

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2302
(Senators Patten, Beard, Kessel)
(Representatives Hagert, Novak, Porter)

AN ACT to amend and reenact sections 15-01-02 and 15-05-09 of the North Dakota Century Code, relating to the powers of the board of university and school lands and leases on state lands.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-01-02 of the North Dakota Century Code is amended and reenacted as follows:

15-01-02. Powers - Control of public lands and permanent funds.

The board has:

1. Full control of the selection, appraisal, rental, sale, disposal, and management of:
 - a. Lands donated or granted by or received from the United States or from any other source for the support and maintenance of the common schools.
 - b. All lands which fall to the state by escheat.
 - c. All lands donated or granted by or received from the United States or from any other source for the maintenance of the educational, penal, or charitable institutions.
 - d. All lands acquired by the state through the investment of the permanent school funds of the state as the result of mortgage foreclosure or otherwise.
2. Full control of the investment of the permanent funds derived from the sale of any of the lands described in subsection 1.
3. Full control of such percent of the proceeds of any sale of public lands as may be granted to the state by the United States on such sale.
4. Full control of the proceeds of any property that fall to the state by escheat and of the proceeds of all gifts and donations to the state for the support or maintenance of the common schools, and of all other property otherwise acquired by the state for the maintenance of the common schools. Any gift to the state not specifically appropriated to any other purpose must be considered as a gift for the support and maintenance of the common schools.
5. Authority to expend moneys for the purpose of making refunds in cases in which an error has been made by the board, or a person dealing with the board, with regard to any of the lands, minerals, funds, proceeds, or any other kind of property managed by the board. Moneys expended to make refunds must come from the same fund or account into which the money to be refunded was originally placed.
6. Authority to award and distribute energy infrastructure and impact grants from moneys deposited in the oil and gas impact grant fund, except that grants awarded annually may not exceed sixty percent of the biennial appropriation for energy infrastructure and impact grants. The board may create an advisory committee to assist the board in making its grant award determinations.
7. Authority to adopt policies and rules necessary to carry out the responsibilities of the board in conformity with any statute administered or enforced by the board.

SECTION 2. AMENDMENT. Section 15-05-09 of the North Dakota Century Code is amended and reenacted as follows:

15-05-09. Leases for oil, gas, and other products.

The board of university and school lands may lease:

1. Lease any lands under its control believed to contain resources, including oil, gas, coal, cement materials, sodium sulfate, sand and gravel, road material, building stone, chemical substances, metallic ores, critical minerals, rare earth elements, colloidal or other clays, or other naturally occurring elements and their compounds, ~~and may make;~~
2. Cancel a lease if it is discovered that a lessee intends to hinder or block development of the resources; and
3. Make and establish rules and regulations for development, drilling, and mining operations.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2302.

Senate Vote: Yeas 45 Nays 2 Absent 0

House Vote: Yeas 83 Nays 9 Absent 2

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State