

STATE GOVERNMENT

CHAPTER 515

HOUSE BILL NO. 1266
(Mertens, Berg, Nicholas)

FEDERAL AGENCY LAND PURCHASE ANALYSIS

AN ACT to repeal section 54-01-05.4 of the North Dakota Century Code, relating to the authority of the governor to require the filing of an impact analysis on land acquisition by a federal agency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. REPEAL. Section 54-01-05.4 of the 1979 Supplement to the North Dakota Century Code is hereby repealed.

Approved March 16, 1981

CHAPTER 516

HOUSE BILL NO. 1086
(Legislative Council)
(Interim State and Federal Government "B" Committee)

SALE OR EXCHANGE OF STATE-OWNED LAND

AN ACT to provide for prefiling of legislative bills for the sale or exchange of state-owned land; for a written report from the supervising agency controlling the land; for review of the bill and report by the commissioner of university and school lands; and for sale of such state-owned land at public auction; to amend and reenact sections 15-02-05.1 and 54-01-05.2 of the North Dakota Century Code, relating to commissioner of university and school lands review of legislative bills for the sale or exchange of state-owned land as to highest and best use, and the method of selling state-owned land; and to repeal section 54-01-05.3 of the North Dakota Century Code, relating to attorney general and commissioner of university and school lands review of bills providing for the sale of state-owned land; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. BILLS AUTHORIZING SALE OR EXCHANGE OF STATE-OWNED LAND TO BE PREFILED - WRITTEN REPORT TO ACCOMPANY BILL - LAND COMMISSIONER TO GIVE OPINION.

1. Every legislative bill authorizing the sale or exchange of state-owned land must be prefiled with the legislative assembly by the first day of the organizational session in December of each even-numbered year. Legislative bills authorizing the sale of state-owned land shall provide for sale at public auction.
2. A written report from the supervising agency, board, commission, department, or institution owning or controlling the land shall accompany each legislative bill and shall include the following:
 - a. An analysis of the type of land involved.

- b. A title opinion and an updated abstract of title for land sales or exchanges.
 - c. A determination whether the land is needed for present or future uses of the agency, board, commission, department, or institution.
 - d. A description of the party or parties, if known, who are interested in the land and the purposes for which the land is desired.
 - e. A determination whether it is or is not in the best interests of the state to sell or exchange the land.
 - f. One appraisal for land sales or exchanges when the value of the land is fifty thousand dollars or less, and two or more appraisals when the value of the land is in excess of fifty thousand dollars.
 - g. A map showing the boundaries of the land proposed to be sold or exchanged; the present ownership of lands adjacent to such land; and the purposes for which the adjacent lands are used. The legal description of the land shall be determined by a land surveyor registered pursuant to chapter 43-19.1.
3. The commissioner of university and school lands shall review each legislative bill proposing the sale or exchange of state-owned land and the written report from the supervising agency, board, commission, department, or institution prior to the beginning of the regular legislative session. The commissioner shall then issue a written opinion concerning the proposed land sale or exchange and, in doing so, shall consider the "highest and best use" of the land as defined by section 15-02-05.1.
 4. If a legislative bill required to be prefiled pursuant to this section becomes law, land to be sold shall be offered at public auction conducted by the state land department pursuant to rules promulgated by the department. No land shall be sold at auction for less than appraised value. The buyer or buyers shall additionally pay the cost of preparing the land for sale as determined by the state land department. If more than one appraisal is provided, the appraised value of the land to be sold shall be as determined by the commissioner of university and school lands, but shall not be less than the lowest appraisal or higher than the highest appraisal.
 5. All rules promulgated by the department under this section shall be promulgated pursuant to chapter 28-32 and shall be published in the North Dakota Administrative Code.

