

CHAPTER 21-06 MISCELLANEOUS PROVISIONS

21-06-01. Duplicate obligation - Issuance.

A duplicate of any bond, warrant, interest coupon, or other obligation of the state or of any political subdivision thereof may be issued if such obligation:

1. Becomes so mutilated or defaced as to be unfit for circulation and the same is surrendered and canceled; or
2. Is lost or destroyed.

Such duplicate must be issued to the owner, must be marked "duplicate", and must correspond with the canceled or lost obligation in number, date, amount, and unpaid coupons, and must be signed by the proper officers who then are in office.

21-06-02. Payment of defaced or lost obligation.

If any instrument which might be duplicated under the provisions of this chapter is due and payable, the same may be paid by the state treasurer or the treasurer of the political subdivision, as the case may be, without the issuance of a duplicate.

21-06-03. Duplication or payment - By whom ordered - Proof and bond or signed written agreement required.

The duplication or payment of any mutilated, defaced, lost, or destroyed obligation must be made upon resolution duly adopted:

1. In case of a bond or interest coupon of the state, by the industrial commission.
2. In case of any other obligation of the state, by the board, officer, or agency which authorized the issuance of the original.
3. In case of an obligation of a political subdivision, by the governing board thereof.

Before a duplicate may be issued or payment made in connection with a lost or destroyed obligation, the owner thereof shall furnish proof of such loss or destruction whereupon the state or political subdivision, as the case may be, may require either a surety bond in the amount of the lost obligation, a signed written agreement by the owner, or similar assurance conditioned to save the obligor harmless in the premises. If the Bank of North Dakota is the owner of any such obligation, it may not be required to furnish a bond but it shall furnish proof of the loss or destruction of the obligation and shall reimburse the state or political subdivision for any loss or damage suffered by reason of the issuance of such duplicate or the payment of such obligation.

21-06-04. Record to be kept.

A record of all payments, reissues, and duplicates made in connection with mutilated, defaced, lost, or destroyed obligations must be kept by the state treasurer, or by the treasurer of the political subdivision, as the case may be, showing the date of such payments, duplicates or reissues, and the person or persons to whom paid or issued. Such record at once must be certified to the proper auditing official.

21-06-05. Documents which may be destroyed - When.

Repealed by S.L. 2015, ch. 140, § 4.

21-06-06. Procedure for destruction of documents.

Repealed by S.L. 2015, ch. 140, § 4.

21-06-07. Political subdivisions may invest funds.

1. Counties, cities, school districts, park districts, and townships in this state may invest moneys in their general fund, or balances in any special or temporary fund, in:
 - a. Bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of Congress.

- b. Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of a type listed above.
 - c. Certificates of deposit fully insured by the federal deposit insurance corporation or by the state.
 - d. Certificates of deposit, savings deposits, or other deposits fully insured or guaranteed by the federal deposit insurance corporation and placed for the benefit of the public depositor by a public depository through an appropriate deposit placement service as determined by the commissioner of financial institutions.
 - e. State and local securities:
 - (1) Any security that is a general obligation of any state or local government with taxing powers and is rated in the highest three categories by a nationally recognized rating agency.
 - (2) An obligation of the state housing finance agency that is rated in the highest two categories by a nationally recognized rating agency.
 - (3) Any security that is a general obligation of a school district and is rated in the highest two categories by a nationally recognized rating agency.
 - (4) Obligations of this state and general obligations of its political subdivisions.
 - f. Commercial paper issued by a United States corporation rated in the highest quality category by at least two nationally recognized rating agencies and matures in two hundred seventy days or less.
2. Bonds, treasury bills and notes, or other securities so purchased must be taken into consideration in making levies for the ensuing year, and when funds are needed for current expenses, the governing board and authorities of such municipalities may convert those obligations into cash.

21-06-08. Authority to contract with the federal government - Delegation of authority.

