

STATE GOVERNMENT

CHAPTER 426

H. B. No. 403

(Strinden, Sanstead, Bunker, Hoffner)

LEGISLATORS' EXPENSE ALLOWANCE

AN ACT

To amend and reenact section 54-03-20 of the North Dakota Century Code, relating to the expense allowance for legislators, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-03-20 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-03-20. Allowance for Living and Other Expenses of Members of the Legislative Assembly.)** Each member of the legislative assembly of the state of North Dakota shall be entitled to, and shall receive the sum of thirty-five dollars a day, as reimbursement for his living expenses, including meals, lodging, uncompensated travel, and other necessary expenses, for each calendar or natural day during any organizational, regular, or special legislative session. Such expenses shall be paid at the end of each month during a legislative session.

In addition, each such member shall receive during the term for which he was elected, for uncompensated expenses incurred in the execution of his public duties during the biennium, the sum of thirty-five dollars a month, which sum shall be payable every six months commencing on July 1, 1967, and every six months thereafter. Provided, however, should a member die or resign from office during his term, he shall be paid only the allowances provided for in this section for the period for which he was actually a member.

***Note:** Section 54-03-20 was also amended by section 5 of chapter 427, 1969 S.L.

Attendance at any session of the legislative assembly by any member thereof shall be a conclusive presumption of the expenditure of such expense allowances for the purposes set forth in this section and shall be excluded from gross income for income tax purposes. The provisions of this section shall be retroactive to January 1, 1969.

Section 2. Emergency.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1969.

CHAPTER 427

H. B. No. 44

(Aamoht, Link, Streibel)

(From Legislative Research Committee Study)

LEGISLATIVE ORGANIZATIONAL SESSION

AN ACT

To create and enact sections 54-03-02.1 and 54-03-20.1 of the North Dakota Century Code, to amend and reenact sections 54-03-02, 54-03-03, 54-03-04, 54-03-20, 54-03.1-02, and 54-03.1-03 of the North Dakota Century Code, and to repeal sections 54-03.1-01 and 54-03.1-04 of the North Dakota Century Code, all relating to the legislative assembly, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) Section 54-03-02.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-03-02.1. Definitions.) For the purposes of this chapter and chapter 53-03.1 the following terms shall have the following meanings:

1. "Organizational session" shall mean the meeting of the legislative assembly for organizational and orientation purposes held during the month of December in the even-numbered years.

2. "Regular session" shall mean the legislative session commencing on the first Tuesday after the first Monday in January of the odd-numbered years.

Section 2. Amendment.) Section 54-03-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-02. When Legislative Assembly Meets.) The legislative assembly shall meet at the seat of government in the month of December following the election of the members thereof for organizational and orientation purposes and shall thereafter recess until twelve o'clock noon on the first Tuesday after the first Monday in January of the next year.

Section 3. Amendment.) Section 54-03-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-03. Secretary of Senate and Chief Clerk of House to Make Roll of Members—Certificate Filed.) The secretary of the senate and the chief clerk of the house of representatives, at the opening of each organizational session of the legislative assembly, shall make a correct roll of the members of their houses respectively to whom certificates of election have been issued by the proper officers. The certificates shall be filed by the secretary and chief clerk. Each certificate shall be prima facie evidence of the right to membership of the person certified therein to be elected for all purposes of the organization of either branch of the legislative assembly.

Section 4. Amendment.) Section 54-03-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-04. Organizational Sessions Called to Order by Secretary and Chief Clerk—Officers—Term of Office.) The secretary of the senate and chief clerk of the house serving at the close of a regular session shall remain in office until the first day of the organizational session of the legislative assembly. On the first day of the organizational session of the legislative assembly, at a time scheduled by the legislative research committee pursuant to section 54-03.1-02, the president of the senate and the speaker of the house, or in the absence of either, then some member or other person appointed by the members present,

shall call the members of their respective houses so enrolled to order. The members of the respective houses then may proceed to the election of the necessary officers. The term of office of all officers of the senate and house of representatives shall expire with the close of the regular session at which they were elected, except the secretary of the senate and the chief clerk of the house for the purposes herein designated and except as provided in section 54-03-08.

*** Section 5. Amendment.)** Section 54-03-20 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-20. Allowance for Living and Other Expenses of Members of the Legislative Assembly.) Each member of the legislative assembly of the state of North Dakota shall be entitled to, and shall receive the sum of twenty-five dollars a day, as reimbursement for his living expenses, including meals, lodging, uncompensated travel, and other necessary expenses, for each calendar or natural day during any organizational, special, or regular session. The expense allowance shall be paid immediately following the organizational session in December and at the end of each month during a regular or special session.

A day, or portion of a day spent in traveling to or returning from an organizational, special, or regular session shall be included as a calendar or natural day during a legislative session for the purpose of calculation of the expense allowance provided by this section.

In addition, each such member shall receive during the term for which he was elected, for uncompensated expenses incurred in the execution of his public duties during the biennium, the sum of thirty-five dollars a month, which sum shall be payable every six months. Provided, however, should a member die or resign from office during his term, he shall be paid only the allowances provided for in this section for the period for which he was actually a member.

Attendance at any organizational, special, or regular session of the legislative assembly by any member thereof shall be a conclusive presumption of the expenditure of such expense allowances for the purposes set forth in this section and shall be

***Note:** Section 54-03-20 was also amended by section 1 of chapter 426, 1969 S. L.

excluded from gross income for income tax purposes. The provisions of this section shall be retroactive to December 1, 1968.

Section 6.) Section 54-03-20.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-03-20.1. Compensation for Attending Legislators.) Each member of the legislative assembly shall receive as compensation for his services at any organizational, special, or regular session, five dollars per day and ten cents for every mile of necessary travel in going to and returning from the place of the meeting of the legislative assembly by the most usual route. No member of the legislative assembly shall make claim for reimbursement for more than three trips to and from the place of meeting of the legislative assembly during any regular session.

Section 7. Amendment.) Section 54-03.1-02 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

*** 54-03.1-02. Time and Place of Meeting—Who Must Attend.)** In each even-numbered year on the first Tuesday after the first Monday in the month of December, all persons elected at the previous November general election as members of the succeeding legislative session, and members of the senate whose terms do not expire during the following session of the legislative assembly, shall meet in the state capitol in the city of Bismarck, or at such other place as may be designated, at the hour of nine o'clock a.m. for the purpose of conducting an organizational session. The legislative research committee shall call the organizational session and make such arrangements as may be necessary for its operation.

***Note:** Section 54-03.1-02 was also amended by section 23 of chapter 448, 1969 S.L.

Section 8. Amendment.) Section 54-03.1-03 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03.1-03. Agenda.) The agenda of the organizational session shall include, but not be limited to, the following:

1. Orientation classes upon legislative rules and procedure for new legislators;

2. Presentation of reports by legislative interim boards or committees;
3. Party caucuses to determine which party has a majority in each house of the legislative assembly and thereafter proceed to select party nominees for officers of each body;
4. Appointment of employment committees to process applications for positions of employment with the legislative assembly and make recommendation for hiring the selected employees;
5. Appointment of a senate committee on committees;
6. Each legislator shall present his committee appointment preferences to the speaker of the majority party or the chairman of the interim senate committee on committees; and
7. All other similar matters, in order that the legislative assembly be fully organized and ready to begin its business by the first day of the regular session.

Section 9. Repeal.) Sections 54-03.1-01 and 54-03.1-04 of the 1967 Supplement to the North Dakota Century Code are hereby repealed.

Section 10. Emergency.) This measure is hereby declared to be an emergency measure and shall be in full force and effect from and after the date of its passage and approval.

Approved March 8, 1969.

CHAPTER 428

S. B. No. 245
(Melland)

APPROVAL AND PAYMENT OF
LEGISLATIVE EXPENSES

AN ACT

To amend and reenact section 54-03-11 of the North Dakota Century Code, relating to approval and payment of legislative costs and expenses.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-03-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-11. Payment of Legislative Costs and Expenses — President of the Senate and Speaker of the House Jointly Approve Vouchers.) During any legislative session, the speaker of the house and the president of the senate, or persons designated by the speaker and the president, shall, on behalf of the legislative assembly and without further legislative action, jointly approve vouchers for payment of compensation, salaries, and other costs of operation and expenses of the legislative assembly, its committees, and its employees within the limits of special, general, or standing legislative appropriations.

Approved March 4, 1969.

CHAPTER 429

H. B. No. 256

(R. Peterson, Strinden, Streibel)

LEGISLATIVE COMPENSATION COMMISSION

AN ACT

To create a legislative compensation commission, appointed by the governor, with authority to recommend the rate of legislative expense allowance and interim per diem.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Creation of Legislative Compensation Commission—Appointment of Members.) A legislative compensation commission is hereby created which shall be responsible for determining appropriate rates of expense allowance and interim reimbursement to be paid members of the legislative assembly.

The commission shall consist of five members appointed by the governor. No member of the commission shall hold state office or serve in state government in any capacity at the time of his appointment or during his service on the commission. The members shall be appointed for a term of four years, and the governor shall appoint one of the members chairman of the commission.

Section 2. Meetings—Powers and Duties—Expenses.) The commission shall meet at the call of the chairman as often as may be necessary, but shall meet at least once during each biennium. The commission shall determine a proper level of legislative interim compensation, expense, and per diem paid for service upon interim committees, and a proper expense allowance to be paid during legislative sessions. In making such recommendations it shall review expense and compensation allowances for legislative service in other states, and comparable compensation and allowances in other areas of state and federal service as well as private industry, and shall determine rates of compensation and reimbursements that shall permit citizens to hold legislative office without undue financial sacrifice or disadvantage. It shall report its findings and recommendations to the legislative assembly within ten days after convening the regular legislative session. Members of the legislative compen-

sation commission shall receive no compensation, but shall be reimbursed for their actual and necessary expenses incurred due to attendance at meetings in the same manner as other state officials. Such expense allowance shall be paid from appropriations then in effect for the legislative assembly. The commission may solicit the assistance of the staff of the legislative research committee to provide information, aid, and assistance in carrying out its duties.

Approved March 15, 1969.

CHAPTER 430

S. B. No. 434

(Freed, Chesrown, Wenstrom, Meschke)

CONTINUANCE OF CIVIL PROCEEDINGS INVOLVING LEGISLATOR

AN ACT

To amend and reenact section 54-03-22 of the North Dakota Century Code, relating to the continuance of civil actions and proceedings before commissions, boards, and agencies of the state or its political subdivisions when a party to the action or proceeding, or his attorney, is a member of the legislative assembly, and the legislative assembly is in session.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-03-22 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-22. When Party or Attorney is Member of Legislative Assembly.) In any civil action pending in any court in this state at any time when the legislative assembly is in session, it shall be sufficient cause for a continuance of such action to a succeeding term of court, if it shall be made to appear by affidavit of any attorney of record that the party to said action applying for such continuance, or any attorney who has been the attorney of record of such party since commencement of such action or for more than fifteen days prior to filing such affidavit, is a member of either house of the legislative assembly and is then, or, at the beginning of the

term of the court in which such action is pending, will be, actually engaged in the performance of his duties at a session of the legislative assembly, and that the attendance of such party or the attorney of record is necessary to the fair and proper trial of said action. Notice of motion, together with a copy of the affidavit, shall be served upon the other party to the action at least ten days prior to the opening of the term of court at which said action is pending, if said action is pending in such court at the opening of the term. Upon the proof of service of such notice and affidavit the case shall be continued over to the next succeeding term, and shall not be tried over the objection of the party within ten days after the adjournment of the legislative assembly. It shall be sufficient cause for the continuance of any proceeding before any board, commission, or agency of the state or its political subdivisions that any party to the proceeding, or his attorney, is a member of the legislative assembly and the legislative assembly is in session. The party or his attorney shall give written notice of the fact of his membership in the legislative assembly along with a request for continuance of the proceeding to the board, commission, or agency before which he was to appear, and upon receipt thereof, the board shall cause the proceeding to be continued to a date not less than ten days after adjournment of the legislative assembly, and shall notify the other parties to the proceeding, and their attorneys, of such continuance.

Approved March 20, 1969.

CHAPTER 431

H. B. No. 43
(Aamoth, Link, Streibel)

(From Legislative Research Committee Study)

CODE OF PROCEDURE FOR LEGISLATIVE
INVESTIGATIONS

AN ACT

To provide a code of fair procedure to be followed by legislative investigating committees, and providing a penalty.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Establishment and Purpose of Code.) A code of fair procedure for legislative investigating committees is hereby established for the purpose of providing for the creation and operation of legislative investigating committees in a manner which will enable them to perform properly the powers and duties vested in them, including the conduct of hearings, in a fair and impartial manner, consistent with protection of the constitutional rights of persons called to testify at such hearings and preservation of the public good.

Section 2. Definitions.) As used in this code:

1. "Investigating committee" means any of the following which has the power to compel the attendance and testimony of witnesses or the production of books, records, papers and documents to secure information on a specific subject for the use of the legislature:

- a. A standing or select committee of either house of the legislature.
- b. A joint committee of both houses.
- c. An authorized subcommittee of a legislative committee.

- d. Any body created by law, the members of which may include non-legislators.
2. "Hearing" means any meeting in the course of an investigatory proceeding, other than a preliminary conference or interview at which no testimony is taken under oath, conducted by an investigating committee for the purpose of taking testimony or receiving other evidence. A hearing may be open to the public or closed to the public.
3. "Public hearing" means any hearing open to the public, or the proceedings of which are made available to the public.

Section 3. Establishment of Investigating Committees by Legislature.) An investigatory committee may exercise its powers during sessions of the legislature, and also in the interim between sessions when so provided by law or by the resolution or statute by which the committee was established or from which it derives its investigatory powers. The resolution or statute establishing an investigatory committee shall state the committee's purposes, powers, duties and duration, the subject matter and scope of its investigatory authority, and the number of its members.

Section 4. Adoption of Rules.) Each investigatory committee shall adopt rules, not inconsistent with law or any applicable rules of the legislature, governing its procedures, including the conduct of hearings.

Section 5. Finances and Staff.) Each investigatory committee may employ such professional, technical, clerical, or other personnel as necessary for the proper performance of its duties, to the extent of funds made available to it for such purpose and subject to such restrictions and procedures relating thereto as may be provided by law or any applicable rules of the legislature.

Section 6. Membership, Quorum and Voting.) An investigatory committee shall consist of not less than five members. A quorum shall consist of a majority of the total authorized membership of the committee. No action shall be taken by a committee at any meeting unless a

quorum is present. The committee may act by a majority vote of the members present and voting at a meeting at which there is a quorum, unless the provisions of this Code or any other statute require a greater number or proportion.

Section 7. Hearings.) An investigating committee may hold hearings appropriate for the performance of its duties, at such times and places as the committee determines.

The committee shall provide by its rules that each member of the committee be given at least three days' written notice of any hearing to be held when the legislature is in session and at least seven days' written notice of any hearing to be held when the legislature is not in session. Such notices shall include a statement of the subject matter of the hearing. A hearing, and any action taken at a hearing, shall not be deemed invalid solely because notice of the hearing was not given in accordance with this requirement.

Any investigating committee shall not conduct a hearing unless a quorum is present.

Section 8. Issuance of Subpoenas.) Every investigating committee empowered to issue subpoenas, by majority vote of all of its members, may issue a subpoena requiring a person to appear before the committee and be examined in reference to any matter within the scope of the inquiry or investigation being conducted by the committee. The committee may also issue a subpoena or subpoena duces tecum requiring any person to appear before the committee and bring with him any books, papers, or other documents pertinent thereto.

