

BANKS AND BANKING

CHAPTER 92

HOUSE BILL NO. 1487

(Representatives Koppelman, Hauck, Heinert, Kasper, Louser, Novak, Tveit)
(Senators Larsen, Magrum, Wobbema)

AN ACT to create and enact a new chapter to title 6 of the North Dakota Century Code, relating to financial entities use of merchant codes to track firearm and ammunition-related purchases; to provide a penalty; to provide a continuing appropriation; and to provide for a legislative management study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new chapter to title 6 of the North Dakota Century Code is created and enacted as follows:

Definitions.

As used in this chapter, unless the context or subject matter otherwise requires:

1. "Customer" means any person engaged in a payment card transaction facilitated or processed by a financial entity.
2. "Disclosure" means the transfer, publication, or distribution of protected financial information to another person for any purpose other than the processing or facilitating of a payment card transaction, or taking any actions related to dispute processing, fraud management, or protecting transaction integrity from concerns related to illegal activities, breach, or cyber risks.
3. "Financial entity" means a person involved in facilitating or processing a payment card transaction, including a bank, acquirer, payment card network, or payment card issuer.
4. "Firearms code" means a merchant category code approved by the international organization for standardization for firearms retailers.
5. "Firearms retailer" means any person physically located in this state engaged in the lawful business of selling or trading firearms or ammunition to be used in firearms.
6. "Government entity" means any state board, commission, agency, bureau, or department, or any political subdivision of the state.
7. "Protected financial information" means any record of sale, purchase, return, or refund involving a payment card which is retrieved, characterized, generated, labeled, sorted, or grouped based on the assignments of a firearms code.

Merchant codes - Limitations.

1. Except for those records kept during the regular course of a criminal investigation and prosecution or merchant marketing campaigns, a government entity or any official, agent, or employee of the state, or any other person, may not willfully keep or cause to be kept any list, record, or registry of privately owned firearms or firearm owners.
2. A financial entity or its agent may not require the use of a firearms code in a manner that distinguishes a firearms retailer located in this state from a general merchandise retailer or a sporting goods retailer.
3. A financial entity may not engage in the following discriminatory conduct:
 - a. Declining a lawful payment card transaction based solely on the assignment of a firearms code; or
 - b. Taking any action against a customer which is intended to suppress or track lawful commerce involving firearms or ammunition.
4. Nothing in this section may impair the financial entity's actions related to dispute processing, fraud management, protecting transaction integrity from concerns related to illegal activities, breach, cyber risks, or to comply with state or federal law.

Investigation of financial entities.

1. Any person may allege violations under this chapter to the attorney general. The attorney general may investigate alleged violations under this chapter and shall provide a written notice to any person in violation. A person that has received a written notice from the attorney general must cease the use of a firearms code within thirty calendar days.
2. The attorney general may pursue, and a court may order, an injunction against any person if the person fails to cease the use of a firearms code after the expiration of thirty days from receipt of written notice.
3. If a court issues an injunction under this section, the court shall award the attorney general reasonable expenses, including reasonable attorney's fees and costs.
4. If the attorney general finds a financial entity willfully violated this chapter, the attorney general shall assess a fee of ten thousand dollars per transaction. Fees collected under this section must be deposited into the merchant code violation fund. A financial entity desiring to appeal the attorney general's finding of a violation under this chapter may appeal the finding in accordance with chapter 28-32.
5. Information disclosed to a federal government entity is not a defense to any civil action filed under this section, unless the disclosure or action is required by federal law or regulation.

Merchant code violation fund - Continuing appropriation.

There is created in the state treasury the merchant code violation fund. The fund consists of all money deposited in the fund under this chapter. Moneys in the fund are

appropriated to the attorney general on a continuing basis for disbursement to individuals harmed by a violation of this chapter, subject to approval by the attorney general, and administrative expenses. An individual harmed by a violation under this chapter may submit a request to the attorney general for a disbursement of five thousand dollars from the fund, and the attorney general shall review all requests for disbursement submitted under this chapter. The attorney general may use money remaining in the fund after disbursements to defray the costs of administering and enforcing this chapter.

SECTION 2. LEGISLATIVE MANAGEMENT STUDY - RETAILER ADMINISTRATION OF COLLECTING AND REMITTING SALES TAX. During the 2023-24 interim, the legislative management shall consider studying the cost to North Dakota retailers for the collection, remittance, and filing of North Dakota sales and use tax. The study shall categorize North Dakota merchants into no less than three classes by sales volume and describe any differences in costs related to sales volume. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

Approved April 29, 2023

Filed May 1, 2023

CHAPTER 93

SENATE BILL NO. 2092

(Industry and Business Committee)
(At the request of the Department of Financial Institutions)

AN ACT to create and enact a new section to chapter 6-07.2 of the North Dakota Century Code, relating to voluntary liquidation of credit unions; to amend and reenact section 6-01-04.1 of the North Dakota Century Code, relating to the removal of officers, directors, and employees of financial corporations or institutions; and to repeal chapter 6-06.1 of the North Dakota Century Code, relating to voluntary liquidation of credit unions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-01-04.1 of the North Dakota Century Code is amended and reenacted as follows:

6-01-04.1. Removal of officers, directors, and employees of financial corporations or institutions.

1. The department of financial institutions or the board may issue ~~and serve~~, upon any current or former officer, director, or employee of a financial corporation, financial institution, or credit union subject to its jurisdiction and upon a financial corporation, financial institution, or credit union involved, an order stating:
 - a. That the current or former officer, director, or employee is engaging, or has engaged, in any of the following conduct:
 - (1) Violating any law, regulation, board order, or written agreement with the board.
 - (2) Engaging or participating in any unsafe or unsound practice.
 - (3) Performing any act of commission or omission or practice which is a breach of trust or a breach of fiduciary duty.
 - b. The term of the suspension or removal from employment and participation within the conduct of the affairs of a financial corporation, financial institution, ~~or credit union, or any other entity licensed by the department of financial institutions.~~
2. The order must contain a notice of opportunity for hearing pursuant to chapter 28-32. The date for the hearing must be set not less than thirty days after the date the complaint is served upon the current or former officer, director, or employee of a financial corporation, financial institution, ~~or credit union, or any other entity licensed by the department of financial institutions.~~ The current or former officer, director, or employee may waive the thirty-day notice requirement.

