

SENATE BILL NO. 2165

Introduced by

Senator Larsen

Representatives Ruby, Seibel

1 A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century
2 Code, relating to the allocation of resources at the time of a child's birth; to provide legislative
3 intent; and to provide an effective date.

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

5 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Allocation at birth - Permitted uses.**

8 1. a. At the time of an eligible individual's birth, the Bank of North Dakota shall allocate
9 five thousand dollars and administer and manage that amount for the benefit of
10 the individual, in accordance with this section.

11 b. For purposes of this section, an "eligible individual" is one whose father and
12 mother, at the time of the individual's birth, are residents of this state and United
13 States citizens.

14 2. The Bank of North Dakota shall continue to administer and manage the amount
15 allocated on behalf of an eligible individual until such time as the Bank is notified that
16 the allocation is to be released because the individual has enrolled in an institution of
17 higher education under the control of the state board of higher education, at which
18 time the individual's allocation must be forwarded to the institution and credited to the
19 account of the individual. An individual is not eligible to receive a North Dakota
20 academic scholarship or a North Dakota career and technical education scholarship in
21 accordance with chapter 15.1-21, if the individual's allocation is released under this
22 subsection.

23 3. If before an eligible individual's twentieth birthday, the individual does not enroll in an
24 institution of higher education under the control of the state board of higher education,

1 as required for a release of the individual's allocation in accordance with subsection 2,
2 upon reaching the age of twenty, the individual may request that the allocation be
3 released and credited toward the repayment of principal and interest on a loan held by
4 the Bank of North Dakota. For purposes of this subsection, the loan must be the
5 individual's first business loan, farm loan, or home mortgage loan.

6 4. If an individual's allocation is not released in accordance with subsection 2 or 3, the
7 Bank of North Dakota shall continue to administer and manage the allocation on
8 behalf of the eligible individual until such time as the Bank is notified that the individual
9 has entered a nursing home in this state, at which time the individual's allocation must
10 be forwarded to the nursing home and credited to the account of the individual.

11 5. If an individual's allocation is not released in accordance with subsection 2, 3, or 4, the
12 Bank of North Dakota shall return the allocation, together with all interest earned
13 thereon, to the general fund in the state treasury.

14 6. The Bank of North Dakota may subtract administrative fees from any allocations that it
15 administers and manages in accordance with this section.

16 7. If an individual is convicted of a felony, any amount unallocated at the time of the
17 conviction, together with all interest earned thereon, must be returned by the Bank of
18 North Dakota to the general fund in the state treasury.

19 **SECTION 2. LEGISLATIVE INTENT.** It is the intent of the Legislative Assembly that in any
20 litigation involving this Act, the Constitution of North Dakota must be interpreted so as to
21 recognize the right of this state to directly or indirectly assist its eligible residents in educational,
22 agricultural, business, and healthcare pursuits.

23 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective on July 1, 2017.