SECTION 2. AMENDMENT. Section 15-02-05.1 of the 1977 Pocket Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-02-05.1. ADDITIONAL DUTIES OF COMMISSIONER. In all cases ~~where the attorney general is required by section 54-01-05.3 to review under section 1 involving legislative bills dealing with the sale, lease, or exchange of state land, the commissioner of university and school lands shall provide the attorney general legislative assembly with an opinion as to whether the sale, lease, or exchange in question is consistent with the highest and best use of the land involved, and with an appraisal of the market value of the land.~~ As an aid in making the determination, the commissioner shall classify all land owned by the state or its instrumentalities, ~~as defined in subdivision a of subsection 4 of section 54-01-05.3,~~ according to its highest and best use. As used in this section, "highest and best use" means that use of a parcel of land which will most likely produce the greatest benefit to the state and its inhabitants, and which will best meet the needs of the people. In making this determination the considerations of the commissioner shall include: soils capability, vegetation, wildlife use, mineral characteristics, public use, recreational use, commercial or industrial use, aesthetic values, cultural values, surrounding land use, nearness to expanding urban areas, and any other resource, zoning, or planning information relevant to the determination.

SECTION 3. AMENDMENT. Section 54-01-05.2 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-01-05.2. SALE OF STATE-OWNED LAND - NOTICE. ~~Whenever~~ Except as provided by section 1, whenever any department or agency of the state other than the board of university and school lands and the Bank of North Dakota is authorized to sell such real property the same shall be sold for cash by the county auditor or other person designated by the department or agency concerned at public auction at the front door of the courthouse in the county wherein such real property lies, after notice of sale shall have been published in the official paper of the county wherein such property lies for three successive weeks, the last publication to be not less than ten days before the day of sale. Such notice shall be given in the name of the administrative head of the department or agency concerned, and shall state the place, day and hour of the sale, the description of the real property thus sold, and that the state reserves the right to reject any and all bids.

SECTION 4. REPEAL. Section 54-01-05.3 of the 1979 Supplement to the North Dakota Century Code is hereby repealed.

SECTION 5. EFFECTIVE DATE. This Act shall become effective July 1, 1982.

Approved March 3, 1981

CHAPTER 517

HOUSE BILL NO. 1206
(Representatives Thompson, Whalen)
(Senator Roen)

CONCURRENT CRIMINAL JURISDICTION ON CERTAIN LANDS

AN ACT to cede to the United States concurrent criminal jurisdiction on lands within the Theodore Roosevelt national park, Fort Union trading post national historic site, and Knife River Indian villages national historic site, and to provide for retrocession of that jurisdiction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. STATE OFFENSES - CONCURRENT JURISDICTION CEDED TO THE UNITED STATES. Concurrent jurisdiction is hereby ceded to the United States over offenses, as defined in section 12.1-01-04, when committed within boundaries of the tracts of land designated as:

1. Theodore Roosevelt national park.
2. Fort Union trading post national historic site.
3. Knife River Indian villages national historic site.

SECTION 2. CONCURRENT JURISDICTION - VESTED UPON ACCEPTANCE. The concurrent jurisdiction ceded by section 1 of this Act shall be vested upon acceptance by the United States by and through its appropriate officials and shall continue so long as the lands within the designated areas are dedicated to park or historic site purposes.

SECTION 3. RETROCESSION OF JURISDICTION - ACCEPTANCE - FILING.

1. The consent of North Dakota is hereby given to the retrocession by the United States of the jurisdiction granted by section 1 of this Act, either partially or wholly. A partial retrocession may be with respect to particular territory or particular offenses, or both. The governor is authorized to accept any such retrocession of jurisdiction on behalf of North Dakota.

2. When the governor receives written notification from the authorized official or agent of the United States that the United States desires or is willing to retrocede jurisdiction to North Dakota as provided in subsection 1, the governor may accept, and after filing the original acceptance with the secretary of state, the retrocession of jurisdiction will become effective.