3. If no hearing is requested within twenty days of the date the order is served upon the current or former officer, director, or employee, ~~or if the order is final. If a hearing is held and the board finds that the record so warrants, and if the board finds that a financial corporation, financial institution, or credit union has suffered or will probably suffer significant loss or other significant damage or that the interest of its depositors, shareholders, members, or creditors could be seriously prejudiced, it may enter a final order. The final order~~ suspending or removing the current or former officer, director, or employee is final. The current or former officer or employee may request a termination of the final order after a period of no less than three years.
4. A contested or default suspension or removal order is effective immediately upon ~~service~~issuance on the current or former officer, director, or employee and upon a financial corporation, financial institution, or credit union. A consent order is effective as agreed.
5. Any current or former officer, director, or employee suspended or removed from any position pursuant to this section is not eligible, while under suspension or removal, to be employed or otherwise participate in the affairs of any financial corporation, financial institution, or credit union or any other entity licensed by the department of financial institutions until the suspension or removal is terminated by the department of financial institutions or board.
6. When any current or former officer, director, employee, or other person participating in the conduct of the affairs of a financial corporation, financial institution, or credit union is charged with a felony in state or federal court, involving dishonesty or breach of trust, the commissioner may immediately suspend the person from office or prohibit the person from any further participation in a financial corporation's, financial institution's, or credit union's affairs. The order is effective immediately upon ~~service~~issuance of the order on a financial corporation, financial institution, or credit union and the person charged, and remains in effect until the criminal charge is finally disposed of or until modified by the board. If a judgment of conviction, a federal pretrial diversion, conviction or agreement to plea to lesser charges, or similar state order or judgment is entered, the board or commissioner may order that the suspension or prohibition be made permanent. A finding of not guilty or other disposition of the charge does not preclude the commissioner or the board from pursuing administrative or civil remedies.

SECTION 2. A new section to chapter 6-07.2 of the North Dakota Century Code is created and enacted as follows:

Voluntary liquidation of a credit union.

1. A credit union may go into voluntary liquidation following a vote of the majority of the board of directors and approval by the majority of its members in writing or by a vote in favor of the liquidation by a majority of the members of the credit union at a regular meeting of the members or at a special meeting called for that purpose.
 - a. When authorization for liquidation is to be obtained at a meeting of members:
 - (1) Notice in writing must be given to each member at least ten days before the meeting and the notice must inform members they have the right to vote on the proposed liquidation.

(2) The minutes of the meeting must show the number of members present and the number that voted for and against liquidation.

- b. If approval by a majority of all members is not obtained at the meeting of members, authorization for voluntary liquidation may be obtained by having a majority of members sign a statement in substantially the following form:

We the undersigned members of the _____ Credit Union, Charter No. _____, hereby request the dissolution of our credit union.

2. The board of directors of a credit union in voluntary liquidation:
- a. Is responsible for conserving the assets, for expediting the liquidation, and for equitably distributing the assets to members.
- b. Shall determine all persons handling or having access to funds of the credit union are adequately covered by surety bond.
- c. Shall appoint a custodian for the credit union's records that are to be retained for five years after the charter is canceled.
- d. May appoint a liquidating agent and delegate part or all of these responsibilities to the agent and may authorize reasonable compensation for the agent's services. A liquidating agent must be adequately bonded for faithful performance of the agent's duties, and the coverage must remain in effect or the discovery period extended for at least four months after the final distribution of assets.
3. The supervisory committee, a certified public accountant hired by the supervisory committee, or if the bylaws do not establish a supervisory committee, a certified public accountant hired by the board of directors, is responsible for making periodic audits of the credit union's records, at least quarterly, during the period of liquidation.
4. Within three days after the decision of the board of directors to submit the question of liquidation to the members, the president shall notify the commissioner and the regional director of the national credit union administration in writing, setting forth in detail:
- a. The reasons for the proposed action;
- b. The previous month-end balance sheet and income statement; and
- c. A written plan for the liquidation of assets, payment of creditors, and payment of shares to be completed within one year of the date of membership approval to liquidate.
5. Within three days after the action of the members on the question of liquidation, the president shall notify the commissioner and the regional director of the national credit union administration in writing as to whether a majority of the members approved the proposed liquidation.
6. Within ten days of the decision to liquidate by the board of directors, a notice of the decision must be handed to each member, electronically distributed, or

mailed to the member's last-known address to confirm in writing the shares and deposits held by the member in the credit union and the loans owed by the member to the credit union.

7. Within ten days of the approval of a majority of the members of a credit union of a proposal to liquidate, the board of directors of the credit union shall have prepared and mailed to all creditors a notice of liquidation containing instructions to present claims to the credit union within ninety days for payment. New creditor claims subsequent to this notice which are necessary for the continued operation of the credit union during liquidation must continue to be paid upon authorization of the board of directors or liquidating agent.
8. Immediately upon the decision of the membership to liquidate, the credit union may continue to do all things under the original corporate name of the institution, to sue and be sued, to execute conveyances and other instruments, to take, hold, and own property, and to do all other things as may be necessary to realize upon the institution's remaining assets for the benefit of the institution's members, but not to engage or continue in any new or other business under the institution's charter or otherwise. At the discretion of the board of directors or the liquidating agent, transactions upon membership transactional accounts may continue to be honored up to the federal insurance limit until the accounts are sold or otherwise liquidated.
9. At the commencement of voluntary liquidation of a credit union, the treasurer or agent conducting the liquidation shall file with the commissioner a financial and statistical report and a schedule showing the name, book number or account number, share balance, and loan balance of each member.
10. Credit unions in the process of voluntary liquidation shall file with the commissioner a financial and statistical report as of December thirty-first or within thirty days after such date. Additional reports, as determined by the commissioner to be necessary, must be furnished promptly on written request.
11. When deemed advisable by the commissioner, an examination of the books and records of a credit union may be made before, during, or following completion of voluntary liquidation. The commissioner shall set fees for the examination at an hourly rate sufficient to cover all reasonable expenses of the department of financial institutions associated with the examination. Fees must be collected by the commissioner and deposited in the financial institutions regulatory fund.
12. If at any time during the liquidation of credit union assets, it is found the value of remaining assets will not be sufficient to cover the claims of creditors and shareholders, the board of directors or, if appointed, the liquidating agent shall immediately notify the commissioner and the regional director of the national credit union administration. Further liquidation of credit union assets or distributions to shareholders after notice requires written approval from the commissioner.
13. With the written approval of the commissioner, a partial distribution of the credit union's assets may be made to its members from cash funds available on authorization by its board of directors or by a duly authorized liquidating agent whose appointment specifically includes the authority. Partial distributions cannot exceed the national credit union share insurance limit.