A person subpoenaed to attend a hearing of an investigating committee shall receive the same fees and allowances as a person subpoenaed to give testimony in an action pending in a court of record.

Section 9. Notice to Witnesses.) Service of a subpoena requiring the attendance of a person at a hearing of an investigating committee shall be made in the manner provided by law for the service of subpoenas in civil ac-

tions at least seven days prior to the date of the hearing unless a shorter period of time is authorized by majority vote of all of the members of the committee in a particular instance when, in their opinion, the giving of seven days' notice is not practicable; but if a shorter period of time is authorized, the person subpoenaed shall be given reasonable notice of the hearing, consistent with the particular circumstances involved.

Any person who is served with a subpoena to attend a hearing of an investigating committee also shall be served with a copy of the resolution or statute establishing the committee, a general statement informing him of the subject matter of the committee's investigation or inquiry, and a notice that he may be accompanied at the hearing by counsel of his own choosing.

Section 10. Conduct of Hearings.) All hearings of an investigating committee shall be public except an investigative hearing of an individual may be closed upon specific request by the individual or his counsel with consent of a majority of the committee.

The chairman of an investigating committee, if present and able to act, shall preside at all hearings of the committee and shall conduct the examination of witnesses himself or supervise examination by other members of the committee, the committee's counsel, or members of the committee's staff who are so authorized. In the chairman's absence or disability, the vice chairman shall serve as presiding officer. The committee shall provide by its rules for the selection of a presiding officer to act in the absence or disability of both the chairman and the vice chairman.

No hearing, or part thereof, shall be televised, filmed or broadcast except upon approval of the committee, by majority vote of all of its members.

Section 11. Right to Counsel and Submission of Questions.) Every witness at a hearing of an investigating committee may be accompanied by counsel of his own choosing, who may advise the witness as to his rights, subject to reasonable limitations which the committee may

prescribe to prevent obstruction of or interference with the orderly conduct of the hearing.

Any witness at a hearing, or his counsel, may submit to the committee proposed questions to be asked of the witness or any other witness relevant to the matters upon which there has been any questioning or submission of evidence, and the committee shall ask such of the questions as are appropriate to the subject matter of the hearing.

Section 12. Testimony.)

1. An investigating committee shall cause a record to be made of all proceedings in which testimony or other evidence is demanded or adduced, which record shall include rulings of the chair, questions of the committee and its staff, the testimony or responses of witnesses, sworn written statements submitted to the committee, and such other matters as the committee or its chairman may direct.
2. All testimony given or adduced at a hearing shall be under oath or affirmation unless the requirement is dispensed with in a particular instance by majority vote of the committee members present at the hearing.
3. Any member of an investigating committee may administer an oath or affirmation to a witness at a hearing of such committee.
4. The presiding officer at a hearing may direct a witness to answer any relevant question or furnish any relevant book, paper, or other document, the production of which has been required by subpoena duces tecum. Unless the direction is overruled by majority vote of the committee members present, disobedience shall constitute a contempt.
5. A witness at a hearing or his counsel, with the consent of a majority of the committee members present at the hearing, may file with the committee for incorporation into the record of the hearing

sworn written statements relevant to the purpose, subject matter, and scope of the committee's investigation or inquiry.

6. A witness at a hearing, upon his advance request and at his own expense, shall be furnished a certified transcript of his testimony at the hearing.
7. Testimony and other evidence given or adduced at a hearing closed to the public shall not be made public unless authorized by majority vote of all of the members of the committee, which authorization shall also specify the form and manner in which the testimony or other evidence may be released.
8. All information of a defamatory or highly prejudicial nature received by or for the committee other than in an open or closed hearing shall be deemed to be confidential. No such information shall be made public unless authorized by majority vote of all of the members of the committee for legislative purposes, or unless its use is required for judicial purposes.

Section 13. Interested Persons.) Any person whose name is mentioned or who is otherwise identified during a hearing of an investigating committee and who, in the opinion of the committee, may be adversely affected thereby, may, upon his request or upon the request of any member of the committee, appear personally before the committee and testify in his own behalf, or, with the committee's consent, file a sworn written statement of facts or other documentary evidence for incorporation into the record of the hearing.

Upon the consent of a majority of its members, an investigating committee may permit any other person to appear and testify at a hearing or submit a sworn written statement of facts or other documentary evidence for incorporation into the record thereof. No request to appear, appearance, or submission of evidence shall limit in any way the investigating committee's power of subpoena.

Any person who appears before an investigating com-

mittee pursuant to this section shall have all the rights, privileges, and responsibilities of a witness provided by this Code.

Section 14. Contempt.)

1. A person shall be in contempt if he:
 - a. Fails or refuses to appear in compliance with a subpoena or, having appeared, fails or refuses to testify under oath or affirmation; or
 - b. Fails or refuses to answer any relevant question or fails or refuses to furnish any relevant book, paper, or other document subpoenaed by or on behalf of an investigating committee; or
 - c. Commits any other act or offense against an investigating committee which, if committed against the legislature or either house thereof, would constitute a contempt.
2. An investigating committee may, by majority vote of all of its members, apply to the legislature or the house thereof by which it was established for a contempt citation. The application shall be considered as though the alleged contempt had been committed in or against such house or the legislature itself. If the investigating committee is an interim committee, its application may in the alternative be made to the district court of Burleigh County.

Section 15. Penalties.) A person guilty of contempt under the provision of this Code shall be fined not more than two hundred fifty dollars or imprisoned not more than one hundred eighty days or both, or shall be subject to such other punishment as the legislature or the appropriate house thereof may, in the exercise of its inherent powers, impose prior to and in lieu of the imposition of the aforementioned penalty.

If any investigating committee fails in any material

respect to comply with the requirements of this Code, any person subject to a subpoena or a subpoena duces tecum who is injured by such failure shall be relieved of any requirement to attend the hearing for which the subpoena was issued or, if present, to testify or produce evidence therein; and such failure shall be a complete defense in any proceeding against such person for contempt or other punishment.

Any person other than the witness concerned or his counsel who violates subsections 7 or 8 of section 12 of this Code shall be fined not more than two hundred fifty dollars or imprisoned not more than one hundred eighty days, or both. The attorney general, on his own motion or on the application of any person claiming to have been injured or prejudiced by an unauthorized disclosure, may institute proceedings for trial of the issue and imposition of the penalties provided herein. Nothing in this subsection shall limit any power which the legislature or either house thereof may have to discipline a member or employee or to impose a penalty in the absence of action by a prosecuting officer or court.

Section 16. Limitations of Code.) Nothing contained in this Code shall be construed to limit or prohibit the acquisition of evidence or information by an investigating committee by any lawful means not provided for herein.

Approved March 11, 1969.

CHAPTER 432

S. B. No. 54

(Christensen, Lips, Sorlie)

(Legislative Audit and Fiscal Review Committee)

PENALTY FOR FALSE CERTIFICATION
OF TRAVEL AND EXPENSE ACCOUNTS

AN ACT

To amend and reenact section 54-06-09.1 of the North Dakota Century Code, relating to penalty for false certification of expense and traveling accounts.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-06-09.1 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-06-09.1. Certification of Unlawful Expense and Traveling Account—Penalty—Action for Violation.) Any person who certifies to an expense and traveling account knowing it to be false is guilty of a misdemeanor and shall be punished by imprisonment in a county jail for not more than one year, or by a fine of not more than five hundred dollars, or by both such fine and imprisonment.

Approved March 25, 1969.

CHAPTER 433

S. B. No. 380
(Melland)

OFFICE OF ECONOMIC OPPORTUNITY

AN ACT

To create the office of economic opportunity within the office of the governor and to repeal section 54-34-09 of the North Dakota Century Code, relating to the office of economic opportunity.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Division of Economic Opportunity.) A division of economic opportunity is hereby created as a division of the governor's office and under the supervision of the governor of the state of North Dakota in order that the state may participate in the program provided under Public Law 88-452 and amendments thereto known as the Economic Opportunity Act of 1964. The governor shall employ such other personnel as may be necessary in order to carry out the provisions of this section.

The governor shall be authorized to accept federal funds available for the operation of this program and for such state projects or programs under Public Law 88-452, as amended, as may be available to departments, institutions, and agencies of the state. The governor through the division of economic opportunity shall aid and assist political subdivisions of this state in matters pertaining to their participation in projects and programs under such law. All departments, institutions, and agencies, within the limits of personnel and legislative appropriations available, shall provide such assistance to the governor through the division of economic opportunity as may be requested by it to ensure the maximum use of all resources available in carrying out projects and programs under the provisions of Public Law 88-452, as amended.

Section 2. Repeal.) Section 54-34-09 of the 1967 Supplement to the North Dakota Century Code is hereby repealed.

Approved March 19, 1969.

CHAPTER 434

H. B. No. 50

(Davis, Giffey, Opedahl, Wagner)

(Recommended by Legislative Audit and Fiscal Review
Committee)

POWERS OF STATE AUDITOR

AN ACT

To amend and reenact subsection 2 of section 54-10-01 of the North Dakota Century Code, relating to the powers of the state auditor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Subsection 2 of section 54-10-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2. Be vested with the duties, powers, and responsibilities involved in making a complete examination of the books, records, accounting methods, and internal controls of any and all state agencies, including the occupational and professional boards provided for in title 43 of the North Dakota Century Code and the state bar board, board of examiners for mine foreman, state board of veterinary medical examiners, and all other professional boards created by law. The state auditor shall charge an amount equal to the fair value of the audit and other services rendered to all agencies which receive and expend moneys from other than the general fund, unless for good cause the amounts charged shall be waived by the auditor for a one-year period of time with such waiver being subject to annual renewal after proper application has been filed with the auditor. The governing board of any occupational and professional boards may provide for an audit annually by a certified public accountant, and such audit report shall be in such form and contain such information as the state auditor may require, and in such case the state auditor shall not make the examination provided for in this section;

Approved February 7, 1969.

CHAPTER 435

S. B. No. 55

(Christensen, Sorlie)

(Recommended by Legislative Audit and
Fiscal Review Committee)

STATE AUDITOR TO HAVE ACCESS TO TAX RETURNS

AN ACT

Authorizing the state auditor to examine tax returns on file with the tax commissioner, and providing a penalty for divulging secret information.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. The State Auditor Shall Have Access to Tax Returns and Other Records Filed with the Tax Commissioner.) The state auditor and persons employed by him, when necessary in conducting an audit and on examination of the books and records of the tax commissioner as authorized by law, may examine any return, report, or other information filed with the tax commissioner, and confirm the authenticity of such return, report, or other information with the taxpayer who filed it.

The audit report of the state auditor shall identify every return, report or other document examined whose secrecy is guarded by law and which is examined pursuant to this Act by the state auditor or his representatives, provided, however, that the contents of the return, report, or other document shall not be set out in the audit report, except that such identification shall include the name and address of the taxpayer or other person who filed the return, report, or other document or to whom it relates, and the tax department file identification number for it; the audit report shall also show the name or names of the individuals who examined each such return, report, or other document.

Section 2. Penalty for State Auditor or Those Under His Employ for Divulging Secret Information.) The state auditor and every person performing the examination of any return, report, or other information filed and in the possession of the tax commissioner which is made confi-

dential by law, shall guard the secrecy of any return, report, or other information examined except when otherwise directed by judicial order, or as is otherwise provided by law. Any person violating the provisions of this section shall upon conviction be punished by a fine of not more than one thousand dollars, or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment and, if the offender is an officer or employee of the state, he, in addition, shall be dismissed from office and shall be ineligible to hold any public office or position in this state for a period of five years thereafter.

Approved March 8, 1969.

CHAPTER 436

S. B. No. 135
(Holand)

RECORDS OF STATE TREASURER

AN ACT

To amend and reenact subsection 4 of section 54-11-04 of the North Dakota Century Code, relating to records of state treasurer.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Subsection 4 of section 54-11-04 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4. Such other books as the state auditor shall prescribe.

Approved February 22, 1969.

CHAPTER 437

S. B. No. 136
(Holand)

IRREGULARITIES IN TREASURER'S BOOKS

AN ACT

To amend and reenact section 54-11-06 of the North Dakota Century Code, relating to irregularities in books of treasurer, auditor to report to the governor and temporary suspension of treasurer.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-11-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-11-06. Irregularities in Books of Treasurer—Auditor to Report to Governor—Temporary Suspension of Treasurer.) If the state auditor upon examination finds that the books of the state treasurer do not correspond with the amount of funds on hand, or do not show the actual condition of the funds, or if it appears to the state auditor that any moneys belonging to the state have been embezzled, diverted, or in any manner taken from the treasury without authority of law, or that the state treasurer has been guilty of negligence in keeping his books or taking care of the public moneys, the auditor must certify the fact to the governor. Upon the receipt of such certificate the governor forthwith must take possession of all books, moneys, papers, and other property belonging to the state, which have come into the possession of the state treasurer by virtue of his office, or otherwise, and must temporarily suspend him from his office of state treasurer.

Approved February 22, 1969.

CHAPTER 438

S. B. No. 134
(Holand)

SUSPENSION OF TREASURER BY GOVERNOR

AN ACT

To amend and reenact section 54-11-07 of the North Dakota Century Code, relating to suspension of treasurer by governor and appointment.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-11-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-11-07. Suspension of Treasurer by Governor—Appointment.) When a certificate is made to the governor by the state auditor under the provisions of the preceding section, the governor, with the state auditor and the state examiner, thereupon must examine the books, papers, and all matters connected with the office of the state treasurer so suspended. If it appears to the governor, state auditor, and state examiner on such examination that the state treasurer has embezzled or converted to his own use the public moneys, or has been negligent in keeping his books, or in taking care of public moneys, the governor on the certificate of the state auditor and the state examiner to that effect may remove the state treasurer and appoint another person to fill the place of the suspended state treasurer. The person so appointed must execute an official bond and enter upon the office of state treasurer as provided by law. The governor must report all his acts done in removing the state treasurer to the next succeeding legislative assembly. The state treasurer so appointed shall hold his office until the suspended state treasurer is reinstated or his successor is elected and qualified.

Approved February 22, 1969.

CHAPTER 439

H. B. No. 52

(Davis, Giffey, Wagner)

(Recommended by Legislative Audit
and Fiscal Review Committee)

WITHHOLDING FROM STATE EMPLOYEES' SALARIES

AN ACT

To provide all departments, agencies, boards, commissions, and institutions in state government with authority to withhold from the compensation of state employees amounts as required by law.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. All Departments, Agencies, Boards, Commissions, and Institutions in State Government Shall Have the Authority to Withhold Certain Amounts from State Employees' Compensation.) All departments, agencies, boards, commissions, and institutions in state government shall compute and withhold from state employees' monetary compensation only those amounts which are required by law to be withheld and only those other items approved by the state auditing board.

Approved March 8, 1969.

