

# PUBLIC BUILDINGS

## CHAPTER 409

### HOUSE BILL NO. 1288

(Representatives Roers Jones, Bahl, Ista, O'Brien, Swiontek)  
(Senators Cleary, Patten, J. Roers, Sickler)

AN ACT to create and enact a new subsection to section 48-01.2-20 and a new section to chapter 54-21 of the North Dakota Century Code, relating to notice requirements for construction manager at-risk contracts and state entities contracting for property management services; to amend and reenact section 54-21-24.1 of the North Dakota Century Code, relating to the lease of additional space by state agencies; and to provide for a legislative management study.

#### BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1.** A new subsection to section 48-01.2-20 of the North Dakota Century Code is created and enacted as follows:

The governing body shall publish a notice of request for qualifications to enter a construction management at-risk contract under this section in a newspaper of general circulation in the county in which the public improvement is located and in a construction trade publication, electronic service, builders exchange, or other industry-recognized method in general circulation among the contractors, building manufacturers, and dealers in this state. The notice must be published for three consecutive weeks, with the first publication being at least twenty-one days before the date of opening of the request for qualifications. Upon written request, the governing body shall mail a copy of the invitation to any interested party.

**SECTION 2. AMENDMENT.** Section 54-21-24.1 of the North Dakota Century Code is amended and reenacted as follows:

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

A lease or rental agreement or renewal of the lease or rental agreement for the lease or rental of buildings or portions of buildings for use by state agencies, departments, offices, officers, boards, and institutions, other than institutions under the board of higher education, the adjutant general and department of transportation office and storage space for field engineering and maintenance crews, ~~unless approved~~ may be entered by the director of the office of management and budget subject to a determination of the legal sufficiency of the lease or rental agreement. To ensure economy, efficiency, and cooperation between the state and its political subdivisions, and to limit the number of locations of state offices for the convenience of individuals traveling to the offices, the director shall ~~promulgate~~adopt rules governing the lease or rental of additional buildings or portions of the buildings by state agencies, departments, offices, officers, boards, and institutions other than those under the board of higher education, the adjutant general, and department of

transportation office and storage space for field engineering and maintenance crews. The department, agency, or board for which the office space is sought must approve the office space before the director may finalize a contract or lease for the office space. A lease or rental agreement entered under this section must include a list of all owners of the leased property, including each individual with an ownership interest in a business or businesses that directly or indirectly own the leased property if the individual's aggregate ownership interest in the leased property is ten percent or more.

**SECTION 3.** A new section to chapter 54-21 of the North Dakota Century Code is created and enacted as follows:

**Contract for services - Property management.**

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

**SECTION 4. LEGISLATIVE MANAGEMENT STUDY - INFRASTRUCTURE DEVELOPMENT BY PRIVATE OPERATORS.** During the 2023-24 interim, the legislative management shall consider studying infrastructure development by private operators as provided for under chapter 48-02.1, agency construction management procurement procedures under section 48-01.2-19, and construction management at-risk delivery methods under section 48-01.2-20. The study must include input from contractor groups and other stakeholders to determine how public-private partnerships are being used and whether the use of these partnerships has been successful. 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 24, 2023

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