14. When all assets of the credit union have been converted to cash or found to be worthless and all loans and debts owing to it have been collected, sold, or found to be uncollectible and all obligations of the credit union have been paid, with the exception of amounts due its members:
 - a. The books must be closed and the pro rata distribution to members computed. This computation must be based on the total amount in each member's share accounts as of the date the board of directors voted to voluntarily liquidate.
 - b. The amount of gain or loss must be entered in each member's share account and should be entered in the member's passbook or statement of account.
 - c. Promptly, funds must be distributed to each member. The funds must be mailed to such members at their last-known addresses, electronically transmitted to the members designated account, or handed to them in person.
 - d. The passbooks or written confirmations submitted by members to verify balances must be retained with the credit union records.
 - e. Unclaimed share accounts subject to the escheat or abandoned property laws of the state or the state of the members' residence must be paid to the state as required by such laws.
 - f. The commissioner must be promptly notified of the date final distribution of assets to the members is started.
 - g. In the event of a loss on members share accounts, a claim must be submitted by the board of directors or the liquidating agent if appointed, to the national credit union administration, private share insurance if available, and bonding company.
15. Within one hundred twenty days after the final distribution to members is started, the credit union shall furnish to the commissioner's office a schedule of unpaid claims. The board of directors of the credit union or the liquidating agent if appointed shall report money in the account of a member who failed to surrender their passbooks or confirm their balances, final distribution checks not cashed within one hundred twenty days, and any unpaid claims to the unclaimed property division of the board of university and school lands pursuant to chapter 47-30.2.

SECTION 3. REPEAL. Chapter 6-06.1 of the North Dakota Century Code is repealed.

Approved April 25, 2023

Filed April 26, 2023

CHAPTER 94

SENATE BILL NO. 2242

(Senators Erbele, Wanzek)
(Representatives Brandenburg, Kempenich, Porter)

AN ACT to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to the Bank of North Dakota and the administration of the bulk propane storage tank revolving loan fund; to provide for a transfer; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

Bulk propane storage tank revolving loan fund - Continuing appropriation - Audit and costs of administration.

1. The bulk propane storage tank revolving loan fund is a special fund in the state treasury from which the Bank of North Dakota shall provide loans to propane retailers to purchase and install storage containers to be used for the bulk storage of propane. The Bank shall administer the propane storage tank revolving loan fund.
2. To be eligible for this loan program, the applicant must be a propane retailer conducting business in the state and submit an application to the Bank which must:
 - a. Detail the proposed project, including the location of the storage container within the state;
 - b. Demonstrate the need and viability of the project; and
 - c. Include financial information as the Bank may determine appropriate.
3. The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.
4. A loan provided under this section:
 - a. May not exceed the lesser of five hundred thousand dollars or eighty-five percent of the actual cost of the project;
 - b. Must have an interest rate equal to two percent; and
 - c. Must provide a repayment schedule of no longer than fifteen years.
5. In processing loan applications under this section, the Bank shall calculate the maximum outstanding loan amount per qualified applicant. A qualified

applicant under this section may have a maximum total of five hundred thousand dollars in outstanding loans under this section.

6. The Bank shall deposit in the bulk propane storage tank revolving loan fund all payments of interest and principal paid under loans made from the bulk propane storage tank revolving loan fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs which may not exceed one-half of one percent. All money transferred to the fund, interest upon moneys in the fund, and payments to the fund of principal and interest are appropriated to the Bank on a continuing basis for administrative costs and for loan disbursement according to this section.
7. The Bank may adopt policies and establish guidelines to administer this loan program in accordance with this section and to supplement and leverage funds in the bulk propane storage tank revolving loan fund. Additionally, the Bank may adopt policies allowing participation by local financial institutions.
8. The bulk propane storage tank revolving loan fund must be audited in accordance with section 6-09-29 or shall engage with an independent public auditor to perform the necessary procedure to ensure compliance with section 6-09-29. The cost of the audit and any other actual costs incurred by the Bank on behalf of the fund must be paid from the fund.

SECTION 2. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO BULK PROPANE STORAGE TANK REVOLVING LOAN FUND - LOANS TO PROPANE RETAILERS. The office of management and budget shall transfer \$5,000,000 from the strategic investment and improvements fund to the bulk propane storage tank revolving loan fund for use by the Bank of North Dakota to provide loans to propane retailers under section 1 of this Act, for the biennium beginning July 1, 2023, and ending June 30, 2025.