CHAPTER 440

S. B. No. 425
(Lips, Wenstrom)

DIRECTOR OF INSTITUTIONS

AN ACT

To create and enact section 54-21-06.1 of the North Dakota Century Code, relating to the definition of the term "board of administration" in the North Dakota Century Code; to amend and reenact sections 54-21-06, 54-21-07, 54-21-09, 54-21-10, 54-21-11, 54-21-12, 54-21-13, 54-21-18, 54-21-19, 54-21-20, and 54-21-24 of the North Dakota Century Code, relating to establishment of a director of institutions and abolishment of the board of administration; and to repeal sections 54-21-01, 54-21-02, 54-21-03, 54-21-04, 54-21-05, and 54-21-08 of the North Dakota Century Code, relating to the membership, powers, and duties of the board of administration.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-21-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-06. Director of Institutions—Appointment—Term—Additional Employees—Compensation—Removal—Expenses.) The governor shall appoint a director of institutions who shall have the powers and duties previously held by the board of administration. The term of office of the director of institutions shall be four years and shall coincide with the governor's term of office, except that a director shall be appointed within fifteen days of the effective date of this section for a term ending on January 1, 1973. Any appointment of a director of institutions shall be submitted to the senate for its approval or disapproval. If the senate shall fail to approve or disapprove within thirty legislative days, or if the governor shall have submitted a name for approval prior to the thirty-fifth legislative day and the senate fails to approve or disapprove before the legislative assembly adjourns sine die, the appointment shall be deemed to be approved. No appointee whose appointment has been disapproved by the senate shall be appointed or reappointed by the governor to such position. The governor may remove the director of institutions for cause. The salary of the director shall be set by the governor within the limits of legislative appropriations. The director may employ such other administrative assistants, busi-

ness managers, accountants, and any other employees as may be necessary, and may fix their compensation within the appropriation made for such purpose. The director may remove any such employee when, in his judgment, the public service demands it. The director and other employees within his office shall be reimbursed for expenses incurred in carrying out their duties under this chapter at the same rate and in the same manner as other state officials.

Section 2.) Section 54-21-06.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-21-06.1. Director of Institutions To Be Substituted for Board, Members of Board, and Secretary of Board.) Wherever the terms "board of administration", "chairman of the board of administration", "secretary of the board of administration", or "member of the board of administration", or any derivative of those terms which, when used in context indicates an intention to refer to those persons or that board, shall appear in the North Dakota Century Code, the term "director of institutions", or the term "director", as the case may be, shall be substituted therefor. It is the intent of the legislative assembly that the director of institutions shall be substituted for, shall take any action previously to be taken by, and shall perform any duties previously to be performed by the board of administration, the chairman of the board of administration, the secretary of the board of administration, and any member of the board of administration.

Section 3. Amendment.) Section 54-21-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-07. Bonds Required of Director and His Employees Who Have Control of Money.) The director of institutions shall furnish a bond in an amount not less than thirty thousand dollars or as may be approved by the governor, and his employees, and any employee of any institution under his control, who may be charged with the custody or control of any money or property belonging to the state, and who is not otherwise required by law to give a bond, shall furnish a bond in such sum as may be fixed by the director in an amount not less than one thousand dollars. The bond shall conform to the provisions of law applicable to the bonds of state officers and employees. Each such bond shall be filed in the office of the secretary of state.

Section 4. Amendment.) Section 54-21-09 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-09. Report of Director of Institutions to Governor and Secretary of State.) The director of institutions shall file with the governor and secretary of state on or before the first day of October in each even-numbered year a report as prescribed by section 54-06-04, covering in detail the operations of his office and of the institutions under his control.

Section 5. Amendment.) Section 54-21-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-10. Contents of Report—Daily Record.) The director of institutions shall publish in his report the name and salary of every employee of his office, and the name and salary of each officer and employee of the several institutions subject to his control. The director shall require the proper officer of each institution to keep a daily record, in the manner and form prescribed by the director, of the time and number of hours of service of each employee, and the monthly payroll shall be made from that record and shall be in accord therewith. When an appropriation is based on the number of inmates in or persons at an institution, the director shall require to be kept a daily record of the persons actually residing at and domiciled in the institution.

Section 6. Amendment.) Section 54-21-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-11. Governor May Require Additional Report.) The governor, at any time, may call upon and require the director to make a general report in regard to the transactions of the institutions under his control, or a special report in regard to any part thereof. The request for an additional report shall be in writing and shall be left with the director. The director shall make the report and deliver it to the governor.

Section 7. Amendment.) Section 54-21-12 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-12. Suggestions for Legislation Included in Report.)

The director shall incorporate in his report to the governor suggestions to the legislative assembly respecting legislation for the benefit of the institutions under his control, or for the dependent, defective, or criminal classes of the state. The director, or his designee, on request, shall attend the meetings of the legislative committees to which such questions may be submitted for consideration, and shall furnish such committees the information in regard to the conduct of institutions under his control as may be demanded.

Section 8. Amendment.) Section 54-21-13 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-13. Child Welfare—Mentally Deficient Persons—Powers and Duties of Director of Institutions.) In addition to the other duties prescribed by law, the director of institutions shall have the following duties and powers:

1. Repealed by S. L. 1947, ch. 200, section 24;
2. Repealed by S. L. 1961, ch. 337, section 1;
3. & 4. Repealed by S. L. 1947, ch. 323, section 1;
5. To accept the guardianship of the persons of children who may be committed to his care by courts of competent jurisdiction as neglected, delinquent, dependent, or defective;
6. To make such provision for children committed to his care as are within the resources of his office, and as will afford them proper care and protection;
7. to 13. Repealed by S. L. 1961, ch. 337, section 1;
14. To receive and provide for such mentally deficient persons as may be committed to his guardianship by courts of competent jurisdiction;
15. Repealed by S. L. 1961, ch. 337, section 1;
16. To act as parole officer of juveniles upon the re-

quest of courts or of superintendents of institutions of the state to which dependent, neglected, handicapped or delinquent children may be committed, provided that the director may delegate his function under this subsection to an administrative assistant employed in his office;

17. Repealed by S. L. 1961, ch. 337, section 1;
18. To take the initiative in protecting and conserving the rights and interests of neglected, dependent, delinquent, illegitimate, and defective children;
19. Repealed by S. L. 1961, ch. 337, section 1;
20. To perform such other duties as may be conferred upon him by the laws of this state.

Section 9. Amendment.) Section 54-21-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-18. Custody of Office Building—Considered Part of Capitol Building—Director Has Control of Public Property.) The director of institutions shall control, manage, and maintain the state office building. The building shall be considered a part of the state capitol building within the meaning of statutes relating to the custody, maintenance, and control of the state capitol building and grounds, and within the meaning of statutes requiring state departments or agencies to maintain their offices in the state capitol building.

The director shall have charge and control of the executive mansion, the capitol, and the park and public grounds connected therewith.

Section 10. Amendment.) Section 54-21-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-21-19. Director to Furnish Supplies to Capitol, State Offices, and Executive Mansion.)** The director shall, through the department of accounts and purchases, provide all necessary fuel and light for the state offices as well as all necessary

furniture, fuel, lights, express, freight, drayage, and all other necessary supplies for the executive mansion and the public grounds and parks connected therewith, and shall make all necessary repairs upon the capitol building and executive mansion.

***Note:** Section 54-21-19 was also amended by section 1 of chapter 442, 1969 S.L.

Section 11. Amendment.) Section 54-21-20 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-20. Director Authorized to Acquire Property for Capitol Park.) The director may secure by purchase or by condemnation proceedings for the state any lots or land which in his judgment might be necessary for the capitol park and site purposes.

Section 12. Amendment.) Section 54-21-24 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-21-24. Additional Office Space May Be Obtained Outside State Capitol.)** In the event that office space in the state capitol building becomes insufficient to accommodate the various state departments, agencies, and boards, the director of institutions may contract for and obtain such additional office space outside the state capitol in the city of Bismarck or in the Bismarck area as is necessary in order to provide accommodations for all state departments, agencies, and boards. When office space is obtained in this manner, any department, agency, or board which occupies such office space shall be deemed to be located at the state capitol for purposes of statutes which require that a department, agency, or board must be maintained at the state capitol.

***Note:** Section 54-21-24 was also amended by section 2 of chapter 442, 1969 S.L.

Section 13. Repeal.) Sections 54-21-01, 54-21-02, 54-21-03, 54-21-04, 54-21-05, and 54-21-08 of the North Dakota Century Code are hereby repealed.

Approved March 28, 1969.

CHAPTER 441

H. B. No. 216
(Davis, Wagner, Connolly)

EMPLOYMENT OF CONSTRUCTION SUPERINTENDENT

AN ACT

To amend and reenact section 54-21-17 of the North Dakota Century Code, relating to the construction superintendent.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-21-17 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-17. Construction Superintendent—Appointment—Duties.) The secretary of state shall employ a qualified construction superintendent for the purpose of giving advice in purchasing, planning, setting depreciation schedules, evaluation for insurance, and assisting in and coordinating the construction of buildings by departments, institutions, and agencies of the state. A person so employed shall possess a minimum of ten years' experience in construction methods and procedures. All state agencies shall, prior to the letting of bids, submit to the construction superintendent plans and specifications for any building construction, and the superintendent shall maintain surveillance during construction as might be necessary to insure construction conforms to plans and specifications.

The provisions of this section shall also require compliance by the board of higher education and all other agencies of the state of North Dakota. The provisions in this chapter shall be construed as not to relieve the architect of his contractual duties, responsibilities and obligations.

Approved March 29, 1969.

H.B. No. 55
(Davis, Giffey, Opedahl, Wagner)
(Recommended by Legislative Audit and Fiscal Review
Committee)

MAINTENANCE OF STATE OFFICES

AN ACT

To amend and reenact sections 54-21-19 and 54-21-24 of the North Dakota Century Code, relating to the maintaining of state offices.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-21-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-21-19. Board to Furnish Supplies and Maintain Capitol, State Offices, and Executive Mansion and Shall Have Authority to Charge for Services.)** The board shall, through the department of accounts and purchases, provide all necessary fuel, light, insurance, janitorial, telephone, and other services necessary to maintain the state offices as well as all necessary furniture, fuel, lights, express, freight, drayage, and all other necessary supplies for the executive mansion and the public grounds and parks connected therewith, and shall make all necessary repairs upon the capitol building and executive mansion, and the board shall charge an amount equal to the fair value of the office space and other services rendered to all departments which receive and expend moneys from other than the general fund, except that for good cause the amounts charged may be waived by the board for a one-year period of time with such waiver being subject to further annual renewals after proper application has been filed with the board.

***Note:** Section 54-21-19 was also amended by section 10 of chapter 440, 1969 S. L.

Section 2. Amendment.) Section 54-21-24 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-21-24. Additional Office Space may be Obtained Outside State Capitol.)** In the event that office space in the

state capitol building becomes insufficient to accommodate the various state departments, agencies and boards, the board of administration may contract for and obtain such additional office space outside the state capitol in the city of Bismarck or in the Bismarck area as is necessary in order to provide accommodations for all state departments, agencies and boards. When office space is obtained in this manner, any department, agency or board which occupies such office space shall be deemed to be located at the state capitol for purposes of statutes which require that a department, agency or board must be maintained at the state capitol, and the board shall charge an amount equal to the fair value of the office space and other services rendered to all departments which receive and expend moneys from other than the general fund, except that for good cause the amounts charged may be waived by the board for a one-year period of time with such waiver being subject to further annual renewals after proper application has been filed with the board.

*Note: Section 54-21-24 was also amended by section 12 of chapter 440, 1969 S. L.

Approved February 20, 1969.

CHAPTER 443

S. B. No. 131
(Holand)

CUSTODY OF INSTITUTIONAL INMATES' FUNDS

AN ACT

To amend and reenact section 54-23-28 of the North Dakota Century Code, relating to care and custody of funds belonging to inmates of state institutions.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-23-28 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-23-28. Care and Custody of Funds Belonging to Inmates of State Institutions.) The superintendent or warden of any state institution under the management and control of

the board, when the care and custody of any funds belonging to inmates thereof are by law devolved upon him, shall keep accurate accounts of such funds in books provided for that purpose, and shall pay out such funds under such rules and regulations as may be prescribed by law or by the board, taking proper vouchers therefor in all cases. Each superintendent or warden shall give a bond in such sum as may be required by law, or as may be prescribed by the board, conditioned for the faithful performance of his duties and a due accounting for the funds entrusted to his care.

Approved February 22, 1969.

CHAPTER 444

H.B. No. 32

(Connolly, Davis, Dick, Glaspey, Jenkins, Mueller)
(J. Peterson, Reimers, Streibel, Tweten, Wagner)
(From Legislative Research Committee Study)

COORDINATION OF INSTITUTIONAL FARM ACTIVITIES

AN ACT

Providing coordination by the board of administration of institutional farm activities, providing for transfer of products between institutions, and requiring a biennial report to the governor and legislature.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Board of Administration to Coordinate and Assist Charitable and Penal Institutions in Farm Operations.) All crop, vegetable, livestock, dairy, and related activities at the state penitentiary, state farm, state industrial school, state hospital, Grafton state school, and the soldiers' home, shall be coordinated to the greatest possible extent by the board which shall provide the various institutions with the managerial and technical assistance necessary to develop and maintain efficient nonduplicating farm and related operations.

Section 2. Transfer of Agricultural Products Between Charitable and Penal Institutions.) The board shall authorize the transfer of agricultural products between institutions for

the benefit of such institution's residents. The board shall keep proper records of such transfers to any institution for products transferred to it.

Section 3. Board of Administration to Keep Proper Records and Make Biennial Report.) The board shall keep complete and accurate records of all institutional farm operations by institution and transfers of products made by each institution, and shall make a biennial report on such activities to the governor and the legislature.

Approved March 5, 1969.

CHAPTER 445

H. B. No. 128

(Hilleboe, Metzger, Hentges, Boustead, McDonald)

(Hensrud, Stone, White, Aamoth, Wagner, Giffey)

(Boyum, Seibel, Larson, Aas, Eagles, Bunker, Strinden)

REGULATION OF SALE AND USE OF DAIRY PRODUCTS AT STATE INSTITUTIONS

AN ACT

To repeal chapter 54-25 of the North Dakota Century Code, relating to the regulation as to sale and use of dairy products by state institutions.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Repeal.) Chapter 54-25 of the North Dakota Century Code, as amended, is hereby repealed.

Approved March 13, 1969.

CHAPTER 446

S. B. No. 381
(Melland)

BUSINESS AND INDUSTRIAL DEVELOPMENT
DEPARTMENT

AN ACT

To reorganize the economic development commission and the functions and duties of the economic development department and its director; to amend and reenact sections 54-34-01, 54-34-02, 54-34-03, 54-34-04, 54-34-06, and 54-34-08 of the North Dakota Century Code, relating to the economic development commission and the functions and duties of the economic development department and its director; and to repeal section 54-34-05 of the North Dakota Century Code.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-34-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-01. Title.) This chapter shall be known as the Business and Industrial Development Act.

Section 2. Amendment.) Section 54-34-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-02. Appointment of Director of Business and Industrial Development Department.) The governor, or his designee, shall appoint a state director of the business and industrial development department hereinafter called the "director", who shall administer and carry out the functions and programs of the department. Such appointment shall be for a four-year term at a salary set by the governor. The director may be removed from such position at the will of the governor. The director shall be compensated for his expenses in carrying on his official duties in the same manner as other state officials.

Section 3. Amendment.) Section 54-34-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-03. Appointment of Business and Industrial Development Commission.) The business and industrial development commission, hereafter called the commission, shall consist of the governor as chairman and eight members appointed by him, one member to be appointed from each of the six judicial districts and two members to be appointed from the state at large. The members shall be appointed for a term of four years staggered so that the terms of two members expire each year. Vacancies shall be filled in the same manner as the original appointment, except that vacancies occurring for other than the expiration of a term shall be filled by appointment for only the remainder of the term of the member causing the vacancy. All members of the commission shall be reimbursed for expenses incurred in attending meetings and otherwise performing official duties at the same rates and in the same manner as other state officials.

Section 4. Initial Commission Membership.) The members of the economic development commission serving upon such commission upon the effective date of this Act, shall automatically become members of the business and industrial development commission and shall so serve during any unexpired portion of the term for which they were appointed as members of the economic development commission without regard to the judicial district of their residence. Thereafter, members of the business and industrial development commission shall be appointed in accordance with the provisions of section 54-34-03.

