

HOUSE BILL NO. 1368
with Senate Amendments
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Introduced by

Representatives Kempenich, Brandenburg, Kreidt, Pollert

Senators Dotzenrod, Klein, Wardner

1 A BILL for an Act to amend and reenact sections 21-10-01 and 21-10-11 of the North Dakota
2 Century Code, relating to membership of the state investment board.

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

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

6 **21-10-01. State investment board - Membership - Term - Compensation - Advisory**
7 **council.**

- 8 1. The North Dakota state investment board consists of ~~the~~:
 - 9 a. ~~The~~ governor, ~~the~~;
 - 10 b. ~~The~~ state treasurer, ~~the~~;
 - 11 c. ~~The~~ commissioner of university and school lands, ~~the~~;
 - 12 d. ~~The~~ director of workforce safety and insurance, ~~the~~;
 - 13 e. ~~The~~ insurance commissioner, ~~three~~;
 - 14 f. ~~Three~~ members of the teachers' fund for retirement board or the board's
 - 15 designees who need not be members of the fund as selected by that board, ~~two~~;
 - 16 g. ~~Two~~ of the elected members of the public employees retirement system board as
 - 17 selected by that board, ~~and one~~;
 - 18 h. ~~One~~ member of the public employees retirement system board as selected by
 - 19 that board; ~~and~~
 - 20 i. One member of the legacy and budget stabilization fund advisory board, as
 - 21 selected by that board, to serve as a nonvoting member.
- 22 2. The director of workforce safety and insurance may appoint a designee, subject to
- 23 approval by the workforce safety and insurance board of directors, to attend the
- 24 meetings, participate, and vote when the director is unable to attend. The teachers'

1 fund for retirement board may appoint an alternate designee with full voting privileges
2 to attend meetings of the state investment board when a selected member is unable to
3 attend. The public employees retirement system board may appoint an alternate
4 designee with full voting privileges from the public employees retirement system board
5 to attend meetings of the state investment board when a selected member is unable to
6 attend.

7 3. The members of the state investment board, except elected and appointed officials
8 and the director of workforce safety and insurance or the director's designee, are
9 entitled to receive as compensation one hundred forty-eight dollars per day and
10 necessary mileage and travel expenses as provided in sections 44-08-04 and
11 54-06-09 for attending meetings of the state investment board.

12 ~~2.4.~~ The state investment board may establish an advisory council composed of individuals
13 who are experienced and knowledgeable in the field of investments. The state
14 investment board shall determine the responsibilities of the advisory council. Members
15 of the advisory council are entitled to receive the same compensation as provided the
16 members of the advisory board of the Bank of North Dakota and necessary mileage
17 and travel expenses as provided in sections 44-08-04 and 54-06-09.

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

20 **21-10-11. Legacy and budget stabilization fund advisory board.**

21 1. The legacy and budget stabilization fund advisory board is created to develop
22 recommendations for the investment of funds in the legacy fund and the budget
23 stabilization fund to present to the state investment board.

24 2. The goal of investment for the legacy fund is principal preservation while maximizing
25 total return.

26 3. The board consists of two members of the senate appointed by the senate majority
27 leader, two members of the house of representatives appointed by the house majority
28 leader, the director of the office of management and budget or designee, the president
29 of the Bank of North Dakota or designee, and the tax commissioner or designee. The
30 board shall select a chairman and must meet at the call of the chairman.

31 4. The board shall report at least semiannually to the budget section.

- 1 5. Legislative members are entitled to receive compensation and expense
2 reimbursement as provided under section 54-03-20 and reimbursement for mileage as
3 provided by law for state officers. The legislative council shall pay the compensation
4 and expense reimbursement for the legislative members.
- 5 6. The legislative council shall provide staff services to the legacy and budget
6 stabilization fund advisory board.
- 7 7. The staff and consultants of the state retirement and investment office shall advise the
8 board in developing asset allocation and investment policies.
- 9 8. The board shall develop a process to select a member of the board to serve on the
10 state investment board in a nonvoting capacity.