Approved April 20, 2023

Filed April 21, 2023

CHAPTER 95

SENATE BILL NO. 2233

(Senators Klein, Bekkedahl, Hogue)
(Representatives Lefor, Vigesaa)

AN ACT to amend and reenact subsection 3 of section 4.1-01.1-07, subsection 6 of section 6-09-15.5, section 6-09-29, subsection 4 of section 6-09-46.2, subsection 5 of section 6-09-49.2, sections 6-09.8-03, 6-09.13-04, 6-09.14-02, 6-09.15-02, 6-09.16-03, and 6-09.18-05, subsection 6 of section 15.1-36-08, section 17-03-02, and subsection 2 of section 54-63.1-07 of the North Dakota Century Code, relating to the audit of loan programs administered by the Bank of North Dakota.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁶¹ **SECTION 1. AMENDMENT.** Subsection 3 of section 4.1-01.1-07 of the North Dakota Century Code is amended and reenacted as follows:

3. The Bank of North Dakota shall develop policies in consultation with the agriculture diversification and development committee. The Bank shall review loan applications. To be eligible for a loan under this section, an entity shall agree to provide the Bank with information as requested. The Bank may develop policies for loan participation with local financial institutions. The Bank shall deposit in the fund all principal and interest paid on the outstanding loans. The Bank may use a portion of the interest paid as a servicing fee to pay for administrative costs, which may not exceed one-half of one percent of the amount of the outstanding loans. The Bank shall contract with a certified public accounting firm to audit the fund if the fund has any loans. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

SECTION 2. AMENDMENT. Subsection 6 of section 6-09-15.5 of the North Dakota Century Code is amended and reenacted as follows:

6. ~~The industrial commission shall contract with a certified public accounting firm to audit the fund as necessary. The cost of the audit, The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit and any other actual costs incurred by the Bank on behalf of the fund, must be paid for by the fund.~~

SECTION 3. AMENDMENT. Section 6-09-29 of the North Dakota Century Code is amended and reenacted as follows:

6-09-29. Examinations and audit reports.

1. The state auditor shall contract with an independent certified public accounting firm for an annual audit of the Bank of North Dakota in accordance with generally accepted government auditing standards. The state auditor shall

⁶¹ Section 4.1-01.1-07 was also amended by section 2 of House Bill No. 1276, chapter 75.

~~audit annually or contract for an annual audit of the separate programs and funds administered by the Bank of North Dakota. On request of the state auditor, the industrial commission shall assist the state auditor in the auditing firm selection process, but the selection of the auditing firm is the state auditor's responsibility. The auditor selected shall prepare an audit report that includes financial statements presented in accordance with the audit and accounting guide for banks and savings institutions issued by the American institute of certified public accountants. The auditor also shall prepare audited financial statements for inclusion in the comprehensive annual financial report for the state.~~

2. The separate programs and funds administered by the Bank must be audited annually. The audits may be conducted by the state auditor or an independent certified public accounting firm. The audits of the separate programs and funds administered by the Bank may be combined into one comprehensive audit if combining the audits provides cost savings and efficiencies.
3. The state auditor may conduct performance audits of the Bank of North Dakota, including the separate programs and funds administered by the Bank. The auditor shall report the results of the audit to the industrial commission and to the legislative assembly. The Bank of North Dakota or its separate programs and funds shall pay the costs of the performance audit.
4. The department of financial institutions, through the commissioner, shall examine the Bank of North Dakota at least once each twenty-four months and conduct any investigation of the Bank which may be necessary. The commissioner shall report the examination results, and the results of any necessary investigation, to the industrial commission as soon as practicable and to the legislative assembly. The department of financial institutions shall charge a fee for any examination or investigation at an hourly rate to be set by the commissioner, sufficient to cover all reasonable expenses of the department associated with the examinations and investigations provided for by this section.

SECTION 4. AMENDMENT. Subsection 4 of section 6-09-46.2 of the North Dakota Century Code is amended and reenacted as follows:

4. Excluding the rebuilders and rebuilders home loans transferred to the fund, the Bank of North Dakota shall deposit in the fund all principal and interest paid on the loans made from the fund. The Bank may deduct from interest payments received on a loan under the program a service fee for administering the fund for the Bank and the originating financial institution. ~~The Bank shall contract with a certified public accounting firm to audit the fund as necessary. The cost of the audit, The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit and any other actual costs incurred by the Bank on behalf of the fund, must be paid by the fund.~~

SECTION 5. AMENDMENT. Subsection 5 of section 6-09-49.2 of the North Dakota Century Code is amended and reenacted as follows:

5. The Bank of North Dakota shall manage and administer loans from the water infrastructure loan fund. The Bank shall deposit in the fund all principal and interest paid on loans made from the fund. Annually, the Bank may deduct one-half of one percent of the outstanding loan balance as a service fee for administering the water infrastructure revolving loan fund. ~~The Bank shall contract with a certified public accounting firm to audit the fund. The fund must~~

be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

SECTION 6. AMENDMENT. Section 6-09.8-03 of the North Dakota Century Code is amended and reenacted as follows:

6-09.8-03. Loan guarantee fund - Administrative charges.

There is hereby created a beginning farmer loan guarantee fund which must be used by the Bank to carry out the provisions of this chapter. The fund must include the moneys appropriated by section 54-17-31 as it existed on June 30, 1983, and all earnings, less any administrative charges, from the investment of those moneys, and such moneys are hereby appropriated to the beginning farmer loan guarantee fund. Any and all administrative charges of the Bank necessary for the administration of the program established by this chapter may be charged to earnings of the fund. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

SECTION 7. AMENDMENT. Section 6-09.13-04 of the North Dakota Century Code is amended and reenacted as follows:

6-09.13-04. Agriculture partnership in assisting community expansion fund established - Continuing appropriation.

The agriculture partnership in assisting community expansion fund is hereby established and is a revolving fund, and all moneys transferred into the fund, interest upon fund moneys, and payments to the fund are hereby appropriated for the purposes of section 6-09.13-05. After December 31, 1992, moneys may be transferred between this fund and the partnership in assisting community expansion fund established in section 6-09.14-02. This fund is not subject to section 54-44.1-11. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

SECTION 8. AMENDMENT. Section 6-09.14-02 of the North Dakota Century Code is amended and reenacted as follows:

6-09.14-02. Fund - Continuing appropriation - Administration.