Section 5. Amendment.) Section 54-34-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-04. Meeting and Duties of Business and Industrial Development Commission.) Meetings of the commission shall be at least quarterly or additionally at the call of the governor or upon the written notice of three members of the commission. Five members of the commission shall constitute a quorum. A vice chairman of the commission shall be elected by the members of the commission and shall preside over meetings in the absence of the governor. The director of the commission shall act as secretary. It shall be the duty of each commissioner to advise the chairman and the director in the performance of the functions, duties, and activities in relation to business and industrial development as provided in this chapter.

Section 6. Amendment.) Section 54-34-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-06. Duties of Director of Business and Industrial Development Department.) The director, under the supervision of the governor and subject to legislative appropriation, shall have the following powers and duties:

1. To appoint such personnel to assist him as may be necessary to carry out the provisions of this chapter, and to fix their compensation;
2. To plan, execute and direct a program of publicity and industrial development which will
 - a. Attract entrepreneurs, investment capital, and new residents;
 - b. Further the development and use of all the resources of this state; and
 - c. Assist in improving the business climate of North Dakota to encourage the growth and development of business and industry;
3. To encourage through the universities and colleges of the state and other public and private institutions and agencies such projects of research as will promote the business and industrial development of the state;
4. To cooperate with departments and agencies of the federal government and of other states, and with departments, agencies, institutions and political subdivisions of this state and with associations, corporations and individuals upon such terms as may be agreed upon in providing programs of advertising, promotion, or research which will advance the business and industrial development of the state;
5. To receive and accept from any source, public or private, money, property, services or other things of value, to be held, or used for the purpose tendered;
6. To encourage the formation and coordination of the ef-

forts of local development organizations throughout the state; make available to such local development organizations and to cities and the various political subdivisions of the state, such facts, data, and information as may be useful and desirable in their efforts to encourage the location of business and industry within the state:

7. To do all things reasonably necessary and proper to realize the benefits and carry out the provisions of this chapter.

All state departments, institutions, and officials shall furnish assistance as may reasonably be requested by the director in carrying out the provisions of this chapter and may use portions of their funds for such purpose.

The director shall not be appointed or required to serve on any additional boards, committees, or commissions of state government. His sole responsibility, except as otherwise provided by the legislative assembly, shall be to encourage, promote, and advertise in the interests of business and industrial development in the state of North Dakota as provided in this chapter.

Section 7. Amendment.) Section 54-34-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-08. Patents and Profits.) Any and all patents for equipment, processes, methods, designs, or developments based upon research conducted under this chapter or by the department shall inure to and be taken out or assigned to the state of North Dakota.

Section 8. Repeal.) Section 54-34-05 of the North Dakota Century Code is hereby repealed.

Approved March 19, 1969.

CHAPTER 447

S. B. No. 379
(Melland)

STATE PLANNING AGENCY

AN ACT

To amend and reenact section 54-34.1-02 of the North Dakota Century Code, relating to the state planning agency; and to repeal section 54-34.1-07 of the North Dakota Century Code.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-34.1-02 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34.1-02. State Planning Agency Created.) In order to promote the health, safety, and general welfare of the citizens of this state, there is hereby created a state planning division which, for administrative purposes, will be placed as a division of the department of accounts and purchases and under the director of the department of accounts and purchases. The director of the state planning division shall be appointed by and serve at the pleasure of the governor.

Section 2. Repeal.) Section 54-34.1-07 of the 1967 Supplement to the North Dakota Century Code is hereby repealed.

Approved March 19, 1969.

CHAPTER 448

S. B. No. 42

(Lips, Meschke, Unruh)

(From Legislative Research Committee Study)

LEGISLATIVE COUNCIL

AN ACT

To amend and reenact sections 46-03-10, 46-03-11, 46-03-15, 46-03-18, 46-03-19, 54-03-01.2, subsection 3 of section 54-04-02, subsections 2 and 4 of section 54-06-04, sections 54-35-01, 54-35-02, 54-35-03, 54-35-04, 54-35-05, 54-35-06, 54-35-07, 54-35-08, 54-35-09, 54-35-10, 54-35-11, 54-35-12, 54-35-13, 54-35-14, 54-35.1-01, 54-35.1-03, 54-35.1-05, 54-44.1-07, and 54-49-08 of the North Dakota Century Code, relating to the legislative research committee, its name, function, powers, and duties.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-35-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-01. Council—Created—Members—Vacancy—Terms.) There shall be a legislative council which is hereinafter referred to as the "legislative council" or the "council". The legislative council shall consist of the majority and minority floor leaders of the house and of the senate plus five senators and six representatives to be chosen biennially before the close of each regular legislative session. In the house of representatives such council members shall be chosen in the same manner as the members of other committees from the list of nine members recommended by each political faction and shall be divided equally between such factions, except that the speaker shall by virtue of his office be one of the three members appointed from his faction. In the senate such council members shall be chosen by the lieutenant governor, three from the majority faction and two from the minority faction, such council members to be chosen from a list of seven members recommended to him by each such faction. In the event there shall be less than nine members of the minority faction in the house of representatives or less than seven members of the minority faction in the senate, the names of all members of the minority faction with the exception

of the minority floor leader shall be recommended. Any vacancy occurring when the legislature is not in session shall be filled by the selection of another member of the legislature belonging to the same faction as the member originally appointed, said selection to be made by the remaining senate or house members of the council, depending upon which body has the vacancy. Each senator and each representative chosen to serve on the council shall serve until a new council has been selected at the next regular legislative session; provided, however, that no senator, not a holdover, who is not reelected to the senate, and no representative, who is not reelected to the house of representatives, shall serve as a member of the council beyond the closing day of the term to which he was elected. Any vacancy occurring because any member of the council is not reelected, shall be filled for the period from the beginning of the session until a new council is selected, in the same manner as the original council is selected.

Section 2. Amendment.) Section 54-35-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-02. Power and Duties.) In addition to the other applicable provisions of this chapter the council shall have the power and right to study, consider, accumulate, compile, and assemble information on any subject upon which the legislature may legislate, and upon such subjects as the legislature may by concurrent or joint resolution authorize or direct, or any subject requested by a member of the legislature; to collect information concerning the government and general welfare of the state and of its political subdivisions; to study and consider important issues of public policy and questions of general interest; to study and promote uniformity of legislation in the United States upon subjects upon which uniformity is desirable and to confer with the commissioners or similar groups appointed for the same purpose by any other state in drafting uniform laws to be submitted for the approval and adoption by the several states and through such member or members as the council may appoint to meet annually with the conference of commissioners on uniform state laws for the promotion of uniformity of legislation in the United States and join with it in such measures as may be deemed most expedient to advance the objects of such conference. It

shall prepare proposed bills and resolutions for consideration of the succeeding legislature. The council may as it deems advisable call to its assistance other members of the legislature, and it may create committees consisting of its own members, or one or more of its own members and one or more other members of the legislature and delegate by written resolution to such committees such of its powers and rights as it may deem advisable. Any member of the legislature shall have the right to attend any meeting of the council, and may present his views on any subject which the council may at any particular time be considering.

Section 3. Amendment.) Section 54-35-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-03. State Departments, Officers, and Employees to Cooperate.) Each department, board, commission, agency, officer or employee in the state government shall furnish such information and render such assistance to the council as the council or its committees may from time to time request.

Section 4. Amendment.) Section 54-35-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-04. Meetings—When Held—How Called—Quorum.) The council or any committee appointed by it, may sit at such time and place as it may deem advisable, but the council shall meet at least once in each year and shall meet at any time upon the call of the chairman or a call signed by seven members of the council. At any meeting of the council, seven members shall constitute a quorum and a majority of such quorum shall have the authority to act in any matter falling within the jurisdiction of the council.

Section 5. Amendment.) Section 54-35-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-05. Governor Sending Messages to Meetings.) The governor may send messages to such meetings of the

council as he may deem advisable.

Section 6. Amendment.) Section 54-35-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-06. Officers—Accept Funds—Expenditures.) The council shall select a chairman and a vice chairman from its own members and may prescribe its own rules of procedure. It may appoint a secretary who need not be a member, and shall appoint a director who shall be in charge of the offices and staff of the council and who shall be paid such salary as the council may determine. The council may employ such other persons and obtain the assistance of such research agencies as it may deem necessary. The council is authorized to accept and use any funds made available to it through the terms of any agreement that it may make with any agency whatsoever for the accomplishment of the purpose of this chapter. Expenditures of funds made available to the council by legislative appropriation shall be made in accordance with rules or motions duly approved by the council.

Section 7. Amendment.) Section 54-35-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-07. Records—Reports.) The council shall keep minutes of its meetings and a record of all its transactions and shall at the beginning of each biennial legislative session, and may at any other time, make a report of its activities and recommendations to the members of the legislature and to the governor.

Section 8. Amendment.) Section 54-35-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-08. Recommended Legislation May Be Required in Advance.) The council may require that any recommendation for legislation that is to be presented by any department, board, commission, agency, officer, official or employee of the state desiring the consideration of the council, be presented to it at least sixty days in advance of any regular session.

Section 9. Amendment.) Section 54-35-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-09. Recommendations—When Made Public—Distribution.) The recommendations of the council shall be completed and made public prior to any session of the legislature at which such recommendations are to be submitted; and a copy of said recommendations shall be mailed to each member-elect of the legislature, to each elective state officer, and to the state law library.

Section 10. Amendment.) Section 54-35-10 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-35-10. Compensation of Members.)** The members of the council and the members of any committee of the council shall be compensated for the time spent in attendance at sessions of the council and of its committees at the rate of twenty dollars per day and shall also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.

***Note:** Section 54-35-10 was also amended by section 1 of chapter 449, 1969 S. L.

Section 11. Amendment.) Section 54-35-11 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-11. Preparation For and Assistance to Legislative Assembly—Custody of Equipment—Approval of Delayed Vouchers.) The legislative council is hereby authorized, on behalf of the legislative assembly, to make all necessary arrangements prior to each legislative session, for the procurement of necessary supplies, equipment, services, excluding the employment of legislative employees, building space, or any other preparations or arrangements it deems necessary or desirable to be made prior to the commencement of each legislative session in order to facilitate the proper convening and operation of the legislative assembly. The legislative council shall act as the custodial agency to ensure the proper storage and safekeeping of legislative supplies and equipment during the interim periods between legislative sessions, and shall be authorized to approve vouchers on behalf of the legislative

assembly, or may authorize its director to do so, for the payment from legislative appropriations of delayed billings or other billings for legislative expenses during periods when the legislative assembly is not in session. It shall, through its own actions or through its staff, carry out such duties or projects and provide such service and assistance to the legislative assembly or its committees and members as may be requested by concurrent resolution of the legislative assembly or deemed necessary or desirable in assisting the legislative assembly in meeting its responsibilities and carrying out its duties during the legislative session or the interim between sessions.

Section 12. Amendment.) Section 54-35-12 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-12. Legislative Budget Analyst and Auditor.) The legislative council shall appoint a legislative budget analyst and auditor. No person shall be eligible for such appointment unless he holds a baccalaureate degree from a recognized institution of higher learning or is a certified public accountant or has had five years' experience in government accounting. The appointment of the legislative auditor shall be based upon qualifications of eligible persons without reference to partisan politics. His salary shall be determined by the council and it may employ such additional persons as may be necessary to carry out the provisions of sections 54-35-12 through 54-35-14.

Section 13. Amendment.) Section 54-35-13 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-13. Personnel—Compensation—Expenses.) The salaries, travel, and other expenses of the legislative budget analyst and auditor and other personnel within his office shall be submitted, approved, and paid in the same manner as other employees of the legislative council.

Section 14. Amendment.) Section 54-35-14 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-14. Powers and Duties of Legislative Budget

Analyst and Auditor.) The legislative budget analyst and auditor shall attend all budget hearings carried on by the executive budget officer and shall have access to all budget material submitted to the executive budget officer and all studies carried on by him; he shall analyze the executive budget when prepared, with special reference to sources of revenue, trends in governmental spending and finance, policies followed and inconsistencies in such policies, and proposed new or substantially expanded or reduced areas of spending and prepare a report of his analysis for the legislative assembly. He shall report thereon to the appropriations committees of the senate and house of representatives in joint meeting and shall perform such services for such committees during the legislative session as they shall reasonably request. The legislative audit and fiscal review committee may call upon the legislative budget analyst and auditor for such assistance as it may deem necessary in the analysis of any audit submitted to such committee. Each department, institution, and agency shall furnish such records and information to the legislative budget analyst and auditor as he may request in the performance of his duties.

Section 15. Amendment.) Section 54-35.1-01 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35.1-01. Committee on Audits and Fiscal Review.) For the purpose of studying and reviewing the financial transactions of this state; to assure the collection and expenditure of its revenues and moneys in compliance with law and legislative intent and sound financial practices; and to provide the legislative assembly with formal, objective information on revenue collections and expenditures to provide a basis of legislative action to improve the fiscal structure and transactions of this state, there shall be a committee on audits and fiscal review, hereafter, referred to as the "committee". The committee shall consist of the lieutenant governor as chairman, four members of the house of representatives, and three members of the senate. The members shall be appointed in the same manner and for the same terms as provided for members of the legislative council in section 54-35-01, except that each political faction shall be required to submit a list of only five members to the respective presiding officers, and except that at least one member of the respective ap-

propriation committees of each house of the legislative assembly shall be appointed to the committee. Vacancies between sessions shall be filled in the same manner as vacancies upon the legislative council as provided in section 54-35-01.

Section 16. Amendment.) Section 54-35.1-03 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35.1-03. Meetings—Quorum—Officers.) The committee, or any subcommittee composed of members of the committee, may meet at such time and place as it may deem desirable, but the committee shall meet at least once in each quarter year. All meetings shall be held at the call of the chairman or a call signed by four members of the committee. At any meeting five members shall constitute a quorum, and a majority of such quorum shall have authority to act in any matter falling within the jurisdiction of the committee. The committee may prescribe its own rules of procedure.

The committee shall select a vice chairman who shall carry out the duties of the chairman during his absence or inability to act. It may make arrangements with the legislative council for the provision of clerical assistance and for assistance in drafting any legislation it may recommend.

Section 17. Amendment.) Section 54-35.1-05 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35.1-05. Compensation of Members.) The chairman and members of the committee shall be compensated for their service on the committee in the same manner and at the same rate as provided for members of the legislative council in section 54-35-10.

Section 18. Amendment.) Section 46-03-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

46-03-10. Secretary of State Arranging and Correcting Laws.) In arranging the laws, memorials, and resolutions for publication, the secretary of state, and the leg-

islative council shall make such corrections in orthography, grammatical construction, and punctuation of the same as in their judgment shall be proper. When any words or clauses are inserted, the same shall be enclosed in brackets.

Section 19. Amendment.) Section 46-03-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

46-03-11. Publication of Session Laws and Pocket Supplements.) The secretary of state and the legislative council shall correct ministerial or clerical errors and supervise the publication of the Session Laws and pocket part supplements to this Code in a manner and form prescribed by the legislative council, correlating each year's laws with this Code. The secretary of state shall secure a copyright of the Session Laws of each session of the legislative assembly before the same are distributed for the exclusive use and benefit of the state. The copyright procurement shall be printed in each volume of the Session Laws.

Section 20. Amendment.) Section 46-03-15 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

46-03-15. Authentication of Laws, Memorials, and Resolutions.) All laws printed or published by authority of this state shall be printed or published without the requirement of any certificate or additions to the same, except the word "approved" and the date of such approval. In each authenticated volume of the laws published there shall be a general certificate made by the secretary of state and the legislative council to the effect that all laws, memorials, and resolutions contained therein have been compared with the originals thereof in the office of the secretary of state and that they are correct copies.

