

**Sixty-sixth Legislative Assembly of North Dakota  
In Regular Session Commencing Thursday, January 3, 2019**

HOUSE BILL NO. 1368  
(Representatives Kempenich, Brandenburg, Kreidt, Pollert)  
(Senators Dotzenrod, Klein, Wardner)

AN ACT to amend and reenact sections 21-10-01 and 21-10-11 of the North Dakota Century Code, relating to membership of the state investment board.

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

**SECTION 1. AMENDMENT.** Section 21-10-01 of the North Dakota Century Code is amended and reenacted as follows:

**21-10-01. State investment board - Membership - Term - Compensation - Advisory council.**

1. The North Dakota state investment board consists of ~~the~~:
  - a. ~~The~~ governor, ~~the~~;
  - b. ~~The~~ state treasurer, ~~the~~;
  - c. ~~The~~ commissioner of university and school lands, ~~the~~;
  - d. ~~The~~ director of workforce safety and insurance, ~~the~~;
  - e. ~~The~~ insurance commissioner, ~~three~~;
  - f. ~~Three~~ members of the teachers' fund for retirement board or the board's designees who need not be members of the fund as selected by that board, ~~two~~;
  - g. ~~Two~~ of the elected members of the public employees retirement system board as selected by that board, ~~and one~~;
  - h. ~~One~~ member of the public employees retirement system board as selected by that board; ~~and~~
  - i. One member of the legacy and budget stabilization fund advisory board, as selected by that board, to serve as a nonvoting member.
2. The director of workforce safety and insurance may appoint a designee, subject to approval by the workforce safety and insurance board of directors, to attend the meetings, participate, and vote when the director is unable to attend. The teachers' fund for retirement board may appoint an alternate designee with full voting privileges to attend meetings of the state investment board when a selected member is unable to attend. The public employees retirement system board may appoint an alternate designee with full voting privileges from the public employees retirement system board to attend meetings of the state investment board when a selected member is unable to attend.
3. The members of the state investment board, except elected and appointed officials and the director of workforce safety and insurance or the director's designee, are entitled to receive as compensation one hundred forty-eight dollars per day and necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09 for attending meetings of the state investment board.
- ~~2.4.~~ The state investment board may establish an advisory council composed of individuals who are experienced and knowledgeable in the field of investments. The state investment board

shall determine the responsibilities of the advisory council. Members of the advisory council are entitled to receive the same compensation as provided the members of the advisory board of the Bank of North Dakota and necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09.

**SECTION 2. AMENDMENT.** Section 21-10-11 of the North Dakota Century Code is amended and reenacted as follows:

**21-10-11. Legacy and budget stabilization fund advisory board.**

1. The legacy and budget stabilization fund advisory board is created to develop recommendations for the investment of funds in the legacy fund and the budget stabilization fund to present to the state investment board.
2. The goal of investment for the legacy fund is principal preservation while maximizing total return.
3. The board consists of two members of the senate appointed by the senate majority leader, two members of the house of representatives appointed by the house majority leader, the director of the office of management and budget or designee, the president of the Bank of North Dakota or designee, and the tax commissioner or designee. The board shall select a chairman and must meet at the call of the chairman.
4. The board shall report at least semiannually to the budget section.
5. Legislative members are entitled to receive compensation and expense reimbursement as provided under section 54-03-20 and reimbursement for mileage as provided by law for state officers. The legislative council shall pay the compensation and expense reimbursement for the legislative members.
6. The legislative council shall provide staff services to the legacy and budget stabilization fund advisory board.
7. The staff and consultants of the state retirement and investment office shall advise the board in developing asset allocation and investment policies.
8. The board shall develop a process to select a member of the board to serve on the state investment board in a nonvoting capacity.

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Speaker of the House

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President of the Senate

\_\_\_\_\_  
Chief Clerk of the House

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Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-sixth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1368.

House Vote:      Yeas 91              Nays 0              Absent 3

Senate Vote:      Yeas 45              Nays 1              Absent 0

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Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2019.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2019.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2019,

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

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Secretary of State