A partnership in assisting community expansion fund is hereby established from a transfer of earnings from the Bank of North Dakota. This is a revolving fund, and all moneys transferred into the fund, interest on fund moneys, and payments to the fund are hereby appropriated for the purposes of this chapter. This fund is not subject to section 54-44.1-11. The Bank of North Dakota shall administer the fund. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

SECTION 9. AMENDMENT. Section 6-09.15-02 of the North Dakota Century Code is amended and reenacted as follows:

6-09.15-02. Loan guarantee fund - Administration.

A beginning entrepreneur loan guarantee fund is created to be used by the Bank of North Dakota to administer a beginning entrepreneur loan guarantee program to be used in conjunction with other loan programs. The fund includes moneys appropriated by the legislative assembly for administration of the program and all earnings, less any administrative charges, from the investment of those moneys. The Bank may retain any administrative charges necessary for the administration of the program

established by this chapter. The fund is not subject to section 54-44.1-11. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

SECTION 10. AMENDMENT. Section 6-09.16-03 of the North Dakota Century Code is amended and reenacted as follows:

6-09.16-03. Long-term care facility loan fund.

1. There is created a long-term care facility loan fund. The fund consists of revenue transferred from the North Dakota health care trust fund, interest upon moneys in the fund, and collections of interest and principal on loans made from the fund.
2. The Bank of North Dakota shall administer the loan fund. Funds in the loan fund may be used for:
 - a. Loans as provided in this chapter and as approved by the department under chapter 50-30; and
 - b. The costs of administration of the fund. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.
3. Any money in the fund not required for use under subsection 2 must be transferred to the North Dakota health care trust fund.

⁶² **SECTION 11. AMENDMENT.** Section 6-09.18-05 of the North Dakota Century Code is amended and reenacted as follows:

6-09.18-05. Innovation loan fund to support technology advancement - Continuing appropriation.

The innovation loan fund to support technology advancement is a special fund in the state treasury and must be administered by the department of commerce. All moneys in the fund are appropriated to the department of commerce on a continuing basis for the purpose of providing innovation technology loans and for administrative expenses. The department of commerce shall deposit in the innovation loan fund to support technology advancement all principal and interest paid on loans made from the fund. Interest earned on moneys in the fund must be credited to the fund. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

⁶³ **SECTION 12. AMENDMENT.** Subsection 6 of section 15.1-36-08 of the North Dakota Century Code is amended and reenacted as follows:

6. The Bank may adopt policies and establish guidelines to administer this loan program in accordance with this section. The Bank of North Dakota may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administration costs which may not exceed one-half of one percent of the amount of the interest payment. The Bank of North Dakota shall deposit

⁶² Section 6-09.18-05 was also amended by section 17 of House Bill No. 1018, chapter 18.

⁶³ Section 15.1-36-08 was also amended by section 1 of House Bill No. 1161, chapter 197, and section 11 of Senate Bill No. 2284, chapter 173.

principal and interest payments made by school districts for loans under this section in the school construction assistance revolving loan fund. ~~The Bank of North Dakota shall arrange for the conduct of an annual audit of the school construction assistance revolving loan fund, the cost of which must be paid from the fund and which must be conducted by an independent accounting firm. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.~~

SECTION 13. AMENDMENT. Section 17-03-02 of the North Dakota Century Code is amended and reenacted as follows:

17-03-02. Biofuel partnership in assisting community expansion fund - Continuing appropriation - Administration.

Effective July 1, 2007, the biodiesel partnership in assisting community expansion fund becomes the biofuel partnership in assisting community expansion fund. All moneys transferred into the fund, interest on fund moneys, and payments to the fund are appropriated for the purposes of this chapter. This fund is not subject to section 54-44.1-11. The Bank of North Dakota shall administer the fund. Notwithstanding any other provision of law, the Bank may transfer any unobligated moneys between funds that have been appropriated by the legislative assembly for interest buydown in the biofuel partnership in assisting community expansion fund and the partnership in assisting community expansion fund. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.

⁶⁴ **SECTION 14. AMENDMENT.** Subsection 2 of section 54-63.1-07 of the North Dakota Century Code is amended and reenacted as follows:

2. Any bond proceeds deposited in the fund must be used for loans or loan guarantees. The Bank of North Dakota shall deposit in the fund all principal and interest paid on the loans made from the fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs, not to exceed one-half of one percent of the amount of the interest payment. ~~The Bank shall contract with a certified public accounting firm to audit the fund annually if the fund has any outstanding loans. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.~~

Approved March 27, 2023

Filed March 28, 2023

⁶⁴ Section 54-63.1-07 was also amended by section 23 of House Bill No. 1014, chapter 14.

CHAPTER 96

SENATE BILL NO. 2330

(Senators Klein, Hogan, Meyer)
(Representatives Bosch, Kreidt)

AN ACT to amend and reenact subsection 3 of section 6-09-49 and sections 21-10-11 and 21-10-12 of the North Dakota Century Code, relating to the infrastructure revolving loan fund, the legacy and budget stabilization fund advisory board, and legacy fund definitions; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁶⁵ **SECTION 1. AMENDMENT.** Subsection 3 of section 6-09-49 of the North Dakota Century Code is amended and reenacted as follows:

3. In processing political subdivision loan applications under this section, the Bank shall calculate the maximum outstanding loan amount per qualified applicant. A qualified applicant under this section may have a maximum combined total of ~~forty~~twenty million dollars in outstanding loans under this section and section 6-09-49.1. The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.

⁶⁶ **SECTION 2. AMENDMENT.** Section 21-10-11 of the North Dakota Century Code is amended and reenacted as follows:

21-10-11. Legacy and budget stabilization fund advisory board.

1. The legacy and budget stabilization fund advisory board is created to develop recommendations for the investment of funds in the legacy fund and the budget stabilization fund to present to the state investment board.
2. The goal of investment for the legacy fund is principal preservation and growth while maximizing total return for an appropriate level of risk and to provide a direct benefit to the state by investing a portion of the principal in the state. Preference must be given to qualified investment firms and financial institutions with a presence in the state for investment of the legacy fund.
3. The board shall determine the asset allocation for the investment of the principal of the legacy fund including:
 - a. A target allocation of ~~ten percent~~seven hundred million dollars to fixed income investments within the state, ~~of which~~including:

⁶⁵ Section 6-09-49 was also amended by section 1 of House Bill No. 1292, chapter 97.