Section 21. Amendment.) Section 46-03-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

46-03-18. Copies of Laws and Journals To Be Furnished Printer—by Whom.) The secretary of state and the legis-

lative council shall furnish a true and accurate copy of the laws as they may be demanded by the printer thereof. The secretary of the senate and the chief clerk of the house each shall furnish for the printer, who is bound by his contract to print the same, a copy of each journal, bill, report, and other paper and document, without unnecessary delay. No contractor shall be accountable for any delay occasioned by the want of such copy.

Section 22. Amendment.) Section 46-03-19 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

46-03-19. When Documents Officially Printed—Faith and Credit Given.) All laws journals, and documents printed and published by any contractor under the provisions of this title, and duly certified by the secretary of state and the legislative council as provided herein, shall be deemed officially to be printed and published, and full faith and credit shall be given to them as such.

Section 23. Amendment.) Section 54-03.1-02 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-03.1-02. Time and Place of Meeting—Who Must Attend.)** In each even-numbered year on the first Tuesday after the first Monday in the month of December, all persons elected at the previous November general election as members of the succeeding legislative session, and members of the senate whose terms do not expire during the following session of the legislative assembly, shall meet in the state capitol in the city of Bismarck, or at such other place as may be designated, at the hour of nine o'clock a.m. for the purpose of conducting a pre-session legislative conference. The legislative council shall call such conference and make such arrangements as may be necessary for the operation of the conference.

***Note:** Section 54-03.1-02 was also amended by section 7 of chapter 427, 1969 S. L.

Section 24. Amendment.) Subsection 3 of section 54-04-02 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. The enrolling shall be done on a typewriter in such form or style, and on paper of such a character

and size, as the legislative council shall prescribe;

Section 25. Amendment.) Subsections 2 and 4 of section 54-06-04 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

2. Three typewritten or mimeographed copies of any report mentioned in subsection 1 shall be submitted in the form and style prescribed by the director of accounts and purchases. One copy of each report shall be submitted to the governor and two copies to the secretary of state. The secretary of state shall require the printing of each report mentioned in subsection 1 into pamphlets, the size and number of copies to be printed to be determined by the secretary of state. The secretary of state shall set aside twenty-five copies of each report printed in pamphlet form to be bound into volumes or sets and to be known as "public documents". The style of binding to be used for the public documents shall be determined by the secretary of state. There shall be provided by the secretary of state a suitable table of contents referring to the reports contained in the public documents. A copy of the public documents shall be distributed by the secretary of state on or before the second day of January of each odd-numbered year to the following agencies:

- a. Governor's office;
- b. Attorney general's office;
- c. Legislative council;
- d. State law library;
- e. The state institutions of higher education;
- f. State library; and
- g. Two volumes shall remain in the office of the secretary of state for official and public use.

The remaining volumes or sets of the public documents shall be retained by the secretary of state to be distributed at his discretion.

4. The state budget officer and the legislative council shall make biennial reports as prescribed by law, which may, at their discretion, be included in the public documents.

Section 26. Amendment.) Section 54-44.1-07 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.1-07. Presentation of Budget Data—How Presented to the Legislature.) The director of the budget or his designated subordinate shall present the budget data information in section 54-44.1-06, including the budget and revenue proposals recommended by the governor, and make available sufficient copies thereof to a special committee of the legislative council on budget review. The budget data shall be completed and made available to the legislative council in such form as may be acceptable to it by December first of each year next preceding the session of the legislature. The chairman of the legislative council or its committee on budget review shall set the time and place at which such budget data is to be presented.

Section 27. Amendment.) Section 54-49-08 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-49-08. Reports.) The council shall make a report as prescribed by subsection 6 of section 54-06-04, to the governor and secretary of state of its findings and recommendations and such additional reports as may be required of it by the legislature or the legislative council. The council shall also report upon its findings and recommendations to council members as it is deemed advisable.

Approved March 4, 1969.

CHAPTER 449

H. B. No. 295
(Streibel, Hilleboe, Backes, Sanstead)

LEGISLATORS' INTERIM COMPENSATION

AN ACT

To amend and reenact section 54-35-10 of the North Dakota Century Code, relating to legislative compensation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-35-10 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

*** 54-35-10. Compensation of Members.)** The members of the council and the members of any committee of the council shall be compensated for the time spent in attendance at sessions of the council and of its committees at the rate of thirty dollars per day and shall also be paid for their actual expenses incurred in attending said meetings and in the performance of their official duties.

*Note: Section 54-35-10 was also amended by section 10 of chapter 448, 1969 S.L.

Approved March 8, 1969.

CHAPTER 450

H. B. No. 419
(Grant, Connolly)

MEMBERSHIP OF NORTH DAKOTA INDIAN
AFFAIRS COMMISSION

AN ACT

To amend and reenact section 54-36-01 of the North Dakota Century Code, relating to the addition of one member to the North Dakota Indian affairs commission.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-36-01 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-36-01. Commission—Members—Officers—Expenses of Certain Members.) The North Dakota Indian affairs commission shall consist of the governor, commissioner of agriculture, executive director of the public welfare board of North Dakota, state health officer, director of the North Dakota state employment service, director of Indian education in the North Dakota department of public instruction, and the chairmen of the boards of county commissioners of Sioux, Mercer, McLean, McKenzie, Dunn, Rolette, Benson, Mountrail and Eddy counties or their designees; and the tribal chairmen of the Standing Rock, Fort Berthold, Fort Totten and Turtle Mountain Indian reservations or their designees. The commission may call upon the state director of the business and industrial department for consultation upon business and industrial matters involved in the operation of the commission. The governor or his authorized representative shall act as chairman of the commission and the commission shall select one of its members as secretary. The chairmen of the boards of county commissioners who are members of the commission and the Indian members of the commission or their designees shall receive the mileage and expenses allowed state officers which shall be paid from the appropriation made to such commission.

Approved March 27, 1969.

CHAPTER 451

H. B. No. 465
(Atkinson, Burke, Lang)

JOINT EXERCISE OF
GOVERNMENTAL POWERS

AN ACT

To amend and reenact section 54-40-08 of the 1967 Supplement to the North Dakota Century Code, relating to joint exercise of governmental powers.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-40-08 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-40-08. Joint Functions—Who May Participate.) Any municipality, county, park district and school district or political subdivision of this state upon approval of their respective governing bodies may enter into agreements with one another for joint or cooperative action, on a cost-sharing basis, or otherwise, to carry out any function or duty which may be authorized by law or assigned to one or more of them, to provide moneys for a library fund under chapter 40-38 or other public funds to be used within their territorial limits for the acquisition of a site or additional sites, for the construction or for the additional construction of buildings, and the equipment thereof and for the major remodeling of the same to furnish better library service or other services or facilities to their inhabitants and to expend funds of such municipality, county, park district, school district or political subdivision pursuant to such agreement, to use unexpended balances of their respective current funds, to enter into lease-option to buy and contract for deed agreements, and to accumulate funds from year to year for library and other services and facilities, and otherwise share or contribute property in accordance with such agreement in jointly and cooperatively carrying out such function or duty.

Approved March 29, 1969.

S.B. No. 356
(Decker)

POWERS AND DUTIES OF DIRECTOR
OF ACCOUNTS AND PURCHASES

AN ACT

To amend and reenact subsection 21 of section 54-44-04 of the North Dakota Century Code, relating to the powers and duties of the director of accounts and purchases.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Subsection 21 of section 54-44-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21. Shall be vested with the duties, powers, and responsibilities involved in the operation of a centralized purchasing service. This purchasing service shall include the purchase, lease or rental of all equipment, furniture, fixtures, printing, materials, supplies, insurance and other commodities for all state departments, institutions, offices, and agencies, excluding land, buildings, or space, or the rental thereof and excepting emergency purchases that are impossible of execution by the department of accounts and purchases within the required time, highly specialized equipment which can be better purchased by the department, institution or office which is to utilize such equipment, and such specific items and minor purchases as the director may exempt;

Approved March 4, 1969.

CHAPTER 453

H. B. No. 130

(Burke, Metzger, Atkinson, Boustead, Wagner, Lang)

WITHHOLDING FROM STATE EMPLOYEES
PAY FOR TAX-SHELTERED ANNUITIES

AN ACT

To authorize the director of the department of accounts and purchases to withhold or deduct from compensation to state employees such amounts as the employer and employee may determine to participate in those tax-favored or tax-sheltered annuities authorized by the internal revenue code.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. The Director of the Department of Accounts and Purchases Shall Have Authority to Withhold or Deduct Certain Amounts from Employees' Compensation.) The director of the department of accounts and purchases, in addition to other deductions or withholdings authorized or permitted by law, shall be authorized to withhold or deduct from the employees' monetary compensation such amounts as may be determined by the employer and employees to participate in tax-favored or tax-sheltered annuity programs which are authorized by the federal internal revenue code.

Approved March 15, 1969.

CHAPTER 454

S. B. No. 33

(Coughlin, Holand, Litten, Wenstrom)
(From Legislative Research Committee Study)

OFFICE OF CENTRAL DATA PROCESSING

AN ACT

To establish an office of central data processing, and to amend and reenact section 54-44-11 of the North Dakota Century Code, relating to an operating fund.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Office of Central Data Processing—Creation.)

The office of central data processing is hereby established in the department of accounts and purchases. The director of the department of accounts and purchases shall be its ex officio director. Such director of the central data processing office shall supervise and regulate electronic data processing activities of all of the state agencies, institutions, departments, and boards, except the North Dakota employment security bureau and the office of the adjutant general. The office of central data processing shall establish an electronic data processing center which shall, unless excepted by the director, be used by all state agencies, departments, and institutions except the institutions under the control of the board of higher education, the state employment bureau, and the office of the adjutant general.

The director of central data processing shall appoint a central data processing supervisor who shall be appointed upon the basis of education, experience, and other qualifications in data processing and administration, without reference to partisan politics, and who shall serve at the pleasure of the director of central data processing. The director of central data processing shall employ such other professional, technical, and clerical personnel as he may deem necessary to carry out the duties prescribed in this chapter and shall, within the limits of the legislative appropriation, fix the salaries of all employees within the office of central data processing. All personnel within

the office of central data processing shall be allowed their actual and necessary travel expenses at the same rate as for other employees of the state.

Section 2. Office of Central Data Processing—Powers and Duties.) The office of central data processing shall:

1. Provide systems design, programming, and other data processing services.
2. Design, plan, justify, and implement all data processing systems within and between state agencies which utilize the services of the office of central data processing.
3. Have the authority to purchase or lease such additional equipment or replace present equipment as may be necessary to carry out the provisions of this Act. The director of the office of central data processing shall require each department, agency, or institution, except the North Dakota employment security bureau, and the office of adjutant general, which may desire to maintain or procure data processing services or equipment not available from the office of central data processing, to submit a written request for these services or equipment, accompanied by full justification for their need, to the director of the office of central data processing, who must approve such request in writing before such department, institution, or agency shall be authorized to procure, maintain, or contract for these services or equipment from sources other than the office of central data processing. The director of the office of central data processing shall not approve any such requests for authority to rent, purchase, or to otherwise acquire or contract for additional or new data processing services or equipment unless, after full study of the justification submitted and such further study or independent evaluation and testing as he shall deem necessary, he shall find that such services cannot be reasonably provided by the office of central data processing and that such equipment would be fully and economically usable and compatible with the central data processing system.

If an equipment purchase or rental is authorized, the equipment, except that which may be purchased for institutions under the control of the board of higher education, shall become the property of the office of central data processing and shall be delivered to such office by the vendor of such equipment and shall be operated by personnel of the office of central data processing.

4. Provide data processing assistance and advisory service to the legislative, executive, and judicial branches.
5. Establish and justify data processing activities and costs in order that effectiveness can be measured.
6. Perform all other duties necessary to carry out the provisions of this chapter.
7. Be authorized to establish a data bank to eliminate the duplicate storage of common data and thereby develop more economical and efficient use of the data processing system. The data bank shall consist of data, except where data is restricted from such use by law and such confidentiality cannot be reasonably maintained in such data bank, contained within the files of all agencies, departments, and institutions being provided services by the office of central data processing. In the event that the data bank contains data of use to other departments, agencies, and institutions, such data may be made available to such departments, agencies, and institutions after notice has been given to the agency, department, or institution from which the data was originally received.

Section 3. Acquisition of Data Processing Equipment.)

All electronic data processing equipment owned or leased by any agency, department, or institution of this state except the North Dakota employment security bureau, the institutions under the control of the board of higher education and the office of the adjutant general shall, upon the effective date of this Act, be transferred to and be subject to the control of the office of central data processing. Where any such equipment so transferred from any such a-

gency, department, or institution was purchased by the agency, department, or institution from a dedicated fund or trust fund, the office of central data processing shall credit such agency, department, or institution with an amount equal to the fair market value or fair rental value of such equipment, and charges thereafter made to such agency, department, or institution for services furnished by the office of central data processing shall offset against such credit.

Section 4. Appointment of Data Processing Coordinators.) Each agency, department, or institution of this state utilizing the services and equipment provided by the office of central data processing shall appoint an electronic data processing coordinator. Such coordinator shall maintain liaison with the office of central data processing and assist the office in such activities as the establishment of priorities, rescheduling, reports, and other areas related to making the most economical use of the data processing services and equipment.

Section 5. Report to Governor and Legislature.) The director of the office of central data processing shall furnish to the governor and legislature at the end of each biennium a statement showing the financial condition of the said office, an inventory of all electronic data processing equipment under its control, and such other information regarding the office as may be necessary for a proper understanding of its operations.

Section 6. Secrecy Provision.) The personnel of the office of central data processing are hereby authorized to receive from the various departments, and the employees of the various departments are hereby authorized to provide to the office of central data processing, any information from the files and records of the various departments necessary to effect the purposes of this Act without regard to the confidential or secret nature of the information; provided, however, the personnel of the office of central data processing shall be subject to the same restrictions and penalties regarding the dissemination of this information as are the personnel of the department involved.

Section 7. Amendment.) Section 54-44-11 of the 1967 Supplement to the North Dakota Century Code is hereby a-

mended and reenacted to read as follows:

54-44-11. Purchasing Department Operating Fund Creation.)

1. The department of accounts and purchases shall establish a state purchasing department operating fund to be used for the procurement and maintenance of an inventory of equipment and supplies and to provide data processing services to the state departments and agencies. The sum of thirty-five thousand dollars is hereby transferred from the state general fund to the state purchasing department operating fund to provide the initial working capital and is hereby appropriated for supplies and equipment as a standing appropriation. Any surplus in this fund in excess of one hundred thousand dollars on June thirtieth of each year shall be transferred to the state general fund.
2. Each office, agency, or institution provided with data processing service shall pay to the department of accounts and purchases a proportionate share of the cost of such service, as determined by the director of the department of accounts and purchases, based on actual costs and actual usage. The amounts paid to the department of accounts and purchases by the various offices, agencies, and institutions shall be deposited in the purchasing department operating fund and shall be expended in accordance with legislative appropriations.

Approved March 14, 1969.

