

SENATE BILL NO. 2372

Introduced by

Senators Bekkedahl, Hogue, Patten, Rummel

Representatives Lefor, Vigesaa

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 section 6-09.4-10.1,
3 subsection 1 of section 21-10-06, and section 54-27-19.3 of the North Dakota Century Code,
4 relating to funds invested by the state investment board; to repeal sections 21-10-12 and
5 21-10-13 of the North Dakota Century Code, relating to legacy fund definitions and a legacy
6 earnings fund; to provide an effective date; and to declare an emergency.

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

8 **SECTION 1. AMENDMENT.** Section 6-09.4-10.1 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **6-09.4-10.1. Legacy sinking and interest fund - Debt service requirements - Public**
11 **finance authority.**

12 There is created in the state treasury the legacy sinking and interest fund. The fund consists
13 of all moneys deposited in the fund under section ~~21-10-133~~ of this Act. Moneys in the fund may
14 be spent by the public finance authority pursuant to legislative appropriations to meet the debt
15 service requirements for evidences of indebtedness issued by the authority for transfer to the
16 Bank of North Dakota for allocations to infrastructure projects and programs.

17 **SECTION 2. AMENDMENT.** Subsection 1 of section 21-10-06 of the North Dakota Century
18 Code is amended and reenacted as follows:

- 19 1. Subject to the provisions of section 21-10-02, the board shall invest the following
20 funds:
- 21 a. State bonding fund.
 - 22 b. Teachers' fund for retirement.
 - 23 c. State fire and tornado fund.
 - 24 d. Workforce safety and insurance fund.

- 1 e. Public employees retirement system.
- 2 f. Insurance regulatory trust fund.
- 3 g. State risk management fund.
- 4 h. Budget stabilization fund.
- 5 i. Water projects stabilization fund.
- 6 j. Health care trust fund.
- 7 k. Cultural endowment fund.
- 8 l. Petroleum tank release compensation fund.
- 9 m. Legacy fund.
- 10 n. ~~Legacy earnings fund.~~
- 11 o. Opioid settlement fund.
- 12 ~~p-o.~~ A fund under contract with the board pursuant to subsection 3.

13 **SECTION 3.** A new section to chapter 54-27 of the North Dakota Century Code is created
14 and enacted as follows:

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

- 16 1. There is created in the state treasury the legacy earnings fund. The fund consists of all
17 moneys distributed by the state treasurer from the legacy fund pursuant to section 26
18 of article X of the Constitution of North Dakota. The distribution from the legacy fund
19 on July first of each odd-numbered year must be equal to eight percent of the five-year
20 average value of the legacy fund balance as reported by the state investment board.
21 The average value of the legacy fund balance must be calculated using the fund
22 balance at the end of each fiscal year for the five-year period ending with the most
23 recently completed even-numbered fiscal year.
- 24 2. From the amount distributed to the legacy earnings fund under subsection 1, the state
25 treasurer shall allocate seven-eighths of the funding in July of each odd-numbered
26 year in the following order:
 - 27 a. The first one hundred two million six hundred twenty-four thousand dollars or an
28 amount equal to the amount appropriated from the legacy sinking and interest
29 fund for debt service payments for a biennium, whichever is less, to the legacy
30 sinking and interest fund under section 6-09.4-10.1.