⁶⁶ Section 21-10-11 was also amended by section 2 of House Bill No. 1088, chapter 227.

- (1) ~~Up to forty percent must be targeted~~ one hundred fifty million dollars for infrastructure loans to political subdivisions under section 6-09-49.1. The net return to the legacy fund under this paragraph must be fixed at a target rate of one and one-half percent;
 - (2) ~~Up to sixty percent, with a~~ minimum of four hundred million dollars, ~~must be designated to~~ for the Bank of North Dakota's certificate of deposit match program with an interest rate fixed at the equivalent yield of United States treasury bonds having the same term, up to a maximum term of twenty years; and
 - (3) ~~Any remaining amounts must be designated for other~~ Other qualified fixed income investments within the state based on guidelines developed by the legacy and budget stabilization fund advisory board.
- b. A target allocation of ~~ten percent~~ six hundred million dollars to equity investments in the state, of which including:
- (1) ~~At least three percent may be targeted for investment~~ Investments in one or more equity funds, venture capital funds, or alternative investment funds with a primary strategy of investing in emerging or expanding companies in the state. Equity investments under this paragraph must:

 - (a) Be managed by qualified investment firms, financial institutions, or equity funds which have a strategy to invest in qualified companies operating or seeking to operate in the state and which have a direct connection to the state; and
 - (b) Have a benchmark investment return equal to the five-year average net return for the legacy fund, excluding in-state investments; and
 - (2) ~~The legacy and budget stabilization fund advisory board may develop guidelines for other~~ Other eligible investments under this subdivision based on guidelines developed by the legacy and budget stabilization fund advisory board.
4. The board consists of three members of the senate appointed by the senate majority leader, three members of the house of representatives appointed by the house majority leader, the president of the Bank of North Dakota or designee, the tax commissioner or designee, the insurance commissioner or designee, and the state treasurer or designee. The board shall select a member from the senate or house of representatives to serve as chairman for no more than one consecutive year and must meet at the call of the chairman.
 5. The board shall report at least semiannually to the budget section.
 6. Legislative members are entitled to receive compensation and expense reimbursement as provided under section 54-03-20 and reimbursement for mileage as provided by law for state officers. The legislative council shall pay the compensation and expense reimbursement for the legislative members.
 7. The legislative council shall provide staff services to the legacy and budget stabilization fund advisory board.

8. The staff and consultants of the state retirement and investment office shall advise the board in developing asset allocation and investment policies.
9. The board may develop a process to select a member of the board who is not a member of the state investment board to serve on the state investment board in a nonvoting capacity.

SECTION 3. AMENDMENT. Section 21-10-12 of the North Dakota Century Code is amended and reenacted as follows:

21-10-12. Legacy fund definitions.

For the purposes of section 26 of article X of the Constitution of North Dakota:

1. "Earnings" means ~~net income in accordance with generally accepted accounting principles, excluding any unrealized gains or losses~~an amount equal to seven percent of the five-year average value of the legacy fund assets as reported by the state investment board using the value of the assets at the end of each fiscal year for the five-year period ending with the most recently completed even-numbered fiscal year.
2. "Principal" means all moneys in the legacy fund not included in earnings as defined under subsection 1.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 29, 2023

Filed May 1, 2023

CHAPTER 97

HOUSE BILL NO. 1292

(Representatives Porter, Bosch, Toman)
(Senators Cleary, Larsen)

AN ACT to amend and reenact section 6-09-49 of the North Dakota Century Code, relating to capital construction projects; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

⁶⁷ **SECTION 1. AMENDMENT.** Section 6-09-49 of the North Dakota Century Code is amended and reenacted as follows:

6-09-49. Infrastructure revolving loan fund - Continuing appropriation.

1. The infrastructure revolving loan fund is a special fund in the state treasury from which the Bank of North Dakota shall provide loans to political subdivisions, the Garrison Diversion Conservancy District, and the Lake Agassiz water authority for essential infrastructure projects. The Bank shall administer the infrastructure revolving loan fund. The maximum term of a loan made under this section is the lesser of thirty years or the useful life of the project. A loan made from the fund under this section must have an interest rate that does not exceed two percent per year.
2. For purposes of this section, "essential infrastructure projects" means capital construction projects to construct new infrastructure or replace existing infrastructure, which provide the fixed installations necessary for the function of a political subdivision. Capital construction projects exclude routine maintenance and repair projects, but include the following:
 - a. The Red River valley water supply project;
 - b. Water treatment plants;
 - c. Wastewater treatment plants;
 - d. Sewerlines and waterlines, including lift stations and pumping systems;
 - e. Storm water infrastructure, including curb and gutter construction;
 - f. Water storage systems, including dams, water tanks, and water towers;
 - g. Road and bridge infrastructure, including paved and unpaved roads and bridges;
 - h. Airport infrastructure;
 - i. Electricity transmission infrastructure;

⁶⁷ Section 6-09-49 was also amended by section 1 of Senate Bill No. 2330, chapter 96.

