

Introduced by

Representatives Kempenich, Warrey

Senators Bekkedahl, Kessel, Meyer

1 A BILL for an Act to create and enact a new section to chapter 54-27 of the North Dakota
2 Century Code, relating to a legacy earnings fund; to amend and reenact subsection 1 of section
3 21-10-06 of the North Dakota Century Code, relating to funds invested by the state investment
4 board; to repeal sections 21-10-12 and 21-10-13 of the North Dakota Century Code, relating to
5 legacy fund definitions and a legacy earnings fund; to provide an effective date; and to declare
6 an emergency.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1. AMENDMENT.** Subsection 1 of section 21-10-06 of the North Dakota Century
9 Code is amended and reenacted as follows:

- 10 1. Subject to the provisions of section 21-10-02, the board shall invest the following
11 funds:
- 12 a. State bonding fund.
 - 13 b. Teachers' fund for retirement.
 - 14 c. State fire and tornado fund.
 - 15 d. Workforce safety and insurance fund.
 - 16 e. Public employees retirement system.
 - 17 f. Insurance regulatory trust fund.
 - 18 g. State risk management fund.
 - 19 h. Budget stabilization fund.
 - 20 i. Water projects stabilization fund.
 - 21 j. Health care trust fund.
 - 22 k. Cultural endowment fund.
 - 23 l. Petroleum tank release compensation fund.
 - 24 m. Legacy fund.

- 1 n. Legacy earnings fund.
- 2 e. Opioid settlement fund.
- 3 p-o. A fund under contract with the board pursuant to subsection 3.

4 **SECTION 2.** A new section to chapter 54-27 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Legacy earnings fund - State treasurer - Legacy fund distribution - Allocations.**

- 7 1. There is created in the state treasury the legacy earnings fund. The fund consists of all
8 moneys distributed by the state treasurer from the legacy fund pursuant to section 26
9 of article X of the Constitution of North Dakota. The distribution from the legacy fund
10 on July first of each odd-numbered year must be equal to seven percent of the
11 five-year average value of the legacy fund balance as reported by the state investment
12 board. The average value of the legacy fund balance must be calculated using the
13 fund balance at the end of each fiscal year for the five-year period ending with the
14 most recently completed even-numbered fiscal year.
- 15 2. From the amount distributed to the legacy earnings fund under subsection 1, the state
16 treasurer shall allocate funding in July of each odd-numbered year in the following
17 order:
 - 18 a. The first one hundred two million six hundred twenty-four thousand dollars or an
19 amount equal to the amount appropriated from the legacy sinking and interest
20 fund for debt service payments for a biennium, whichever is less, to the legacy
21 sinking and interest fund under section 6-09.4-10.1. However, the amount under
22 this subdivision may not exceed thirty-three percent of the amount distributed
23 from the legacy fund on July first under subsection 1.
 - 24 b. The next two hundred twenty-five million dollars to the general fund to provide
25 support for tax relief initiatives approved by the legislative assembly.
 - 26 c. The next one hundred million dollars to the legacy earnings highway distribution
27 fund for allocations under section 54-27-19.3.
 - 28 d. The remaining amount as follows:
 - 29 (1) Fifty percent to the general fund.
 - 30 (2) The remainder to the strategic investment and improvements fund to be
31 used in accordance with section 15-08.1-08.

1 **SECTION 3. REPEAL.** Sections 21-10-12 and 21-10-13 of the North Dakota Century Code
2 are repealed.

3 **SECTION 4. EFFECTIVE DATE.** This Act becomes effective July 1, 2025.

4 **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.