

Introduced by

Legislative Management

(Government Finance Committee)

1 A BILL for an Act to create and enact a new section to chapter 15.1-36 and a new section to
2 chapter 54-52 of the North Dakota Century Code, relating to a school construction assistance
3 loan fund and a public employee retirement stabilization fund; to amend and reenact section
4 21-10-06 of the North Dakota Century Code, relating to funds managed by the state investment
5 board; to provide for transfers; and to provide for a contingent effective date.

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

7 **SECTION 1.** A new section to chapter 15.1-36 of the North Dakota Century Code is created
8 and enacted as follows:

9 **School construction assistance loan fund.**

10 The school construction assistance loan fund is a special fund in the state treasury. Moneys
11 in the fund may be used only for low-interest school construction loans as designated by the
12 legislative assembly. Any interest or other fund earnings must be deposited in the fund.

13 **SECTION 2. AMENDMENT.** Section 21-10-06 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **21-10-06. Funds under management of board - Accounts.**

- 16 1. Subject to the provisions of section 21-10-01, the board is charged with the investment
17 of the following funds:
- 18 a. State bonding fund.
 - 19 b. Teachers' fund for retirement.
 - 20 c. State fire and tornado fund.
 - 21 d. Workforce safety and insurance fund.
 - 22 e. National guard tuition trust fund.
 - 23 f. Public employees retirement system.
 - 24 g. Insurance regulatory trust fund.

- 1 h. State risk management fund.
- 2 i. Budget stabilization fund.
- 3 j. Health care trust fund.
- 4 k. Cultural endowment fund.
- 5 l. Petroleum tank release compensation fund.
- 6 m. Legacy fund.
- 7 n. Public employee retirement stabilization fund.
- 8 2. Separate accounting must be maintained for each of the funds listed in subsection 1.
- 9 The moneys of the individual funds may be commingled for investment purposes when
- 10 determined advantageous.
- 11 3. The state investment board may provide investment services to, and manage the
- 12 money of, any agency, institution, or political subdivision of the state, subject to
- 13 agreement with the industrial commission. The scope of services to be provided by the
- 14 state investment board to the agency, institution, or political subdivision must be
- 15 specified in a written contract. The state investment board may charge a fee for
- 16 providing investment services and any revenue collected must be deposited in the
- 17 state retirement and investment fund.

18 **SECTION 3.** A new section to chapter 54-52 of the North Dakota Century Code is created
19 and enacted as follows:

20 **Public employee retirement stabilization fund.**

21 The public employee retirement stabilization fund is a special fund in the state treasury.
22 Moneys in the fund may be used by the legislative assembly only for the purpose of addressing
23 any unfunded retirement benefit obligations of the main state employee retirement plan. The
24 state investment board shall supervise investment of the public employee retirement
25 stabilization fund in accordance with chapter 21-10. Any interest or other fund earnings must be
26 deposited in the fund.

27 **SECTION 4. TRANSFER - FOUNDATION AID STABILIZATION FUND TO SCHOOL**

28 **CONSTRUCTION ASSISTANCE LOAN FUND.** During the period beginning July 1, 2016, and
29 ending June 30, 2017, the office of management and budget shall transfer the sum of
30 \$250,000,000 from the foundation aid stabilization fund to the school construction assistance
31 loan fund.

1 **SECTION 5. TRANSFER - FOUNDATION AID STABILIZATION FUND TO PUBLIC**

2 **EMPLOYEE RETIREMENT STABILIZATION FUND.** During the period beginning July 1, 2016,
3 and ending June 30, 2017, the office of management and budget shall transfer the sum of
4 \$200,000,000 from the foundation aid stabilization fund to the public employee retirement
5 stabilization fund.

6 **SECTION 6. CONTINGENT EFFECTIVE DATE.** Sections 4 and 5 of this Act are contingent
7 on the passage of Senate Concurrent Resolution No. 4003 by the sixty-fourth legislative
8 assembly and approval of that resolution by the voters of this state. If Sections 4 and 5 of this
9 Act take effect, the sections become effective on July 1, 2016.