CHAPTER 455

S.B. No. 344
(Becker, Trenbeath)

MEMBERSHIP AND MEETINGS OF NATURAL
RESOURCES COUNCIL

AN ACT

To amend and reenact section 54-49-03 and section 54-49-04 of the North Dakota Century Code, relating to the membership of the natural resources council and the time of meeting.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 54-49-03 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-49-03. Membership.) There is hereby created a natural resources council of state agencies consisting of the governor as chairman, the chairmen of both senate and house natural resources committees, the commissioner of agriculture, the attorney general, executive secretary of state soil conservation committee, the game and fish commissioner, the state land commissioner, the state geologist, the secretary of the state water commission, the state forester, the dean of agriculture of the North Dakota state university of agriculture and applied science, the superintendent of the state historical society, the director of the economic development commission, the state highway commissioner, the state health officer, the director of the state park service, the state liaison officer of the state outdoor recreation agency, or the duly assigned staff representative of any herein named.

Section 2. Amendment.) Section 54-49-04 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-49-04. Procedure.) The governor shall call the first meeting of the council within sixty days after the effective date of this chapter at the state capitol, at which meeting the council shall elect from within its own body a "working chairman"

and a secretary. Following organization, meetings may be called by the working chairman or, at the request of any six members, may be held as often as necessary but not less than once each three months, which meetings shall be given publicity through the usual news channels. A majority of the members shall constitute a quorum.

Approved March 29, 1969.

CHAPTER 456

S. B. No. 46

(Berube, Goldberg, Longmire, Meschke, Morgan, Nothing)

(Trenbeath)

(From Legislative Research Committee Study)

EXTENDING MEMBERSHIP IN EMPLOYEES' RETIREMENT SYSTEM

AN ACT

To create and enact sections 54-52-02.1 and 54-52-02.2 of the North Dakota Century Code; to amend and reenact section 40-46-02, subsections 3, 6, 7, and 11 of section 54-52-01, section 54-52-03, subsection 6 of section 54-52-04, sections 54-52-05, 54-52-06, 54-52-07, 54-52-10, 54-52-11, and 54-52-22; and to repeal section 54-52-24 of the North Dakota Century Code, relating to the employees' retirement system, extending the membership therein to county and city employees.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) Section 54-52-02.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

***54-52-02.1. County and City Employees Authorized to Join Public Employees' Retirement System.)** The boards of county commissioners of the several counties and the governing bodies of any city are hereby authorized on behalf of their permanent employees to enter into an agreement with the state retirement board for the purpose of extending the benefits of the state employees' retirement system, as provided in chapter 54-52, to such employees. The agreement may, in accordance with chapter

***Note:** Section 54-52-02.1 was also created by section 1 of chapter 457, 1969 S.L.

54-52, contain provisions relating to benefits, contributions, effective date, modification, administration, and other appropriate provisions as the state retirement board and the board of county commissioners or governing body of a city shall agree upon, but such agreement shall provide that:

1. The county or city will contribute on behalf of each eligible employee an amount equal to that provided in section 54-52-06.
2. A portion of the moneys, paid by the counties on a matching basis, equal to one dollar of every four dollars of county contribution shall be devoted to a county administrative expense and benefit fund. A portion of the moneys, paid by the cities on a matching basis, equal to one dollar of every four dollars of city contribution shall be devoted to a city administrative expense and benefit fund. These funds shall be administered by the state retirement board and shall be used to defray that portion of the administrative expenses of the retirement board attributed to the several counties and cities and to provide prior service benefits to county and city employees.
3. The board of county commissioners of a county or the governing body of a city electing to participate in the employees' retirement system shall compute a prior service benefit for long-term county or city employees in the manner provided in sections 54-52-19 and 54-52-20, except that the dates January 1, 1969, and December 31, 1963, shall be substituted for the dates set forth in section 54-52-19. A register of eligible employees for whom prior service has been computed shall be forwarded to the executive secretary of the state retirement board by the board of county commissioners or the governing body of the city.

Section 2.) Section 54-52-02.2 of the North Dakota Century Code is hereby created and enacted to read as follows:

***54-52-02.2. Employee Referendum—Authorization and Supervision.)** On their own motion or upon petition by twenty percent of the permanent county or city employees of any county or city, the board of county commissioners or the governing body of the city shall authorize and supervise a referendum of the permanent em-

***Note:** Section 54-52-02.2 was also created by section 2 of chapter 457, 1969 S.L.

ployees employed by that county or city on the question whether such employees elect to participate in the retirement system, and if the majority of such employees vote in favor of participation in the retirement system the board of county commissioners or the governing body of a city, notwithstanding anything to the contrary in chapter 40-46 of the North Dakota Century Code, may in its discretion enter into the agreement provided for in section 54-52-02.1. Notwithstanding provisions to the contrary in chapters 18-05, 18-11, and 40-45 of the North Dakota Century Code, the police department of any city, the fire department of any city, or both may hold referendums among their employees on the question of whether their department should join the remaining city employees in participation in the retirement system established by this chapter. If a majority of the city police or city firemen, or both, vote in favor of such participation the governing body of the city shall include such policemen and firemen within any agreement entered into pursuant to section 52-52-02.1 of this Act, and shall arrange for discontinuance of any existing policemen's or firemen's pension fund as provided by law.

Section 3. Amendment.) Section 40-46-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

40-46-02. Tax Levy for City Employees' Pension Fund and Federal Social Security Authorized—Limitations.) In addition to any other levies authorized by law for general purposes, any city which has adopted a civil service system for city employees may levy an annual tax of not more than four mills for the purpose of creating and maintaining a city employees' pension fund and for the purpose of paying the city's share of federal social security payments to the United States for coverage of city employees under federal social security. Any pension system shall be based on actuarial tables and actuarial valuation shall be performed at intervals of not more than five years.

Section 4. Amendment.) Subsections 3, 6, 7, and 11 of section 54-52-01 of the 1967 Supplement to the North Dakota Century Code are hereby amended and reenacted to read as follows:

- *3. "Employee" shall mean any person employed by the state of North Dakota, or by any county or city thereof, whose compensation is paid out of state, county, or city funds or funds controlled or administered by a state, county, or city department, or paid by the federal government through any of its executive or administrative officials;
6. "Permanent employee" shall mean a state, county, or city employee who has been employed by the state, county, or city for five continuous months, is employed for more than twenty hours per week and more than five months each year;
7. "Prior service" shall mean state service or employment prior to January 1, 1965, or county, or city service or employment prior to January 1, 1969.
11. "Vested interest" shall mean all of the employee's contribution, plus credited earnings thereon, and that part of the agency, county, or city contribution, plus credited earnings thereon, as shown on the vesting schedule provided for in this chapter; and

***Note:** Subsections 3, 6, 7, and 11 of section 54-52-01 were also amended by section 3 of chapter 457, 1969 S.L.

Section 5. Amendment.) Section 54-52-03 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-03. Governing Authority.)** A state agency is hereby created to constitute the governing authority of the system to consist of a board of five persons known as the retirement board. No more than one member of the board shall be in the employ of a single department, institution or agency of the state or in the employ of political subdivisions.

1. One member of the board shall be appointed by the governor to serve a term of five years. The appointee shall be a North Dakota citizen who is not a state, county, or city employee and who by experience is familiar with money management. The citizen member shall be chairman of the board.

***Note:** Section 54-52-03 was also amended by section 4 of chapter 457, 1969 S.L.

2. One member of the board shall be appointed by the attorney general from his legal staff and shall serve a term of five years.
3. Three board members shall be elected from among the participating members. The initial elected members shall be elected for terms which shall expire two years, three years, and four years after the date of establishment. Future members shall be elected to a five-year term, pursuant to an election called for by the board.
4. Members of the board shall receive an honorarium of twenty-five dollars for each month during which the board has been in session. This shall be in addition to any other pay or allowance due the members, plus an allowance for expenses they may incur through service on the board.
5. A board member shall serve a five-year term and until his successor qualifies. Each board member shall be entitled to one vote, and three of the five board members shall constitute a quorum. Three votes shall be necessary for resolution or action by the board at any meeting.
6. The state auditor, the state health officer, and the state examiner shall be ex officio, nonvoting, and advisory members of the board.

Section 6. Amendment.) Subsection 6 of section 54-52-04 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- *6. The board shall select the funding agent or agents and establish an investment agreement contract. The contract shall authorize the funding agent or agents to hold and invest moneys for the system. No moneys of the system shall be invested by the board. Said moneys shall be placed for investment only with a firm or firms whose primary endeavor is money management, and only after a trust agreement or contract has been executed. All securities, agreements, contracts, or instruments of value shall be delivered to the Bank of North Dakota, or its

***Note:** Subsection 6 of section 54-52-04 was also amended by section 5 of chapter 457, 1969 S.L.

agents. Except for dispensing money to the funding agent or agents, paying prior service benefits, or making withdrawal payments and refunds, the board shall expend money only for administrative purposes by preparing an appropriate voucher and submitting such vouchers to the department of accounts and purchases and as limited by the appropriation first made by the legislative assembly.

Section 7. Amendment.) Section 54-52-05 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-05. Membership Fee and Assessments.)** Every eligible permanent state, county, or city employee concurring in the plan shall so state in writing and all future eligible employees shall be participating members. Each member shall pay to the treasurer of the retirement fund a membership fee to be fixed by the retirement board in an amount not exceeding five dollars, which shall be paid into the administrative expense and benefit fund in the case of state employees, to the county administrative expense and benefit fund in the case of county employees, and to the city administrative expense and benefit fund in the case of city employees. An eligible employee shall be a permanent employee who has been employed by the state, county, or city for five months, has reached age twenty-one, and is employed for more than twenty hours per week for more than five months each year. Each member shall be assessed and required to pay monthly four percent of the monthly salary or wage paid to him, and such assessment shall be deducted and retained out of such salary in equal monthly installments.

***Note:** Section 54-52-05 was also amended by section 6 of chapter 457, 1969 S.L.

Section 8. Amendment.) Section 54-52-06 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-06. Employer's Contribution to Retirement Plan—Limitations.)** Each agency, county, or city shall match four percent of the monthly salary or wage of a participating member, but not to exceed a matching payment in excess of five hundred

***Note:** Section 54-52-06 was also amended by section 7 of chapter 457, 1969 S.L.

dollars annually. Each agency, county, or city shall pay such contributions into the retirement fund from its funds appropriated for payroll and salary or any other funds available for such purposes.

Section 9. Amendment.) Section 54-52-07 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-07. Agency, County, or City Contribution is Retirement Contribution.)** The agency, county, or city contribution to a retirement plan shall be considered a retirement contribution and not an additional compensation. This shall apply specifically to elected and appointed officials where maximum annual compensation is set by the statute or by state, county, or city boards or commissions. The retirement contribution shall not be considered by the employee as income in computing his net income for purposes of state income tax until such time as the moneys come under the control of the employee.

***Note:** Section 54-52-07 was also amended by section 8 of chapter 457, 1969 S.L.

Section 10. Amendment.) Section 54-52-10 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-10. Allocation of Funds.)** For the purpose of internal accounting records of the board, and not for the purpose of the segregation of moneys on deposit, or investment, there shall be created:

1. An "employee account fund", consisting of the employee contribution plus credited earnings thereon;
2. A "vesting fund", consisting of three of each four dollars of agency or county contribution plus credited earnings thereon;
3. An "administrative expense and benefit fund", consisting of one of each four dollars of agency contribution;
4. A "county administrative expense and benefit fund", consisting of one of each four dollars of county contribution; and

***Note:** Section 54-52-10 was also amended by section 9 of chapter 457, 1969 S.L.

- 5. A "city administrative expense and benefit fund", consisting of one of each four dollars of city contribution.

Any and all expenses incurred by or for the operation of the retirement plan shall be paid from the funds established by subsections 3, 4, and 5 of this section. From the funds established by subsections 3, 4, and 5 of this section the board shall have the authority to provide prior service benefits and that portion not needed for the payment of prior service benefits and administrative expenses may be credited annually to individual employee accounts in proportion to the member's contribution to the fund. The funds allocated in subsections 1 and 2 hereof shall constitute the "employees' retirement fund".

Section 11. Amendment.) Section 54-52-11 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-11. Vesting—Vesting Schedule of Agency Contribution.)** Upon severance of the employment of a participating member, either voluntarily or involuntarily, for any reason other than set forth in this section, the contribution of the participant plus credited earnings thereon shall be vested in him. Three out of every four dollars of agency, county, or city contribution shall be vested in the employee according to years of state, county, or city employment prior to this chapter. The employees' vested interest in the "vesting fund" shall be as follows:

Years of State, County, or City Employment	Percentage of Vesting Fund Interest
0 years through 3 years	None
Over 3 years through 7 years	20% plus credited earnings thereon
Over 7 years through 11 years	30% plus credited earnings thereon
Over 11 years through 15 years	40% plus credited earnings thereon
Over 15 years through 18 years	60% plus credited earnings thereon
Over 18 years through 20 years	80% plus credited earnings thereon
Over 20 years	100% plus credited earnings thereon

An employee's one hundred percent vesting fund interest plus credited earnings thereon shall be vested, and nonforfeitable, when the employee reaches the age of sixty-five, or is permanently disabled; and an employee's one hundred percent vesting fund interest shall be vested in the beneficiary of the employee in case of the employee's death. At the age of sixty-five, or less as may be determined by the board, all interests vested in an employee shall be available to him for payment of retirement benefits as may be provided for under this chapter. Amounts forfeited under the vesting fund interest shall be paid into the respective administrative expense and benefit funds.

***Note:** Section 54-52-11 was also amended by section 10 of chapter 457, 1969 S. L.

Section 12. Amendment.) Section 54-52-22 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-22. Interpretation Clause.)** This chapter shall not be construed so as to commit the state of North Dakota, any county, or city or the agency to any liability either moral or legal for any benefits to any beneficiary under the plan or plans resulting from enactment of this chapter, nor as an exemption from any regulatory laws of the state of North Dakota.

***Note:** Section 54-52-22 was also amended by section 11 of chapter 457, 1969 S.L.

***Section 13. Repeal.)** Section 54-52-24 of the 1967 Supplement to the North Dakota Century Code is hereby repealed.

***Note:** Section 54-52-24 was also repealed by section 12 of chapter 457, 1969 S.L.

Approved April 20, 1969.

CHAPTER 457

H.B. No. 388

(Bunker, Sanstead, Haugland, Metzger)

**EXTENDING EMPLOYEES' RETIREMENT TO COUNTY
AND CITY EMPLOYEES AND NON-CERTIFIED
EMPLOYEES OF SCHOOL DISTRICTS**

AN ACT

To create and enact sections 54-52-02.1 and 54-52-02.2 of the North Dakota Century Code; to amend and reenact subsections 3, 6, 7 and 11 of section 54-52-01, section 54-52-03, subsection 6 of section 54-52-04, sections 54-52-05, 54-52-06, 54-52-07, 54-52-10, 54-52-11, and 54-52-22; and to repeal section 54-52-24 of the North Dakota Century Code, relating to the employees' retirement system, extending the membership therein to county, city, and non-certified school district employees.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) Section 54-52-02.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

***54-52-02.1. County, City, and Non-Certified School District Employees Authorized To Join Public Employees' Retirement System.)** The boards of county commissioners of the several counties and the governing bodies of any city or school district are hereby authorized on behalf of their permanent employees, and permanent non-certified employees only in the case of school districts, to enter into agreements with the state retirement board for the purpose of extending the benefits of the state employees' retirement system, as provided in chapter 54-52, to such employees. Such an agreement may, in accordance with chapter 54-52, contain provisions relating to benefits, contributions, effective date, modification, administration and other appropriate provisions as the state retirement board and the board of county commissioners or governing body of a city or a school district shall agree upon, but such agreement shall provide that;

1. The county, city, or school district will contribute on behalf of each eligible employee an amount equal to that provided in section 54-52-06.

