

**HOUSE BILL NO. 1358**

Introduced by

Representatives Beadle, D. Anderson, D. Johnson, M. Johnson, Lefor, Schreiber-Beck

Senators Casper, Oban

1 A BILL for an Act to create and enact eight new sections to chapter 15.1-02 of the North Dakota  
2 Century Code, relating to authorization for the creation of a North Dakota education foundation;  
3 to provide for a report to the legislative management; and to provide an expiration date.

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

5 **SECTION 1.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
6 and enacted as follows:

7 **North Dakota education foundation - Creation - Authorization.**

8 The superintendent of public instruction may create the North Dakota education foundation,  
9 subject to the requirements of sections 1 through 8 of this Act.

10 **SECTION 2.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
11 and enacted as follows:

12 **Membership.**

13 1. The North Dakota education foundation is composed of seven members, appointed by  
14 the superintendent of public instruction with the advice and consent of at least four  
15 from among the following: the majority and minority leader of the house of  
16 representatives, the majority and minority leader of the senate, the president pro  
17 tempore of the senate, and the speaker of the house of representatives.

18 2. The foundation members must be selected to be a balanced and representative group,  
19 consisting of individuals who are residents of this state and who by training and  
20 experience have a familiarity with educational delivery at all levels and an  
21 understanding of its impact on agriculture, the arts, commerce and finance,  
22 manufacturing, mineral extraction, natural resources, and the professions.

23 **SECTION 3.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
24 and enacted as follows:

1       **Terms of office.**

2       1.   The term of office for each member of the foundation begins January first and has a  
3       duration of two years. The initial terms must be staggered by lot so that no fewer than  
4       three terms expire each year.

5       2.   An individual may not serve more than two consecutive terms.

6       3.   If an individual is appointed to fill a vacancy, that service is not counted as a term for  
7       purposes of this section unless that service exceeds one year.

8       **SECTION 4.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
9   and enacted as follows:

10      **Foundation officers - Chairman.**

11     1.   Annually, the foundation members shall elect from among themselves a chairman, a  
12     vice chairman, a secretary, and a treasurer.

13     2.   The chairman shall call all meetings of the foundation and shall call a special meeting  
14     within seven days, if petitioned to do so by at least five of the members.

15     3.   A chairman may not serve more than two consecutive terms in that role.

16     **SECTION 5.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
17   and enacted as follows:

18      **Quorum.**

19     A majority of the appointed members of the committee constitutes a quorum for the purpose  
20     of conducting business.

21     **SECTION 6.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
22   and enacted as follows:

23      **Compensation.**

24     Each member of the foundation is entitled to receive compensation in the amount  
25     established by the foundation, but not exceeding the amount per diem established for members  
26     of the legislative assembly in accordance with section 54-03-20, plus reimbursement for  
27     expenses as provided by law for state officers, if the member is attending meetings or  
28     performing duties as directed by the foundation.

29     **SECTION 7.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
30   and enacted as follows:

1        **Duties - Acceptance of moneys - Consent - Report.**

2        1. The foundation shall pursue and distribute private sector moneys for use in  
3        education-related activities, except before the foundation may accept moneys under  
4        this section, the foundation shall:

5        a. Obtain from the benefactor a detailed statement indicating the purpose for the  
6        contribution, the expected results, and the time frame within which the expected  
7        results are to be achieved;

8        b. Present the statement required under subdivision a to:

9            (1) The legislative assembly during a regular or a special session; or

10          (2) The budget section of the legislative management, if the legislative  
11          assembly is not in session; and

12        c. Obtain the consent of the legislative assembly or the budget section of the  
13        legislative management.

14        2. Moneys distributed under this section are not public moneys for any purpose and are  
15        not subject to section 12 of article X of the Constitution of North Dakota.

16        3. The foundation may retain up to one percent of any moneys received under this  
17        section for administrative purposes.

18        4. The foundation, together with the superintendent of public instruction, shall provide a  
19        report to the legislative management, at the time and in the manner directed by the  
20        legislative management, regarding distributions made under this section. The report  
21        must include direct and indirect benefits to school districts.

22        **SECTION 8.** A new section to chapter 15.1-02 of the North Dakota Century Code is created  
23        and enacted as follows:

24        **Administrative services - Expenses.**

25        The superintendent of public instruction shall provide administrative services to the  
26        foundation and is responsible for all costs incurred in its operation, including the compensation  
27        and reimbursement of its members, until the administrative fees retained by the foundation in  
28        accordance with section 7 of this Act are sufficient to fund the operating costs.

29        **SECTION 9. EXPIRATION DATE - RETURN OF UNSPENT MONEYS.** This Act is effective  
30        through June 30, 2019, and after that date is ineffective. Any moneys not distributed by the  
31        foundation as of June 30, 2019, must be returned to the benefactor.