Approved February 20, 1981

CHAPTER 518

HOUSE BILL NO. 1265
(Mertens, Berg, Nicholas)

LEGISLATIVE CONSENT FOR FEDERAL LAND PURCHASES

AN ACT to amend and reenact section 54-01-15 of the North Dakota Century Code, relating to acquisition of national forest lands by the United States; and to repeal section 54-01-07 of the North Dakota Century Code, relating to legislative consent to purchase of lands by the United States.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-01-15 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-01-15. ACQUISITION OF NATIONAL FOREST LANDS BY UNITED STATES OF AMERICA - JURISDICTION OF STATE OVER SUCH LANDS. ~~The consent of the state is given to the acquisition by the~~ United States may, with the specific consent of the legislative assembly as to each tract acquired, acquire, by purchase, gift, or condemnation with adequate compensation, ~~of~~ such lands in North Dakota as in the opinion of the federal government may be needed for the establishment of national forests. The state shall retain a concurrent jurisdiction with the United States in and over lands so acquired to the extent that civil process in all cases, and such criminal process as may issue under the authority of the state against any person charged with the commission of any crime without or within said jurisdiction, may be executed thereon in like manner as if this section had not been enacted. The legislative consent required by this section shall be in the form of a duly enacted bill.

SECTION 2. REPEAL. Section 54-01-07 of the North Dakota Century Code is hereby repealed.

Approved March 16, 1981

CHAPTER 519

SENATE BILL NO. 2359
(Senator Lips)
(Representatives Gerl, Unhjem)

STATE ART GALLERY

AN ACT to designate the university of North Dakota art galleries as the North Dakota state art gallery.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. The university of North Dakota art galleries, established in 1972 on the university campus in Grand Forks, is hereby designated the North Dakota state art gallery. No general fund moneys shall be used to support the North Dakota art gallery now or in the future.

Approved March 11, 1981

CHAPTER 520

HOUSE BILL NO. 1494
(Representatives Strinden, Backes)
(Senators Nething, Redlin)

LEGISLATOR'S EXPENSE ALLOWANCE AND COMPENSATION

AN ACT to amend and reenact section 54-03-20 and subsection 1 of section 54-35-10 of the North Dakota Century Code, relating to the living allowance received by legislators during the legislative session and the compensation of members of the legislative council and its committees for attending sessions of the legislative council or its committees; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-03-20 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-03-20. ALLOWANCE FOR LIVING AND OTHER EXPENSES OF MEMBERS OF THE LEGISLATIVE ASSEMBLY. Each member of the legislative assembly of the state of North Dakota shall be entitled to and shall receive the sum of ~~seventy~~ eighty-five dollars a day, as reimbursement for his living expenses, including meals, lodging, uncompensated travel, and other necessary expenses, for each calendar or natural day during the period of any organizational, special, or regular session. The expense allowance shall be paid immediately following the organizational session in December and at the end of each month during a regular or special session.

A day, or portion of a day, spent in traveling to or returning from an organizational, special, or regular session shall be included as a calendar or natural day during a legislative session for the purpose of calculation of the expense allowance provided by this section.

In addition, each such member shall receive during the term for which he was elected, for uncompensated expenses incurred in the execution of his public duties during the biennium, the sum of one hundred ~~fifty~~ eighty dollars a month, which sum shall be payable every six months. Provided, however, should a member die or resign from office during his term, he shall be paid only the allowances

provided for in this section for the period for which he was actually a member.

Attendance at any organizational, special, or regular session of the legislative assembly by any member thereof shall be a conclusive presumption of the expenditure of the expense allowances set out in this section and those expense allowances shall be excluded from gross income for income tax purposes. The provisions of this section shall be retroactive to January 1, ~~1979~~ 1981.

SECTION 2. AMENDMENT. Subsection 1 of section 54-35-10 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. The members of the council and the members of any committee of the council shall be compensated for the time spent in attendance at sessions of the council and of its committees at the rate of ~~fifty-two~~ sixty-two dollars and fifty cents per day and shall also be paid for expenses incurred in attending said meetings and in the performance of their official duties in the amounts provided by law for other state officers.

SECTION 3. EMERGENCY. This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved March 9, 1981

CHAPTER 521

HOUSE BILL NO. 1558
(Wagner)

SALARIES OF STATE OFFICIALS

AN ACT to amend and reenact sections 4-01-21, 15-21-02, 26-01-03, 34-05-01.2, subsection 1 of section 49-01-05, and sections 54-07-04, 54-08-03, 54-09-05, 54-10-10, 54-11-13, 54-12-11, and 57-01-04 of the North Dakota Century Code, relating to the salaries of elected state officials; and providing an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 4-01-21 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-01-21. SALARY OF COMMISSIONER OF AGRICULTURE. The commissioner of agriculture shall receive an annual salary of ~~thirty-three~~ forty-eight thousand ~~five-hundred~~ dollars.

