

Sixty-ninth  
Legislative Assembly  
of North Dakota

**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.

b. The next two hundred twenty-five million dollars to the general fund to provide support for tax relief initiatives approved by the legislative assembly.

c. The next one hundred million dollars to the legacy earnings highway distribution fund for allocations under section 54-27-19.3.

d. The remaining amount as follows:

(1) Fifty percent to the general fund.

(2) The remainder to the strategic investment and improvements fund to be used in accordance with section 15-08.1-08.

3. From the amount distributed to the legacy earnings fund under subsection 1, the state treasurer shall allocate the remaining one-eighth of the funding in July of each odd-numbered year to the legacy earnings highway distribution fund for allocations under section 54-27-19.3.

**SECTION 4. AMENDMENT.** Section 54-27-19.3 of the North Dakota Century Code is amended and reenacted as follows:

**54-27-19.3. Legacy earnings highway distribution fund.**

A legacy earnings highway distribution fund is created as a special fund in the state treasury into which must be deposited any allocations of legacy fund earnings made under section ~~21-10-133~~ of this Act. Any moneys in the legacy earnings highway distribution fund must be allocated and transferred by the state treasurer, as follows:

1. Sixty percent must be transferred to the department of transportation for deposit in the state highway fund;
2. Ten percent must be transferred to the legacy earnings township highway aid fund;
3. One and five-tenths percent must be transferred to the public transportation fund; and
4. Twenty-eight and five-tenths percent must be allocated to cities and counties using the formula established in subsection 4 of section 54-27-19. Moneys received by counties and cities must be used for roadway purposes in accordance with section 11 of article X of the Constitution of North Dakota.

**SECTION 5. REPEAL.** Sections 21-10-12 and 21-10-13 of the North Dakota Century Code are repealed.

**SECTION 6. EFFECTIVE DATE.** This Act becomes effective on July 1, 2025.

**SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure.