

**HOUSE BILL NO. 1288**

Introduced by

Representatives Roers Jones, Bahl, Ista, O'Brien, Swiontek

Senators Cleary, Patten, J. Roers, Sickler

1 | A BILL for an Act to create and enact a new section to chapter 54-21 of the North Dakota  
2 | Century Code, relating to state entities contracting for property management services; and to  
3 | amend and reenact section 54-21-24.1 of the North Dakota Century Code, relating to the lease  
4 | of additional space by state agencies.

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

6 | **SECTION 1. AMENDMENT.** Section 54-21-24.1 of the North Dakota Century Code is  
7 | amended and reenacted as follows:

8 | **54-21-24.1. Lease of additional space by state agencies, departments, offices,**  
9 | **officers, boards, and institutions.**

10 | A lease or rental agreement or renewal of the lease or rental agreement for the lease or  
11 | rental of buildings or portions of buildings for use by state agencies, departments, offices,  
12 | officers, boards, and institutions, other than institutions under the board of higher education, the  
13 | adjutant general and department of transportation office and storage space for field engineering  
14 | and maintenance crews, ~~unless approved~~ may be entered by the director of the office of  
15 | management and budget subject to a determination of the legal sufficiency of the lease or rental  
16 | agreement. To ensure economy, efficiency, and cooperation between the state and its political  
17 | subdivisions, and to limit the number of locations of state offices for the convenience of  
18 | individuals traveling to the offices, the director shall ~~promulgate~~adopt rules governing the lease  
19 | or rental of additional buildings or portions of the buildings by state agencies, departments,  
20 | offices, officers, boards, and institutions other than those under the board of higher education,  
21 | the adjutant general, and department of transportation office and storage space for field  
22 | engineering and maintenance crews. The department, agency, or board for which the office  
23 | space is sought must approve the office space before the director may finalize a contract or  
24 | lease for the office space. A lease or rental agreement entered under this section must include a

1 list of all owners of the leased property, including each individual with an ownership interest in a  
2 business or businesses that directly or indirectly own the leased property if the individual's  
3 aggregate ownership interest in the leased property is ~~five~~ten percent or more.

4 **SECTION 2.** A new section to chapter 54-21 of the North Dakota Century Code is created  
5 and enacted as follows:

6 **Contract for services - Property management.**

7 A property management business that enters a contract to provide services to a state entity  
8 with an office located on state property or leased property used by a state entity under this  
9 chapter shall include a list of all the owners of the business providing the service, including each  
10 individual with an ownership interest in a business that directly or indirectly owns the business if  
11 the individual's aggregate ownership interest in the business is ten percent or more.