SECTION 2. AMENDMENT. Section 15-21-02 of the 1979 Interim Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-21-02. SALARY AND TRAVELING EXPENSES. The superintendent of public instruction shall receive an annual salary of ~~thirty-four~~ forty-eight thousand dollars. He shall be allowed in addition thereto his expenses incurred in the discharge of his official duties, such expenses to be paid monthly on a warrant prepared by the department of accounts and purchases and signed by the state auditor, upon the filing of an itemized and verified statement of expenses.

SECTION 3. AMENDMENT. Section 26-01-03 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-01-03. SALARY OF COMMISSIONER OF INSURANCE. The annual salary of the commissioner of insurance shall be ~~thirty-three~~ forty-eight thousand ~~five-hundred~~ dollars ~~effective-January-17-1981~~.

~~thirty-five-thousand-one-hundred-seventy-five-dollars-effective January-1,-1982,-thirty-six-thousand-nine-hundred-thirty-three dollars-effective-January-1,-1983,-thirty-eight-thousand-seven hundred-eighty-dollars-effective-January-1,-1984,-and-forty-thousand seven-hundred-twenty-dollars-effective-January-1,-1985.~~

SECTION 4. AMENDMENT. Section 34-05-01.2 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

34-05-01.2. DEPARTMENT OF LABOR TO BE ADMINISTERED BY COMMISSIONER OF LABOR. The department of labor shall be administered by a commissioner of labor who shall be elected for a four-year term on a no-party ballot in the year 1966 and every four years thereafter in the same manner as provided for no-party candidates pursuant to chapter 16-08. Following his election, the term of the commissioner of labor shall commence on the same day as the terms for other elected state officials. The commissioner of labor shall possess the same qualifications for office as the commissioner of agriculture and he shall receive an annual salary of thirty-three forty-eight thousand five-hundred dollars.

SECTION 5. AMENDMENT. Subsection 1 of section 49-01-05 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

49-01-05. SALARY OF COMMISSIONERS.

1. The salary of each commissioner shall be as provided in the following schedule, which shall be full compensation for all official services:
 - a. For the public service commissioner elected to the term of office commencing on January 1, 1981, thirty-three thousand five hundred dollars per annum effective on that date, thirty-five, and forty-eight thousand one-hundred-seventy-five dollars per annum effective January 1, 1982, thirty-six-thousand-nine hundred--thirty-three--dollars--per--annum--effective January-1,-1983,-thirty-eight-thousand-seven-hundred eighty--dollars--per--annum-effective-January-1,-1984,-and-forty-thousand-seven-hundred--twenty--dollars--per annum-effective-January-1,-1985 1987.
 - b. For the public service commissioner elected to the term of office commencing on January 1, 1983, thirty-six forty-eight thousand nine--hundred thirty-three dollars per annum effective on that date, thirty-eight-thousand-seven-hundred-eighty-dollars-per annum-effective-January-1,-1984,-and--forty--thousand seven--hundred--twenty--dollars--per--annum--effective January-1,-1985.
 - c. For the public service commissioner elected to the term of office commencing on January 1, 1985, ~~forty~~

forty-eight thousand seven-hundred-twenty dollars per annum effective on that date.

SECTION 6. AMENDMENT. Section 54-07-04 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-07-04. SALARY OF GOVERNOR. The governor shall receive an annual salary of ~~forty-seven~~ sixty-five thousand dollars for all services performed by him.

SECTION 7. AMENDMENT. Section 54-08-03 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-08-03. SALARY OF LIEUTENANT GOVERNOR. The lieutenant governor shall receive an annual salary of ~~eight nine~~ thousand seven hundred thirty dollars for all services performed by him.

SECTION 8. AMENDMENT. Section 54-09-05 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-09-05. SALARY OF SECRETARY OF STATE. The secretary of state shall receive an annual salary of ~~thirty-three~~ forty-eight thousand ~~five-hundred~~ dollars.

