



---

## **LEGACY AND BUDGET STABILIZATION FUND ADVISORY BOARD**

Tuesday, March 31, 2026  
Harvest Room, State Capitol  
Bismarck, North Dakota

Representative Jonathan Warrey, Chairman, called the meeting to order at 11:00 a.m.

**Members present:** Representatives Jonathan Warrey, Glenn Bosch, Keith Kempenich; Senator Jerry Klein; Citizen Members Thomas Beadle, Brian Kroshus, Joe Morrissette

**Members absent:** Senators Kathy Hogan, Scott Meyer; Citizen Member Don Morgan

**Others present:** Scott Anderson and Jodi A. Smith, Retirement and Investment Office; Jim Voytko, RVK, Inc.

**It was moved by Representative Kempenich, seconded by Senator Klein, and carried on a voice vote that the minutes of the October 22, 2025, meeting be approved as distributed.**

### **STATUS OF FUNDS AND PROGRAMS**

Ms. Jodi A. Smith, Executive Director, Retirement and Investment Office, noted the agency is negotiating a contract for the development of a website for the Legacy Fund to increase transparency related to the investments under the fund.

Mr. Scott Anderson, Chief Investment Officer, Retirement and Investment Office, presented information ([Appendix A](#)) regarding the performance of investment markets, the status of the Legacy Fund and Budget Stabilization Fund, and the implementation of the Internal Investment Management Program. He noted:

- The bond and equity markets had negative returns for the calendar year to date through March 24, 2026, except for emerging markets and real estate, which had positive returns.
- As of January 31, 2026, the Legacy Fund had a balance of \$13.97 billion and returned 10.6 percent for the fiscal year to date compared to a benchmark of 10 percent.
- As of January 31, 2026, the Budget Stabilization Fund had a balance of \$978 million and returned 3.1 percent for the fiscal year to date compared to a benchmark of 2.6 percent.
- The Internal Investment Management Program resulted in fee savings of \$8.9 million for the fiscal year to date through January 31, 2026.

In response to a question from a committee member, Mr. Anderson noted the investments under the Bank of North Dakota's CD Match Program have averaged approximately \$280 million for the past 2 years, which is less than the minimum threshold of \$400 million in law.

**It was moved by Representative Bosch, seconded by Representative Kempenich, and carried on a roll call vote that the Legacy and Budget Stabilization Fund Advisory Board recommend the Bank of North Dakota consider pausing new investments under the CD Match Program and the Retirement and Investment Office consider coordinating with RVK, Inc., to conduct a cost-benefit analysis of the CD Match Program.** Representatives Warrey, Bosch, and Kempenich; Senator Klein; and Citizen Members Beadle, Kroshus, and Morrissette voted "aye." No negative votes were cast.

## LEGACY FUND INVESTMENT POLICY

### Investment Policy Review

Mr. Jim Voytko, Senior Consultant, RVK, Inc., presented information ([Appendix B](#)) regarding the Legacy Fund investment policy. He noted:

- RVK, Inc., reviewed the Legacy Fund's investment policy, including the provisions related to the in-state investments, and concluded the in-state investment policy aligns with the overall desired outcomes.
- The Legacy Fund may encounter pressure to pursue riskier investments with higher returns to increase the biennial distributions, which support property tax relief and other proposed spending obligations.
- The in-state investments may create concentration risk for the state because in-state investments may receive funding from multiple state sources, which are not adequately tracked in a centralized manner.
- RVK, Inc., suggested clarifying the definition of infrastructure under the in-state investments to distinguish between public use assets and commercial projects.

In response to a question from a committee member, Mr. Voytko noted the Legacy Fund's investment policy does not need to be designed for the possibility of a significant in-state investment since the state has options to provide support through other means.

### Revised Investment Policy

Mr. Anderson presented information ([Appendix C](#)) regarding proposed changes to the investment policy for the Legacy Fund. He noted the proposed changes provide consistency with the investment policies of other funds and reflect the constitutional changes in House Concurrent Resolution No. 3033 (2023) approved by the voters in November 2024.

Mr. Anderson distributed a copy of the revised investment policy ([Appendix D](#)) reflecting the proposed changes.

**It was moved by Representative Bosch, seconded by Representative Kempenich, and carried on a roll call vote that the Legacy and Budget Stabilization Fund Advisory Board approve the revised investment policy for the Legacy Fund as distributed to provide consistency with other investment policy statements and to reflect the relevant constitutional changes.** Representatives Warrey, Bosch, and Kempenich; Senator Klein; and Citizen Members Beadle, Kroshus, and Morrissette voted "aye." No negative votes were cast.

No further business appearing, Chairman Warrey adjourned the meeting at 2:25 p.m.

---

Adam Mathiak  
Senior Fiscal Analyst

ATTACH:4