- j. Natural gas transmission infrastructure;
 - k. Communications infrastructure;
 - l. Emergency services facilities, excluding hospitals; and
 - m. Critical political subdivision buildings and infrastructure; and
 - n. Infrastructure required to service recreation and community facilities, not including the construction of a building or recreational amenity.
3. In processing political subdivision loan applications under this section, the Bank shall calculate the maximum outstanding loan amount per qualified applicant. A qualified applicant under this section may have a maximum combined total of forty million dollars in outstanding loans under this section and section 6-09-49.1. The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.
 4. The Bank shall deposit in the infrastructure revolving loan fund all payments of interest and principal paid under loans made from the infrastructure revolving loan fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs which may not exceed one-half of one percent of the amount of the interest payment. All moneys transferred to the fund, interest upon moneys in the fund, and payments to the fund of principal and interest are appropriated to the Bank on a continuing basis for administrative costs and for loan disbursement according to this section.
 5. The Bank may adopt policies and establish guidelines to administer this loan program in accordance with the provisions of this section and to supplement and leverage the funds in the infrastructure revolving loan fund. Additionally, the Bank may adopt policies allowing participation by local financial institutions.
 6. If a political subdivision applies for a loan under this section for a county road or bridge project, the department of transportation shall review and approve the project before the Bank may issue a loan. If a political subdivision applies for a loan under this section for a water-related project, the state water commission shall review and approve the project before the Bank may issue a loan. The department of transportation and state water commission may develop policies for reviewing and approving projects under this section.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 10, 2023

Filed April 11, 2023

CHAPTER 98

HOUSE BILL NO. 1379

(Representatives Lefor, Bosch, Dockter, Headland, Nathe, Novak, O'Brien)
(Senators Bekkedahl, Hogue, Rummel, Sorvaag)

AN ACT to amend and reenact sections 6-09.4-10.1 and 21-10-13 of the North Dakota Century Code, relating to the legacy sinking and interest fund and the legacy earnings fund; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-09.4-10.1 of the North Dakota Century Code is amended and reenacted as follows:

6-09.4-10.1. Legacy sinking and interest fund - Debt service requirements - Public finance authority.

There is created in the state treasury the legacy sinking and interest fund. The fund consists of all moneys deposited in the fund under section 21-10-13. Moneys in the fund may be spent by the public finance authority pursuant to legislative appropriations to meet the debt service requirements for evidences of indebtedness issued by the authority for transfer to the Bank of North Dakota for allocations to infrastructure projects and programs. ~~Any moneys in the fund in excess of the amounts appropriated from the fund to meet the debt service requirements for a biennium must be transferred by the state treasurer to the public employees retirement system main system plan under chapter 54-52, but only if the public employees retirement system main system plan's actuarial funded ratio as reported for the most recently completed even-numbered fiscal year is less than ninety percent. If the public employees retirement system main system plan's actuarial funded ratio is ninety percent or more and then subsequently decreases below ninety percent, the state treasurer may not resume the transfers under this subdivision unless the main system plan's actuarial funded ratio is less than seventy percent.~~

SECTION 2. AMENDMENT. Section 21-10-13 of the North Dakota Century Code is amended and reenacted as follows:

21-10-13. Legacy earnings fund - State treasurer - Transfers.

1. There is created in the state treasury the legacy earnings fund. The fund consists of all moneys transferred to the fund under subsection 2 and all interest and earnings upon moneys in the fund.
2. Any legacy fund earnings transferred to the general fund at the end of each biennium in accordance with section 26 of article X of the Constitution of North Dakota must be immediately transferred by the state treasurer to the legacy earnings fund.
3. For each biennium subsequent to the biennium in which the legacy fund earnings are transferred under subsection 2, the amount available for appropriation from the legacy earnings fund is seven percent of the five-year average value of the legacy fund assets as reported by the state investment

board. The average value of the legacy fund assets must be calculated using the value of the assets at the end of each fiscal year for the five-year period ending with the most recently completed even-numbered fiscal year.

4. On July first of each odd-numbered year, from the amount available for appropriation or transfer from the legacy earnings fund for the biennium, the state treasurer shall transfer funding in the following order:
 - a. The first one hundred fiftytwo million six hundred twenty-four thousand dollars or an amount equal to the amount appropriated from the legacy sinking and interest fund for debt service payments for a biennium, whichever is less, to the legacy sinking and interest fund under section 6-09.4-10.1.
 - b. The next two hundred twenty-five million dollars to the general fund to provide support for tax relief initiatives approved by the legislative assembly.
 - c. The next sixtyone hundred million dollars to the legacy earnings highway tax distribution fund for allocations under section 54-27-1954-27-19.3.
 - e.d. Any remaining funds for other purposes as designated by the legislative assembly, including amounts under this subsection as follows:
 - (1) Up to fifty million dollars for tax relief pursuant to appropriations or transfers authorized by the legislative assembly; Fifty percent to the general fund.
 - (2) Up to thirty million dollars to the clean sustainable energy fund pursuant to appropriations or transfers authorized by the legislative assembly; and
 - (3) Up to thirty million dollars for university research programs, the innovation loan fund to support technology advancement, and workforce enrichment initiatives pursuant to appropriations or transfers authorized by the legislative assembly. The remaining fifty percent to the strategic investment and improvements fund to be used in accordance with the provisions of section 15-08.1-08.
5. If the amounts transferred under subsection 2 exceed the amount available for appropriation under subsection 3, an amount equal to any appropriations from the legacy sinking and interest fund for bond payments under section 6-09.4-10.1 must be retained in the legacy earnings fund through June 30, 2025, after which an amount equal to twice any appropriations from the legacy sinking and interest fund under section 6-09.4-10.1 for bond payments, but not more than one hundred fifty million dollars, must be retained in the legacy earnings fund. After deducting any amounts to be retained in the legacy earnings fund, the state treasurer shall transfer, within thirty days, any remaining amounts under this subsection in the following order: the state treasurer shall transfer the excess and any remaining amounts after the transfers and appropriations under subsection 4, as follows:
 - a. The first one hundred million dollars to the legacy fund to become part of the principal. Fifty percent to the general fund.

- b. ~~Any remaining amount to the~~The remaining fifty percent to the strategic investment and improvements fund to be used in accordance with the provisions of section 15-08.1-08.

SECTION 3. EFFECTIVE DATE. This Act becomes effective July 1, 2023.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Approved May 8, 2023

Filed May 9, 2023

CHAPTER 99

HOUSE BILL NO. 1125

(Representatives Richter, Longmuir, Monson, Nathe)
(Senators Patten, Schaible)

AN ACT to amend and reenact section 6-09.4-23 of the North Dakota Century Code, relating to withholding school district state aid payments and the school district credit enhancement program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-09.4-23 of the North Dakota Century Code is amended and reenacted as follows:

6-09.4-23. Evidences of indebtedness - Authority to withhold school district state aid.