SECTION 9. AMENDMENT. Section 54-10-10 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-10-10. SALARY OF STATE AUDITOR. The state auditor shall receive an annual salary of ~~thirty-three~~ forty-eight thousand ~~five hundred~~ dollars.

SECTION 10. AMENDMENT. Section 54-11-13 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-11-13. SALARY OF STATE TREASURER. The state treasurer shall receive an annual salary of ~~thirty-three~~ forty-eight thousand ~~five-hundred~~ dollars.

SECTION 11. AMENDMENT. Section 54-12-11 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-12-11. SALARY OF ATTORNEY GENERAL. The attorney general shall receive an annual salary of ~~thirty-eight~~ fifty-five thousand four hundred dollars.

SECTION 12. AMENDMENT. Section 57-01-04 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-01-04. SALARY. The annual salary of the state tax commissioner shall be ~~thirty-three~~ forty-eight thousand ~~five-hundred~~ dollars.

SECTION 13. EFFECTIVE DATE. The provisions of this Act, with the exception of section 5, will become effective on January 1, 1985. Section 5 of this Act will become effective in accordance with its own terms.

Approved March 11, 1981

CHAPTER 522

SENATE BILL NO. 2108
 (Committee on State and Federal Government)
 (At the request of the Secretary of State)

SECRETARY OF STATE'S FEES

AN ACT to amend and reenact section 54-09-04 of the North Dakota Century Code, relating to the fees collected by the secretary of state.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
 STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-09-04 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-09-04. FEES. The secretary of state, for services performed in his office, unless otherwise provided by law, shall charge and collect the following fees:

1. For a copy of any law, resolution, record, or other document or paper on file in his office, one dollar for every four pages or fraction thereof.
2. For affixing his signature, certificate, or seal, or combination thereof to any document, ~~two~~ five dollars.
3. For filing a certificate of appointment of attorney, five dollars.
4. ~~Repealed-by-S-B-1977-ch-482--§-1-~~
- 5- For any other document signed by the governor, except a commission, and attested by the secretary of state, five dollars.
- 6- 5. For searching records and archives of the state, two dollars.
- 7- 6. For filing any paper not otherwise provided for, ~~one dollar~~ five dollars.

~~8. For filing documents and issuing certificates for foreign and domestic profit and nonprofit corporations, fees as prescribed in the general law governing corporations.~~

~~9. For filing documents and issuing certificates for foreign and domestic cooperative associations, fees as prescribed in chapter 10-15.~~

~~10.~~ 7. For filing utility property transfers, five dollars, and issuing a certificate of filing, ~~two~~ five dollars.

No member of the legislative assembly, and no state or county officer shall be charged for any search relative to matters appertaining to duties of his office, nor shall he be charged any fee for a certified copy of any law or resolution passed by the legislative assembly relative to his official duties. All fees when collected must be paid by the secretary of state into the state treasury at the end of each month and placed to the credit of the state.

Approved March 6, 1981

CHAPTER 523

HOUSE BILL NO. 1530
(Gorder, Richie)

DRUG CONTROL CASH FUND AMOUNT

AN ACT to amend and reenact section 54-12-14 of the North Dakota Century Code, relating to the attorney general drug control cash fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-12-14 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-12-14. DRUG CONTROL CASH FUND - CREATED - PURPOSE. There is hereby created from the attorney general's appropriation a cash fund to be known as the attorney general drug control cash fund in a ~~sum-not-to-exceed-one-hundred-thousand-dollars~~ such amount as may be appropriated by the legislative assembly, which shall be used for the purpose of obtaining evidence for enforcement of any state law relating to the control of drug abuse.

The attorney general shall, with the concurrence of the director of the department of accounts and purchases, establish the necessary accounting procedures for the use of such fund, and shall personally approve, in writing, all requests from the chief of the bureau of criminal investigation or the director of the drug enforcement unit for the use of said fund and shall be accountable to the legislative council, upon request, for the expenditure thereof.