2. A portion of the moneys, paid by the counties, cities, or school districts on a matching basis, equal to one dollar of every four dollars of county, city, or school district contribution shall be devoted to a county, city, or school district administrative expense and benefit fund. These funds shall be administered by the state retirement board and shall be used to defray that portion of the administrative expenses of the retirement board attributed to the several counties, cities, or school districts and to provide prior service benefits to county employees, city employees, and to non-certified school district employees.

3. The board of county commissioners of a county or the governing body of a city or a school district electing to participate in the employees' retirement system shall compute a prior service benefit for long-term county employees, city employees, or non-certified school district employees in the manner provided in sections 54-52-19 and 54-52-20, except that the dates January 1, 1969, and December 31, 1963, shall be substituted for the dates set forth in section 54-52-19. A register of eligible employees for whom prior service has been computed shall be forwarded to the executive secretary of the state retirement board by the board of county commissioners or the governing body of the city or school district.

*Note: Section 54-52-02.1 was also created by section 1 of chapter 456, 1969 S. L.

Section 2.) Section 54-52-02.2 of the North Dakota Century Code is hereby created and enacted to read as follows:

***54-52-02.2. Employee Referendum—Authorization and Supervision.)** On their own motion or upon petition by twenty percent of the permanent county or city employees or the permanent non-certified employees of any school district, the board of county commissioners or the governing body of the city or school district shall authorize and supervise a referendum of the permanent employees employed by that county or city or of the non-certified permanent employees employed by that school district on the question whether such employees elect to participate in the retirement system, and if the majority of such employees vote in favor of participation in the retirement system the board of county commissioners or the

governing body of a city or school district, notwithstanding anything to the contrary in chapter 40-46 of the North Dakota Century Code, may in its discretion enter into the agreement provided for in section 54-52-02.1.

***Note:** Section 54-52-02.2 was also created by section 2 of chapter 456, 1969 S. L.

Section 3. Amendment.) Subsections 3, 6, 7 and 11 of section 54-52-01 of the 1967 Supplement to the North Dakota Century Code are hereby amended and reenacted to read as follows:

- *3. "Employee" shall mean any person employed by the state of North Dakota, or by county or city thereof, or any non-certified employee of any school district, including all Public School Districts and the Fargo School District, whose compensation is paid out of state, county, city, or school district fund or funds controlled or administered by a state department, county, city, or school district, or paid by the federal government through any of its executive or administrative officials; non-certified employees of a school district shall mean those employees not eligible to participate in the Teachers' Insurance and Retirement Fund;
6. "Permanent employee" shall mean a state, county, city, or non-certified school district employee who has been employed by the state, county, city, or school district for five continuous months, is employed for more than twenty hours per week and more than five months each year;
7. "Prior service" shall mean state service or employment prior to January 1, 1965, or county, city, or school district service or employment prior to January 1, 1969;
11. "Vested interest" shall mean all of the employee's contribution, plus credited earnings thereon, and that part of the agency, county, city, or school district contribution, plus credited earnings thereon, as shown on the vesting schedule provided for in this chapter; and

***Note:** Subsections 3, 6, 7, and 11 of section 54-52-01 were also amended by section 4 of chapter 456, 1969 S. L.

Section 4. Amendment.) Section 54-52-03 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted read as follows:

***54-52-03. Governing Authority.)** A state agency is hereby created to constitute the governing authority of the system to consist of a board of five persons known as the retirement board. No more than one member of the board shall be in the employ of a single department, institution or agency of the state or in the employ of political subdivisions.

1. One member of the board shall be appointed by the governor to serve a term of five years. The appointee shall be a North Dakota citizen who is not a state, or school district employee and who by experience is familiar with money management. The citizen member shall be chairman of the board.
2. One member of the board shall be appointed by the attorney general from his legal staff and shall serve a term of five years.
3. Three board members shall be elected from among the participating members. The initial elected members shall be elected for terms which shall expire two years, three years, and four years after the date of establishment. Future members shall be elected to a five-year term, pursuant to an election called for by the board.
4. Members of the board shall receive an honorarium of twenty-five dollars for each month during which the board has been in session. This shall be in addition to any other pay or allowance due the member, plus an allowance for expenses they may incur through service on the board.
5. A board member shall serve a five-year term and until his successor qualifies. Each board member shall be entitled to one vote, and three of the five board members shall constitute a quorum. Three votes shall be necessary for resolution or action by the board at any meeting.
6. The state auditor, the state health officer, and the

state examiner shall be ex officio, non-voting, and advisory members of the board.

***Note:** Section 54-52-03 was also amended by section 5 of chapter 456, 1969 S. L.

Section 5. Amendment.) Subsection 6 of section 54-52-04 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- *6. The board shall select the funding agent or agents and establish an investment agreement contract. The contract shall authorize the funding agent or agents to hold and invest moneys for the system. No moneys of the system shall be invested by the board. Said moneys shall be placed for investment only with a firm or firms whose primary endeavor is money management, and only after a trust agreement or contract has been executed. All securities, agreements, contracts, or instruments of value shall be delivered to the Bank of North Dakota, or its agents. Except for dispensing money to the funding agent or agents, paying prior service benefits; or making withdrawal payments and refunds, the board shall expend money only for administrative purposes by preparing an appropriate voucher and submitting such vouchers to the department of accounts and purchases and as limited by the appropriation first made by the legislative assembly.

***Note:** Subsection 6 of section 54-52-04 was also amended by section 6 of chapter 456, 1969 S. L.

Section 6. Amendment.) Section 54-52-05 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-05. Membership Fee and Assessments.)** Every eligible permanent state, county, city, or non-certified school district employee concurring in the plan shall so state in writing and all future eligible employees shall be participating members. Each member shall pay to the treasurer of the retirement fund a membership fee to be fixed by the retirement board in an amount not exceeding five dollars, which shall be paid into the administrative expense and benefit fund in the case of state employees, to the county administrative expense and benefit fund in the case of county employees, to the city administrative expense and benefit fund in the case of city employees, and to the school dis-

strict expense and benefit fund in the case of non-certified school district employees. An eligible employee shall be a permanent employee who has been employed by the state, county, city, or school district for five months, has reached age twenty-one, and is employed for more than twenty hours per week for more than five months each year. Each member shall be assessed and required to pay monthly four percent of the monthly salary or wage paid to him, and such assessment shall be deducted and retained out of such salary in equal monthly installments.

***Note:** Section 54-52-05 was also amended by section 7 of chapter 456, 1969 S. L.

Section 7. Amendment.) Section 54-52-06 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-06. Employer's Contribution to Retirement Plan.)** Each agency, county, city, or school district shall match four percent of the monthly salary or wage of a participating member, but not to exceed a matching payment in excess of five hundred dollars annually. Each agency, county, city, or school district shall pay such contribution into the retirement fund from its funds appropriated for payroll and salary or any other funds available for such purposes.

***Note:** Section 54-52-06 was also amended by section 8 of chapter 456, 1969 S. L.

Section 8. Amendment.) Section 54-52-07 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-07. Agency, County, City, or School District Contribution is Retirement Contribution.)** The agency, county, city, or school district contribution to a retirement plan shall be considered a retirement contribution and not an additional compensation. This shall apply specifically to elected and appointed officials whose maximum annual compensation is set by the statute or by state, county, city, or school district governing bodies, boards, or commissions. The retirement contribution shall not be considered by the employee as income in computing his net income for purposes of state income tax until such time as the moneys come under the control of the employee.

***Note:** Section 54-52-07 was also amended by section 9 of chapter 456, 1969 S. L.

Section 9. Amendment.) Section 54-52-10 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-10. Allocation of Funds.)** For the purpose of internal accounting records of the board, and not for the purpose of the segregation of moneys on deposit, or investment, there shall be created:

1. An "employee account fund", consisting of the employee contribution plus credited earnings thereon;
2. A "vesting fund", consisting of three of each four dollars of agency, county, city, or school district contribution plus credited earnings thereon;
3. An "administrative expense and benefit fund", consisting of one of each four dollars of agency contribution;
4. A "county administrative expense and benefit fund", consisting of one of each four dollars of county contribution;
5. A "city administrative expense and benefit fund", consisting of one of each four dollars of city contribution; and
6. A "school district administrative expense and benefit fund", consisting of one of each four dollars of school district contribution.

Any and all expenses incurred by or for the operation of the retirement plan shall be paid from the funds established by subsections 3, 4, 5, and 6 of this section. From the funds established by subsections 3, 4, 5, and 6 of this section the board shall have the authority to provide prior service benefits and that portion not needed for the payment of prior service benefits and administrative expenses may be credited annually to individual employee accounts in proportion to the member's contribution to the fund. The funds allocated in subsections 1 and 2 hereof shall constitute the "employees' retirement fund".

***Note:** Section 54-52-10 was also amended by section 10 of chapter 456, 1969 S. L.

Section 10. Amendment.) Section 54-52-11 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-11. Vesting—Vesting Schedule of Agency, County, City, or School District Contribution.)** Upon severance of the employment of a participating member, either voluntarily or involuntarily, for any reason other than set forth in this section, the contribution of the participant plus credited earnings thereon shall be vested in him. Three out of every four dollars of agency, county, city, or school district contribution shall be vested in the employee according to years of state, county, city, or school district employment including state, county, city, or school district employment prior to this chapter. The employees' vested interest in the "vesting fund" shall be as follows:

Years of State, County, City or School District Employment	Percentage of Vesting Fund Interest
0 years through 3 years	None
Over 3 years through 7 years	20% plus credited earnings thereon
Over 7 years through 11 years	30% plus credited earnings thereon
Over 11 years through 15 years	40% plus credited earnings thereon
Over 15 years through 18 years	60% plus credited earnings thereon
Over 18 years through 20 years	80% plus credited earnings thereon
Over 20 years	100% plus credited earnings thereon

An employee's one hundred percent vesting fund interest plus credited earnings thereon shall be vested, and nonforfeitable, when the employee reaches the age of sixty-five, or is permanently disabled; and an employee's one hundred percent vesting fund interest shall be vested in the beneficiary of the employee in case of the employee's death. At the age of sixty-five, or less as may be determined by the board, all interests vested in an employee shall be available to him for payment of retirement benefits as may be provided for under this chapter. Amounts forfeited under the vesting fund interest

shall be paid into respective administrative expense and benefit funds.

***Note:** Section 54-52-11 was also amended by section 11 of chapter 456, 1969 S. L.

Section 11. Amendment.) Section 54-52-22 of the 1967 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

***54-52-22. Interpretation Clause.)** This chapter shall not be construed so as to commit the state of North Dakota, or any county, city, or school district or the agency to any liability either moral or legal for any benefits to any beneficiary under the plan or plans resulting from enactment of this chapter, nor as exemption from any regulatory laws of the state of North Dakota.

***Note:** Section 54-52-22 was also amended by section 12 of chapter 456, 1969 S. L.

***Section 12. Repeal.)** Section 54-52-24 of the 1967 Supplement to the North Dakota Century Code is hereby repealed.

***Note:**Section 54-52-24 was also repealed by section 13 of chapter 456, 1969 S.L.

Approved March 29, 1969.

CHAPTER 458

S. B. No. 58

(Lips, Sorlie)

(Recommended by Legislative Audit
and Fiscal Review Committee)ACCOUNTING REQUIREMENTS OF
STATE EMPLOYEES' RETIREMENT PROGRAM

AN ACT

To repeal section 54-52-15 of the North Dakota Century Code, relating to state employees' retirement program accounting requirements.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Repeal.) Section 54-52-15 of the 1967 Supplement to the North Dakota Century Code is hereby repealed.

Approved March 25, 1969.

CHAPTER 459

H. B. No. 42

(Aamoth, Link, Streibel)

(From Legislative Research Committee Study)

DISPOSAL OF SURPLUS LEGISLATIVE CHAIRS

AN ACT

Relating to the disposal of surplus chairs from the house and senate chambers, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Disposal of Surplus Legislative Property.) The desk chairs of the house and senate chambers of the North Dakota legislative assembly, formerly used in such chambers prior to the meeting of the forty-first legislative assembly, are hereby declared to be surplus property. Notwithstanding the provisions of section 15-61-05, such chairs shall be disposed of in the following manner:

The director of the department of accounts and purchases shall, upon an appraisal approved by him, establish a fair appraised value for all chairs or for each individual chair as he may deem proper, and such chairs shall, thereafter, be offered for sale at such fair appraised value. Preference, for a period of ninety days after the announcement by the director of the department of accounts and purchases of their availability, shall be given first to present legislators and, secondly, to former legislators for the purchase of one chair each. Any chairs remaining unsold to present or former legislators shall then be offered for sale at not less than the fair appraised sale price to agencies of the state, to political subdivisions of the state, and to other purchasers, with priority in their purchase to be given to counties for use as jury chairs. Any chair remaining unsold after a date set by the director of the department of accounts and purchases shall be disposed of as provided in section 15-61-05.

Section 2. Emergency.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 14, 1969.

CHAPTER 460

H. B. No. 119
(Kingsbury, Berg, Lillehaugen, Lundene)

LEASE OF GRAFTON STATE SCHOOL PROPERTY

AN ACT

Authorizing the board of administration to lease certain property owned by the state and currently a part of the Grafton state school properties.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) It is hereby found and determined that the lands owned by the state and currently a part of the Grafton state school properties, as described in section 2 of this Act, can be leased to the Walsh County historical society for museum purposes and it will be to the advantage of the Walsh County historical society to so lease said premises.

Section 2.) The board of administration may lease to the Walsh County historical society the premises described as:

Beginning at the southwest corner of lot number sixteen, block number six of the west side addition to the city of Grafton, North Dakota, thence in a northerly direction and along the west city limits boundary line, a distance of one thousand two hundred forty-one and eight-tenths feet, thence in a westerly direction and along the quarter quarter line, a distance of three hundred twenty-five feet, thence in a southerly direction a distance of one thousand two hundred forty-one and eight-tenths feet to the state highway number seventeen right-of-way line, thence in an easterly direction, and along the highway right-of-way line a distance of three hundred twenty-five feet to the point of beginning, all of which described tract of land is located in the east one-half of the southwest quarter of the southwest quarter of section thirteen, township one hundred fifty-seven north, range fifty-three west of the fifth principal meridian, Walsh County, North Dakota, said tract containing nine and two hundred and sixty-five thousandths acres, more or less.

Such lease shall be for a term of not to exceed ninety-nine years at an annual rental payable in advance as may be approved by the state board of administration, upon such terms and conditions as the board of administration shall prescribe.

Approved March 8, 1969.

CHAPTER 461

H. B. No. 384
(Halcrow)

CESSION OF PROPERTY BY STATE
OF MINNESOTA

AN ACT

To amend and reenact section 1, chapter 410 of the 1967 Session Laws, relating to the acceptance of the cession by the state of Minnesota to the state of North Dakota of a certain parcel of real property and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Amendment.) Section 1, chapter 410 of the 1967 Session Laws, is hereby amended and reenacted to read as follows:

Section 1. Acceptance by North Dakota of Cession of Property by Minnesota.) Whereas, due to the construction of a dam on the Red River of the North for industrial and municipal water supply purposes, an avulsion has occurred leaving a parcel of land described as:

That portion of government lot 1, section 18, township 159 north, range 50 west of the 5th principal meridian, county of Kittson, state of Minnesota, bounded by the thread of the Red River of the North as it existed prior to April, 1964, and the thread of the new channel and spillway constructed to the east of the old channel said parcel contains 2.83 acres of land more or less,

detached from the state of Minnesota and attached to the state of North Dakota. The state of North Dakota, upon passage by the

legislature of the state of Minnesota of the necessary enabling legislation, does hereby accept jurisdiction over the above-described property, which property shall thereafter be a part of the state of North Dakota and title thereto shall be vested in the city of Drayton, North Dakota.

