

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED 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 48-01.2, a new subsection to  
2 section 48-01.2-18, a new subsection to section 48-01.2-19, and a new section to chapter 54-21  
3 of the North Dakota Century Code, relating to public improvement bids and state entities  
4 contracting for property management services; and to amend and reenact sections 48-02.1-03  
5 and 54-21-24.1 of the North Dakota Century Code, relating to public improvement bids and the  
6 lease of additional space by state agencies.

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

8 **SECTION 1.** A new section to chapter 48-01.2 of the North Dakota Century Code is created  
9 and enacted as follows:

10 **Bid process - Public funds.**

11 Except as otherwise provided by law, any entity receiving state funds for a state or local  
12 improvement project shall follow the bid process under this chapter.

13 **SECTION 2.** A new subsection to section 48-01.2-18 of the North Dakota Century Code is  
14 created and enacted as follows:

15 Before making a determination under this section, the governing body shall follow the  
16 bid process provided under this chapter.

17 **SECTION 3.** A new subsection to section 48-01.2-19 of the North Dakota Century Code is  
18 created and enacted as follows:

19 Notwithstanding the criteria in subsection 5 and unless the committee provides written  
20 rationale substantiating a decision to the contrary, the fee to be charged by each  
21 person interviewed must be the selection committee's primary consideration.

22 **SECTION 4. AMENDMENT.** Section 48-02.1-03 of the North Dakota Century Code is  
23 amended and reenacted as follows:

1       **48-02.1-03. Public authority may enter into development agreement - Bid process.**

2       1. A public authority may solicit or accept proposals from private operators for the  
3       constructing, improving, rehabilitating, operating, managing, and owning of a  
4       fee-based facility that will be situated in an area subject to the public authority's  
5       jurisdiction. After a hearing, the public authority may accept a proposal that it  
6       determines to be in the public interest. A public authority may negotiate and enter into  
7       a development agreement with any private operator.

8       2. Before soliciting or accepting proposals from private operators under this section, the  
9       public authority shall follow the bid process provided under chapter 48-01.2.

10       **SECTION 5. AMENDMENT.** Section 54-21-24.1 of the North Dakota Century Code is  
11       amended and reenacted as follows:

12       **54-21-24.1. Lease of additional space by state agencies, departments, offices,**  
13       **officers, boards, and institutions.**

14       A lease or rental agreement or renewal of the lease or rental agreement for the lease or  
15       rental of buildings or portions of buildings for use by state agencies, departments, offices,  
16       officers, boards, and institutions, other than institutions under the board of higher education, the  
17       adjutant general and department of transportation office and storage space for field engineering  
18       and maintenance crews, ~~unless approved~~ may be entered by the director of the office of  
19       management and budget subject to a determination of the legal sufficiency of the lease or rental  
20       agreement. To ensure economy, efficiency, and cooperation between the state and its political  
21       subdivisions, and to limit the number of locations of state offices for the convenience of  
22       individuals traveling to the offices, the director shall ~~promulgate~~adopt rules governing the lease  
23       or rental of additional buildings or portions of the buildings by state agencies, departments,  
24       offices, officers, boards, and institutions other than those under the board of higher education,  
25       the adjutant general, and department of transportation office and storage space for field  
26       engineering and maintenance crews. The department, agency, or board for which the office  
27       space is sought must approve the office space before the director may finalize a contract or  
28       lease for the office space. A lease or rental agreement entered under this section must include a  
29       list of all owners of the leased property, including each individual with an ownership interest in a  
30       business or businesses that directly or indirectly own the leased property if the individual's  
31       aggregate ownership interest in the leased property is ten percent or more.

1       **SECTION 6.** A new section to chapter 54-21 of the North Dakota Century Code is created  
2 and enacted as follows:

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

4       A property management business that enters a contract to provide services to a state entity  
5 with an office located on state property or leased property used by a state entity under this  
6 chapter shall include a list of all the owners of the business providing the service, including each  
7 individual with an ownership interest in a business that directly or indirectly owns the business if  
8 the individual's aggregate ownership interest in the business is ten percent or more. This  
9 section does not require the owner of the property management business to be disclosed if the  
10 property management services are provided through a third party contract.