Approved March 5, 1981

CHAPTER 524

HOUSE BILL NO. 1196
(Committee on State and Federal Government)
(At the request of the Bank of North Dakota)

HOUSING FINANCE PROGRAMS

AN ACT to create and enact sections 54-17-07.3, 54-17-07.4, 54-17-07.5, 54-17-07.6, and 54-17-07.7 of the North Dakota Century Code, relating to the industrial commission acting as a state housing finance agency; a home mortgage finance program; a mobile home and manufactured housing finance program; a multifamily housing finance program; housing revenue bonds; allocation of housing revenue bonds; grants, contributions, loans, or other aid; and terms of loans; to amend and reenact sections 54-17-01, 54-17-07.1, and 54-17-07.2 of the North Dakota Century Code, relating to the industrial commission acting as a state housing finance agency; an advisory board; and to housing revenue bonds; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-17-01 as amended and reenacted by measure No. 7 at the 1980 general election is hereby amended and reenacted to read as follows:

54-17-01. INDUSTRIAL COMMISSION TO MANAGE INDUSTRIES OF STATE AND TO ACT AS A STATE HOUSING FINANCE AGENCY ~~IN---PROVIDING RESIDENTIAL---MORTGAGE---LOANS---FOR---PERSONS---OR---FAMILIES---OF---LOW-AND MODERATE-INCOME.~~ The commission created to conduct and manage, on behalf of the state of North Dakota, certain utilities, industries, enterprises, including a ~~home---mortgage~~ housing finance program programs, and business projects established by law shall be known as the industrial commission of North Dakota, but may be designated as the industrial commission. In the creation of the industrial commission, it is the intention of the legislative assembly that all acts of the industrial commission shall be the acts of the state of North Dakota functioning in its sovereign capacity.

SECTION 2. AMENDMENT. Section 54-17-07.1 as created and enacted by measure No. 7 at the 1980 general election is hereby amended and reenacted to read as follows:

54-17-07.1. HOME--MORTGAGE--FINANCE--PROGRAM--OF--COMMISSION ADVISORY BOARD - RULES. Acting in its capacity as a state housing finance agency, the industrial commission is authorized to purchase or contract to purchase from lenders mortgage loans made to persons or families of low and moderate income to finance the purchase or substantial rehabilitation of owner-occupied, single-family residential dwelling units which shall include mobile homes and manufactured housing. The term lenders shall mean any bank or trust company chartered by the state of North Dakota or any national banking association located in North Dakota, state or federal savings and loan association located in North Dakota, and FHA approved mortgagee or other mortgage banking institutions currently actively engaged in home mortgage lending in North Dakota approved by the commission. The term persons or families of low and moderate income shall mean persons or families whose financial means are insufficient, taking into account such factors as the commission shall deem relevant, to secure decent safe and sanitary housing provided by private industry without the financial assistance afforded by the home mortgage finance program of the commission. The commission shall appoint a five-member Advisory Board six-member advisory board consisting of representatives of lenders, and others engaged in the residential real estate industry, the mobile home and manufactured housing industry, and home owners and buyers, and in consultation with such board may adopt rules and regulations for the conduct of its home mortgage housing finance program which may, among other matters, establish requirements for the type and purchase price of dwelling units and multifamily facilities eligible to be financed, the income limits for eligible low or moderate income persons or families, the interest rates and other terms of mortgage loans by lenders eligible for purchase by the commission to be financed, requirements relating to federal or private mortgage insurance or guaranties, and the general terms and conditions for the issuance and security of housing revenue bonds to be issued.

SECTION 3. AMENDMENT. Section 54-17-07.2 as created and enacted by measure No. 7 at the 1980 general election is hereby amended and reenacted to read as follows:

54-17-07.2. HOUSING REVENUE BONDS OF COMMISSION-- In order to fund its home mortgage finance program, the commission is authorized to issue revenue bonds which shall be sold at not less than ninety-five percent of par plus any accrued interest. The principal of and interest on such bonds shall be payable only from revenues generated under the home mortgage finance program, and the bonds shall not constitute a debt of the state of North Dakota and shall contain a statement to that effect on their face. The bonds may be sold at public or private sale or by negotiation as the commission may direct, shall mature not more than forty years from their date or dates and shall contain such terms and provisions as the commission shall determine. The commission may capitalize from bond proceeds all expenses incidental to the issuance of the bonds or to its housing mortgage finance program, including, without limitation, any reserves for the payment of the bonds. DEFINITIONS. As used in sections 54-17-07.1 through 54-17-07.7:

