

HB1392

House Education Committee

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Dennis Johnson, Speaker of the House of Representatives

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Chair Heinert and members of the House Education Committee. My name is Dennis Johnson, and I serve as Speaker of the House of Representatives and represent District 15. I am here to introduce HB1392 and to request your consideration of an amendment.

HB1392 provides our North Dakota higher education institutions the ability to deposit funds from its nonprofit organization or foundation into an institution's account at the Bank of North Dakota and subsequently disburse those dollars, without the funds being considered a gift under section 18 of Article X of the ND Constitution.

Currently, the foundations must spend those funds from the foundation's account. Many of the smaller institutions have limited foundation staff and would like to provide funds directly to the institution for the President to use in fund-raising activities with donors. This change would allow the institution to accept and subsequently disburse funds received from its foundation for the foundation-specified purposes.

I also request that you consider an amendment to provide this same flexibility for student organizations. Many of the smaller institutions have students on their campuses for less than a two-year period. This makes it difficult for the student organizations to maintain checking accounts due to frequent turnover. The proposed language would allow the institutions to deposit the student organization funds and subsequently disburse those funds for their intended purposes.

The amendment would insert the following language after line 13 of the bill:

Student organization funds

Any student organization recognized by an institution under the control of the state board of higher education may deposit money into institution accounts in the Bank of North Dakota to be used for the benefit of students and student organizations, or for charitable purposes. An expenditure made under this section is deemed to be made for a public purpose and may not be construed as a gift for purposes of section 18 of article X of the Constitution of North Dakota.

Thank you for your consideration of the bill & proposed amendment. I will stand for questions from committee members