

**Sixty-third Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 8, 2013**

SENATE BILL NO. 2312  
(Senators Anderson, Hogue, Klein, Triplett)  
(Representatives Heller, Laning)

AN ACT to amend and reenact section 15-05-01 of the North Dakota Century Code, relating to coal leases on state land.

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

**SECTION 1. AMENDMENT.** Section 15-05-01 of the North Dakota Century Code is amended and reenacted as follows:

**15-05-01. Coal lands or coal in tracts - Leases - Term.**

The board of university and school lands may lease any lands or coal in tracts that may be contained in lands sold with a reservation of coal deposits under its control for coal mining purposes. Any lease made under this chapter must be for ~~such a~~ period of time as the board may determine. Lands or coal in tracts that may be contained in lands sold with a reservation of coal deposits must be leased for coal mining purposes for ~~such a~~ royalty upon the coal as the board may deem fair and in the best interest of the state; ~~provided, that the minimum royalty may not be less than fifteen cents per ton [907.18 kilograms], or six percent of the price per ton [907.18 kilograms] of coal, whichever is greater.~~ The royalty applies only to coal actually mined and saved from the leased premises. If the board owns or controls a smaller interest than the entire and undivided coal estate, the royalty must be paid to it only in proportion to which its interest bears to the entire undivided fee. The board may lease land or coal in tracts for the purpose of prospecting for and mining coal for an annual rental of not less than one dollar per acre [.40 hectare] per year. The rental paid for any year may not be deducted from the royalties as they accrue. The board may adjust the royalty of existing coal leases as the board determines fair and in the best interest of the state.

\_\_\_\_\_  
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-third Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2312.

Senate Vote:    Yeas 47            Nays 0            Absent 0

House Vote:    Yeas 92            Nays 1            Absent 1

\_\_\_\_\_  
Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2013.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2013.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2013,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State