Nothing contained in the provisions of this section shall be construed in such manner as to prejudice the title, right, or claim of any person to any of the lands herein involved. The register of deeds of Pembina County, North Dakota, shall accept and record, without charge therefor, patents, deeds, or other evidences of ownership or interest in any lands recorded in Kittson County, Minnesota, which were previously a part of the state of Minnesota but are now within the boundaries of the state of North Dakota. Recordings made under the provisions of this section shall have retroactive effect to the date of their original recording in the state of Minnesota.

The Act of the legislature of the state of Minnesota referred to in this section, together with this section, shall constitute the agreement between the states of Minnesota and North Dakota. The Congress of the United States, upon passage of such Acts by the respective legislatures of the states of Minnesota and North Dakota, is petitioned, pursuant to article 1, section 10, clause 3 of the United States Constitution, to give its consent to this agreement and to amend the Enabling Acts of such states accordingly. The secretary of state of North Dakota shall transmit duly certified copies of this Act to the presiding officers of the senate and house of representatives of the United States and to the several senators and representatives of the states of Minnesota and North Dakota in the Congress of the United States, who are petitioned to take such action as they deem proper to procure the consent of the Congress of the United States to this agreement between the states of Minnesota and North Dakota. This agreement shall become effective when it has been ratified and approved by the legislatures of the states of Minnesota and North Dakota and approved by the Congress of the United States.

Section 2. Emergency.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 17, 1969.

CHAPTER 462

H. B. No. 485

(Kelsch)

CONSTITUTIONAL CONVENTION

AN ACT

Establishing the procedures, methods of election and numbers of delegates, and conduct of the meetings of a constitutional convention, and to provide that the results of the convention may be submitted to the people.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) A constitutional convention shall be held and the delegates thereto shall be selected and qualified as provided in this Act.

Section 2.) Delegates to the convention shall be elected at the general election held in 1970 as provided in this Act. Candidates for election to the office of delegate to the convention shall possess the qualifications required by law for a member of the house of representatives of the legislative assembly, and shall be qualified electors of the district from which they are elected. The election of delegates to the convention shall be on a nonpartisan basis, and no candidate shall designate political party affiliation at the time he files for election.

Section 3.) The basis for representation in the constitutional convention shall be as follows: ninety-eight delegates elected from the same legislative districts as members of the house of representatives of the legislative assembly. Vacancies in positions of delegates shall be filled by appointment by the convention from the same district in which the vacancy occurred.

Section 4.) A nominating commission consisting of the governor, lieutenant governor, and attorney general shall nominate one nominee for delegate to the constitutional convention for each member of the house of representatives of each legislative district, and shall certify such appointment to the secretary of state in writing. The commission must unanimously agree to the nomination of each nominee. Upon receiving the certificates of nomination from the nominating commission, the

secretary of state shall certify, as provided in section 5, the names of all such nominees from each district to the respective county auditors of the county or counties containing all or part of such district for inclusion on the general election ballot. The commission shall nominate and certify nominees, as provided in this section, within twenty days after the primary election to be held in 1970.

Section 5.) Every person desiring to be elected as a delegate from a particular district, who has not been nominated by the nominating commission pursuant to section 4 of this Act, shall file with the secretary of state a nominating petition containing at least one hundred fifty signatures of persons who are qualified electors within his district of residence. When a petition is filed on behalf of a candidate by someone other than the candidate, it shall contain or have attached thereto a statement signed by the candidate, and filed along with such petition, indicating the candidate's willingness to accept the nomination and to serve as a delegate. Persons who circulate nominating petitions shall execute an affidavit concerning the genuineness of the signatures on the petition. The petitions shall be filed with the secretary of state not less than thirty days before the next general election, and the secretary of state shall certify the names of all candidates and nominees from each district for the position of delegate to the constitutional convention to the respective county auditors of the county or counties containing all or part of such district not less than twenty-five days before the general election.

Section 6.) The county auditors of the several counties shall include on the general election ballot the names of all candidates for election as delegates to the constitutional convention as certified by the secretary of state. The names of the candidates for delegate shall be placed on the ballot in two columns in the manner prescribed by the secretary of state, one column being for the candidate nominated by the nominating commission pursuant to section 4 of this Act, and the other column for the candidate or candidates, if any, nominated by petition pursuant to section 5 of this Act.

Section 7.) In legislative districts represented by two members of the house of representatives of the legislative assembly, the two candidates for delegate who receive the highest number of the votes cast shall be declared elected as delegates to the

constitutional convention. In legislative districts represented by more than two members of the house of representatives of the legislative assembly, the number of candidates for delegate, equal to the number of members of the house of representatives representing the district, receiving the highest number of the votes cast shall be declared elected as delegates to the constitutional convention. In case of a tie between candidates, one of whom but for the tie, would have been declared elected, the secretary of state shall determine by lot, in the presence of the tied candidates, which one is to be declared elected and shall declare that candidate elected. Returns in regard to constitutional convention delegates shall be canvassed in the same manner as is provided by law for the canvassing of returns in regard to election of members of the legislative assembly.

Section 8.) In the event that there should be a change, for any reason, in the incumbents in the offices of governor, lieutenant governor, or attorney general from those persons holding such office on March 1, 1969, the majority and minority floor leaders of the senate and house of representatives of the legislative assembly shall meet and select a person or persons to serve on the nominating commission in place of the incumbent in the office or offices who, for any reason, is no longer serving. The person chosen as a replacement shall be a member of the same political party as was the former officer who is being replaced.

Section 9.) It shall be the duty of the delegates elected as provided in this Act to assemble at the state capitol building at ten o'clock a.m. on the first Tuesday after the first Monday in April 1971, for an organizational meeting of no longer than three days' duration. At that meeting each delegate shall take an oath to support the Constitution of the United States and to faithfully discharge the duties of a convention delegate. This meeting shall be for the purpose of electing permanent convention officers, adopting rules of procedure, and providing for such interim committees and staff members as may be necessary to prepare for the plenary meeting of the convention which shall convene at the state capitol building in the house chamber on the first Monday of the following January. The convention shall then remain in session for not longer than thirty consecutive natural days, excluding Sundays, of actual meetings. Thereafter, the finished draft of the proposed Constitution shall be certified by the president and secretary of

the convention to the secretary of state, and the secretary of state shall thereafter provide for the publication of the full text thereof in the same manner as provided by law for publication of initiative and referendum measures to be voted upon by the electors of this state. The convention shall expend such funds as may be necessary to publish and distribute a report and related information to the people explaining its proposals.

Section 10.) The governor shall preside at the organizational meeting of the convention until the president of the convention is selected, and the governor may vote in case of a tie vote in the selection of the president. A majority of the delegates shall constitute a quorum, and a majority of the total number of delegates shall be required for approval of any section to be included in a proposed constitution or amendments to the Constitution. The convention shall elect its own officers, and shall be sole judges of the qualifications and election of its own membership. All meetings of the convention shall be open to the public.

Section 11.) The appropriation to defray the expenses of the constitutional convention shall be made by the next regular session of the legislative assembly convening next after the general election at which delegates were elected as provided in this Act. The proposed budget for the expenses of the convention shall be prepared by the governor and promptly submitted to the legislative assembly for action thereon. Delegates to the convention shall be paid at the rate of twenty-five dollars for each day of attendance at meetings of the convention, plus their necessary expenses and mileage for not more than four trips to and from the convention at rates prescribed by law for state officials.

Section 12.) The convention may submit a new Constitution as one proposal to be voted on by the people, and it may submit proposed parts or alternative parts of a new Constitution. The proposals of the convention shall be submitted to the electors of this state for adoption or rejection at a special election held next following adjournment sine die called by the governor not less than ninety days nor more than one hundred fifty days next succeeding the date of adjournment of the constitutional convention. The returns of such issue at such special election shall be made, canvassed, and the results thereof declared in the same manner as provided by law for the initiated and referred measures. If a majority of the electors of the

state voting thereon at such special election shall vote for the proposed new Constitution, the same shall become effective on the date and in the manner provided in the proposed Constitution, or if no effective date shall be provided in the proposed new Constitution, the same shall become effective as now provided by law with reference to initiated measures. If a majority of the electors of the state voting thereon at such special election shall vote against the proposed new Constitution, the same shall be deemed rejected by the electors, and the existing Constitution of this state, as amended, shall continue to be the Constitution of this state. If proposed parts or alternative parts of the new Constitution are submitted separately, and the people shall vote against any part, such part shall be deemed rejected and shall be of no force and effect, but any proposed part or alternative part which receives a majority of the votes of the qualified electors voting thereon shall become effective on the date and in the manner provided for in such proposed part, or if no effective date is provided, such proposed part shall become effective as now provided by law with reference to initiated measures.

Section 13.) In the event that a majority of the qualified electors of this state voting on the question shall vote in the negative on the question of whether a constitutional convention shall be called as submitted to them at the statewide primary election in 1970, then the nomination of candidates for delegate to the constitutional convention and this Act shall be of no force and effect.

Approved March 29, 1969.

CHAPTER 463

S. B. No. 97
(Holand)

ADMINISTRATION AND MANAGEMENT STUDY

AN ACT

Making an appropriation for an administration and management study of certain state departments and programs by the legislative research committee, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) WHEREAS, appropriations from the state general fund have increased more than twofold in the past ten years; and

WHEREAS, tax increases have been necessary to fund such increases in appropriations and even further increases are foreseen in the near future if such rate of increased expenditures continues; and

WHEREAS, there are continuing demands for funds for health, education, and welfare services; and

WHEREAS, reliable estimates project even greater requests for such funds in the future; and

WHEREAS, an improvement in management and organization through improved procedures and more effective use of personnel would reduce the costs of new or increased levels of service; and

WHEREAS, many financial administrative, and management problems are apparent in state government today; and

WHEREAS, previous studies involving the efficiency of various departments, agencies, and institutions of state government have resulted in substantial dollar savings to the state; and

WHEREAS, consultants who have recently completed a com-

prehensive data processing study have recommended a review of procedures on a department-by-department basis to simplify paper work and eliminate duplication of effort, and the consultants also have recommended a personnel effectiveness study to provide standards for the large volume, highly repetitive clerical activities in many departments of government; and

WHEREAS, the subcommittee on budget of the legislative research committee recommends a comprehensive study of all aspects of the public welfare program in the state to improve the administration of all welfare programs at all levels of government; and

WHEREAS, the management of state departments, agencies, and institutions have never had specialists available to assist them in the development of sound management practices within their departments.

Section 2. Appropriation.) There is hereby appropriated out of any funds in the general fund of the state treasury, not otherwise appropriated, \$85,000.00, or so much thereof as may be necessary, to conduct an administration and management study of the public welfare department and its programs on the state and county level, and of such other departments, institutions, or agencies as may be selected for study by the legislative research committee. All departments, agencies and institutions shall provide such information, aid, and assistance as the committee may request. The committee may employ such consultants as it deems necessary for complete review of departments and programs designated for study. The legislative research committee shall be authorized to approve any request not contrary to law for authority from any department, institution, or agency to implement any committee recommendation which would be of immediate and material benefit to the economy and effectiveness of the operations of any department included in the study. The study shall include but shall not be limited to a comprehensive review of the utilization of all personnel in departments under study in regard to their present work assignments and an analysis of all positions to determine the classification of personnel necessary to perform the duties and accept the responsibilities of each position. The committee shall review the programs within the departments selected for study to determine whether such programs are necessary and shall also report on programs which should be consolidated with programs administered by other departments to eliminate unnecessary

duplication of governmental services, and the committee shall be authorized to expand the scope of the study within any department under review if additional funds shall become available from any private or governmental source, and such funds are hereby appropriated for such purpose. The committee shall make a report to the forty-second legislative assembly in regard to its findings and recommendations and shall prepare and present such legislation as may be necessary to implement such recommendations.

Section 3. Emergency.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 26, 1969.

CHAPTER 464

S.B. No. 402

(Holand, Chesrown, Meschke)

STUDY OF COUNTY GOVERNMENT

AN ACT

Relating to a study by the legislative research committee of the procedures, administration, and functions of county government; and providing an appropriation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1. Modernization of County Government.)

WHEREAS, much of the organic law of the state in regard to county government has remained unchanged since statehood; and

WHEREAS, marked changes in population concentrations, transportation, the economy of the state, and demands on local governments have brought great pressure to bear on county government to quickly and efficiently accomplish its duties and responsibilities; and

WHEREAS, modern techniques in organization, administration, management, recordkeeping and information storage and retrieval are not generally applied in county government; and

WHEREAS, the duties and responsibilities of county officers often are ill-defined and ambiguous and overlap their contemporaries in their own and other political subdivisions; and

WHEREAS, county governments are important to a cohesive and viable state government in our federal system of separated powers.

Section 2. Legislative Research Committee Study.) The legislative research committee is hereby authorized and directed to carry on a study of the procedures, administration, and functions of county government for the purpose of determining the degree of application of modern administrative, management, record-keeping, and data retrieval and storage practices for the purpose of promoting economies in county government and improved governmental service; the feasibility of the shifting of functions and responsibilities of county officers or offices; the feasibility of consolidation or cooperation of county offices within the county and with those of other political subdivisions; and the efficacy of state law in regard thereto.

County officials, officials of other political subdivisions, and each department, agency, and institution of state government shall provide such aid, information, and assistance as the committee may request.

The committee shall report its findings and recommendations to the forty-second legislative assembly, together with such legislation as may be necessary to carry out such recommendations.

Section 3. Appropriation.) There is hereby appropriated to the legislative research committee out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$12,000.00 or so much thereof as may be necessary, to be expended in accordance with chapter 54-35 of the North Dakota Century Code for the purpose of carrying out the study provided for in sections 1 and 2 of this Act.

Approved March 25, 1969.

CHAPTER 465

S. B. No. 483

(Committee on Delayed Bills)

**ACCEPTANCE OF DONATIONS FOR CHAPEL
AT GRAFTON STATE SCHOOL**

AN ACT

To amend and reenact chapter 387 of the 1967 Session Laws, relating to the construction of a chapel and vocational rehabilitation facility at the Grafton state school, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

Section 1.) Section 1 of chapter 387 of the 1967 Session Laws is hereby amended and reenacted to read as follows:

Section 1. Board of Administration to Accept Donations, Gifts, Grants, Bequests for Construction of Chapel, and Other Funds for Vocational Rehabilitation Facility at Grafton State School—Funds Kept in State Treasury—Investment—Appropriation.) The board of administration is hereby authorized to accept donations, gifts, grants, and bequests from any source offered or tendered to such board for the purpose of constructing and equipping an all-faiths chapel and adjoining vocational rehabilitation facility at Grafton state school. The board shall deposit such donations, gifts, grants, and bequests with the state treasurer who shall keep such donations, gifts, grants, and bequests in a special fund in the state treasury for the construction and equipping of such multipurpose building. The state treasurer shall furnish such information relating to such fund upon the request of the board. The state treasurer may invest such funds in certificates of deposit as authorized by law for the benefit of the fund. Any gifts received in the form of certificates of deposit shall remain in such form and with the issuing bank until needed by the board of administration for building purposes. Whenever the total amount of money in such fund shall be sufficient for the construction of a multipurpose building suitable for the needs of the Grafton state school, the board of administration, or its successors, shall construct and equip such building at the Grafton state school from moneys in the fund created in this Act, and the balance

in such fund, but not exceeding \$265,000.00, is hereby appropriated to the board of administration, or its successors, for the construction and equipping of such building as provided in this Act.

Section 2. Emergency.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 28, 1969.