The state or any department, division, bureau, commission, board, authority, agency or political subdivision thereof, may enter into any contract with the United States of America or with any agency thereof for the purchase or lease of any equipment, supplies, materials, or other property without regard to provisions of law which require:

- 1. The posting of notices or public advertising for bids or of expenditures.
- 2. The inviting or receiving of competitive bids.
- 3. The delivery of purchases before payment.
- 4. The payment of the cost of the contract out of funds theretofore included in the budget of appropriations for the year; provided, however, that the governing body or executive authority, as the case may be of any department, division, bureau, commission, board, authority, agency, or political subdivision of the state may designate by appropriate resolution or order any official or employee of its own to enter a bid or bids in its behalf at any sale of any equipment, supplies, materials, or other property owned by the United States of America or any agency thereof, and may authorize said person to make any downpayment, or payment in full, required in connection with such bidding.

21-06-09. Authorization to make loans or accept grants.

The state, any of its departments, boards, bureaus, or commissions, by and with the approval of the governor, may make loans, or accept advances from the federal government, any agency or instrumentality thereof, for the purpose of aiding in financing the cost of architectural, engineering, and economic investigations and studies, surveys, designs, plans, working drawings, specifications, procedures, and other actions preliminary to the construction of public works and improvements, and may repay to the federal government, any of its agencies or instrumentalities thereof, such loans or advances at such times as the construction of said public works or improvements so planned are undertaken; and any county, city, park district, school district, and township, may likewise, by action of the governing body of the same, also make such loans and accept such advances and repay the same in the same manner. Such loans made or grants accepted may be made or accepted under such rules and

regulations as the federal government, or any of its agencies or instrumentalities may prescribe. Provided, however, that neither the state, any of its boards, bureaus, departments, or commissions, nor any of the political subdivisions enumerated herein may incur any liability for the payment of such loans or advances unless the actual construction of such public works and improvements is undertaken; and provided, further, that the provisions of this section may not be construed to apply to loans, grants, or advances to the department of transportation made or to be made by the federal government, any agency or instrumentality thereof, or to such loans, grants, or advances made to political subdivisions by the said department of transportation.

21-06-10. Moneys received through leasing of lands acquired by United States for flood control distributed to counties for schools and roads.

The state treasurer shall pay the moneys allocated to the state under 33 U.S.C. 701(c)(3) to the counties entitled to receive them in proportion to the area of the land in the county acquired by the United States for which compensation is being provided under 33 U.S.C. 701(c)(3) as that area bears to the total of these federal lands in the state. A county receiving an allocation under this section shall disburse the moneys received as follows:

1. One-half must be paid to the school districts in the county which have lost land subject to taxation because of the acquisition of lands by the United States for which compensation is being provided under 33 U.S.C. 701(c)(3) in proportion to the area of these federal lands in each district as that area bears to the total of such lands in all of the school districts in the county. If, however, all of the land in a district has been acquired by the United States, that district's proportionate share of the funds allocated under this subsection must be paid into the county tuition fund and expended according to the law governing that fund.
2. One-quarter must be paid to the county for road purposes to be expended as the county commissioners shall determine.
3. The final quarter must be allocated among the organized townships, if any, which have lost land subject to taxation because of land acquisitions by the United States for which compensation is being provided under 33 U.S.C. 701(c)(3) and the county for road purposes in proportion to the area of these lands in each township as that area bears to the total area of these federal lands in the county. The county must be allocated a similar proportionate share based on the area of these lands in the county not within an organized township.

This section applies to all funds heretofore received or to be received by the counties entitled thereto.

21-06-11. Expenditure of federal revenue-sharing moneys.

A political subdivision may expend federal revenue-sharing moneys for any purpose for which general or special fund moneys of the political subdivision may be expended, regardless of whether a tax levy by a vote of the political subdivision electorate has been made or is required for such purpose. For the purposes of this section, "political subdivision" means any county, city, township, or other unit of local government.

21-06-12. Use of public funds or property for nonprofit education foundations - Public purposes.

Any school district may provide use of public property or in-kind services of personnel to participate in the creation and administration of nonprofit public school education foundations, subject to an annual audit, to receive, manage, invest, and distribute funds or property provided to the foundation by private or nonschool district governmental entities, if such foundations are established to enhance the mission of the school district by providing facilities or services for recognition of staff and students that are not normally available through the funding of the school district, to administer funds received for education scholarships or endowments established by other entities, to encourage elementary, secondary, and postsecondary education, and to assist in raising, adding, investing, and distributing funds and earnings

according to guidelines established by the foundation. The records of a foundation are not subject to audit under section 54-10-14.