and no part of the fund must ever be diverted, even temporarily, from this
21 purpose or used for any purpose other than the maintenance or construction of common
22 schools as provided by law. Distributions from an educational or charitable institution's trust fund
23 must be faithfully used and applied each year for the benefit of the institution and no part of the
24 fund may ever be diverted, even temporarily, from this purpose or used for any purpose other
25 than the maintenance or construction of the institution, as provided by law.

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2 ~~For the biennium during which this amendment takes effect, distributions from the perpetual~~

3 ~~trust funds must be the greater of the amount distributed in the preceding biennium or ten-~~

4 ~~percent of the five-year average value of trust assets, excluding the value of lands and~~

5 ~~minerals. Thereafter, biennial~~ The legislative assembly, each biennium, may transfer up

6 to twenty percent of the assets of the common schools trust fund, excluding the value of land

7 and minerals, to the common schools building and renovation grant fund. Bonded debt

8 reduction and school construction and renovation grants may be made from the common

9 schools building and renovation grant fund in a manner and upon the terms provided for by the

10 legislative assembly. Biennial distributions from the perpetual trust funds must be ten percent of

11 the five-year average value of trust assets, excluding the value of lands and minerals. The

12 average value of trust assets is determined by using the assets' ending value for the fiscal year

13 that ends one year before the beginning of the biennium and the assets' ending value for the

14 four preceding fiscal years. Equal amounts must be distributed during each year of the

15 biennium.