1. If the public finance authority or a paying agent notifies the superintendent of public instruction, in writing, that a school district has failed to pay when due the principal or interest on any evidences of indebtedness issued after July 31, 1999, or that the public finance authority, school district, or the paying agent has reason to believe a school district will not be able to make a full payment of the principal and interest when the payment is due, the superintendent of public instruction shall withhold any funds that are due or payable or appropriated to the school district under chapter 15.1-27 until the payment of the principal or interest has been made to the public finance authority or the paying agent, or until the public finance authority, school district, or the paying agent notifies the superintendent of public instruction that arrangements satisfactory to the public finance authority or the paying agent have been made for the payment of the principal and interest then due and owing. The notification must include information required by the superintendent of public instruction. State funds available to a school district under chapter 15.1-27 are not subject to withholding under this section unless the withholding is authorized by resolution of the district's school board.
2. If the public finance authority or a paying agent notifies the state treasurer, in writing, that a school district has failed to pay when due the principal or interest on any evidence of indebtedness issued after July 31, 2023, or that the public finance authority, school district, or the paying agent has reason to believe a school district will not be able to make a full payment of the principal and interest when the payment is due, the state treasurer shall withhold any funds that are due or payable or appropriated to the school district under chapter 57-51 until the payment of the principal or interest has been made to the public finance authority or the paying agent, or until the public finance authority, school district, or the paying agent notifies the state treasurer that arrangements satisfactory to the public finance authority or the paying agent have been made for the payment of the principal and interest then due and owing. The notification must include information required by the state treasurer. State funds available to a school district under chapter 57-51 are not subject to withholding under this section unless the withholding is authorized by resolution of the district's school board.

3. If the public finance authority or a paying agent notifies the county auditor, in writing, that a school district has failed to pay when due the principal or interest on any evidence of indebtedness issued after July 31, 2023, or that the public finance authority, school district, or the paying agent has reason to believe a school district will not be able to make a full payment of the principal and interest when the payment is due, the county auditor shall withhold any funds that are due or payable or appropriated to the school district under chapters 57-33.2, 57-34, and 57-55 and section 21-06-10 until the payment of the principal or interest has been made to the public finance authority or the paying agent, or until the public finance authority, school district, or the paying agent notifies the county auditor that arrangements satisfactory to the public finance authority or the paying agent have been made for the payment of the principal and interest then due and owing. The notification must include information required by the county auditor. State funds available to a school district under chapters 57-33.2, 57-34, and 57-55 and section 21-06-10 are not subject to withholding under this section unless the withholding is authorized by resolution of the district's school board.
4. Notification by the public finance authority, school district, or the paying agent that satisfactory arrangements have been made for the payment of the principal and interest then due and owing under subsection 1, 2, or 3 must be made at least fifteen working days before the principal or interest is due. The notice must be in writing and include the name of the school district, an identification of the debt obligation issue, the date the payment is due, the amount of principal and interest due on the payment date, the amount of principal or interest the school district will be unable to pay, the paying agent for the debt obligation, the wire transfer instructions to transfer funds to the paying agent, and an indication that payment is requested under this section. A paying agent shall notify the superintendent of public instruction, the state treasurer, and the appropriate county auditor if the paying agent becomes aware of a potential default. If the superintendent, state treasurer, or the county auditor receives notice of a requested payment under this section, the superintendent of public instruction, state treasurer, or county auditor shall withhold and transfer funds due or payable or appropriated to the school district under chapter 15.1-27 or 57-51 to the paying agent after:

 - a. Consulting with the school district and the paying agent; and
 - b. Verifying the accuracy of the provided request information.
- 3-5. Notwithstanding any withholding of state funds under section 15-39.1-23 or any other law, the superintendent of public instruction, state treasurer, and county auditor shall make available any funds withheld under subsection 1, 2, or 3 to the public finance authority or the paying agent. The public finance authority or the paying agent shall apply the funds to payments that the school district is required to make to the public finance authority or the paying agent.
- 4-6. If funds are withheld from a school district and made available to the public finance authority or a paying agent under this section and if tax revenues are received by the school district during the fiscal year in which the funds are withheld and are deposited in the district's sinking fund established in accordance with section 21-03-42, the district, with the consent of the public finance authority or the paying agent, may withdraw from its sinking fund an amount equal to that withheld ~~by the superintendent of public instruction and~~

made available to the public finance authority or a paying agent under this section.

5. ~~Any excess funds at the Bank of North Dakota escrowed pursuant to an agreement between the public finance authority and the state board of public school education for the benefit of the public finance authority and a school district must be held by the Bank. With the approval of the superintendent of public instruction, those funds may be used to subsidize the debt service payments on construction loans that are made to school districts by the public finance authority and which are subject to the withholding provisions of this section or construction loans made to school districts under the state school construction program established by section 11 of chapter 2 of the 1989 Session Laws. Notwithstanding the existence of an escrow agreement between the public finance authority and the state board of public school education, those funds must be transferred to the public finance authority upon certification by the public finance authority that the funds are in excess of the amount needed to provide for the payment in full of the outstanding principal and interest, when due, on the public finance authority bonds issued to purchase the municipal securities for which the escrow fund was established.~~
- 6-7. The superintendent of public instruction, state treasurer, and county auditor shall develop detailed procedures for a school districtsdistrict to notify the superintendent of public instruction, state treasurer, and the county auditor that they havethe school district has obligated themselves the district to be bound by the provisions of this section; procedures for a school districtsdistrict, paying agentsagent, and the public finance authority to notify the superintendent of public instruction, state treasurer, or county auditors of potential defaults and to request payment under this section; and procedures for the state to expedite payments to prevent defaults.

Approved March 14, 2023

Filed March 15, 2023