1. "Lenders" means any bank or trust company chartered by the state of North Dakota or any national banking association located in North Dakota, state or federal savings and loan association located in North Dakota, and federal housing administration approved mortgagee or other mortgage banking institutions actively engaged in home mortgage lending in North Dakota approved by the commission.
2. "Multifamily housing facility" means any facility containing five or more residential dwelling units, provided that at least twenty percent of the units in each facility shall be held for occupancy by persons or families of low and moderate income for such period of time as the commission may determine, and may include such related public or private facilities intended for commercial, cultural, recreational, community, or other civic purpose as the commission may approve.
3. "Persons and families of low or moderate income" means persons or families whose financial means are insufficient, taking into account such factors as the commission shall deem relevant, to secure decent, safe, and sanitary housing provided by private industry without the financial assistance afforded by the housing finance programs of the commission.

SECTION 4. Section 54-17-07.3 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-17-07.3. HOUSING FINANCE PROGRAMS. Acting in its capacity as a state housing finance agency, the industrial commission is authorized to establish the following housing finance programs:

1. Home Mortgage Finance Program. A program to purchase or contract to purchase from lenders mortgage loans made to persons or families of low and moderate income to finance the purchase or substantial rehabilitation of owner occupied, single family residential dwelling units, which shall include mobile homes and manufactured housing.
2. Mobile Home and Manufactured Housing Finance Program. A program to purchase or contract to purchase from lenders loans made to persons or families of low and moderate income to finance the purchase of mobile homes and manufactured housing other than on a real property mortgage basis.
3. Multifamily Housing Finance Program. A program to make, purchase, and commit to make and purchase construction, permanent, and combined construction and permanent mortgage loans (including participations in mortgage loans) for the acquisition, construction, refurbishing, reconstruction, rehabilitation, or improvement of multifamily housing facilities.

SECTION 5. Section 54-17-07.4 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-17-07.4. HOUSING REVENUE BONDS. In order to fund its housing finance programs, the commission is authorized to issue revenue bonds or evidences of debt and indebtedness of the state which shall be sold at not less than ninety-five percent of par plus any accrued interest. The principal of and interest on such bonds shall be payable only from revenues generated under the applicable housing finance programs. The bonds shall not constitute a debt of the state of North Dakota and shall contain a statement to that effect on their face. The bonds may be sold at public or private sale, shall mature not more than fifty years from their date or dates, and shall contain such terms and provisions as the commission shall determine. The commission may capitalize from bond proceeds all expenses incidental to the issuance of the bonds or to the applicable housing finance program, including, without limitation, any reserves for the payment of the bonds. All revenue bonds issued by the commission to fund a housing finance program shall be secured separately from revenue bonds issued to fund its other housing finance programs.

SECTION 6. Section 54-17-07.5 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-17-07.5. STATE REALLOCATION UNDER THE MORTGAGE SUBSIDY BOND TAX ACT OF 1980. Pursuant to sections 103A(g), 103A(g)(4) and 103A(g)(6)A of the Internal Revenue Code of 1954, hereafter referred to as the "code", the limit for housing revenue bonds to be issued shall be allocated as follows:

1. To the industrial commission to fund its housing home mortgage and mobile home and manufactured housing finance programs, seventy-five percent of the "state ceiling", as defined in section 103A(g)(4) of the code.
2. To home rule cities now or hereafter authorized to issue bonds subject to section 103A(g) of the code, twenty-five percent of the "state ceiling".

The applicable limit for bonds of any home rule city shall be determined by multiplying twenty-five percent of the state ceiling by a fraction, the numerator of which is the population of the home rule city as shown in the 1980 federal decennial census and the denominator of which is the aggregate population of all home rule cities now or hereafter authorized to issue bonds as shown in the 1980 federal decennial census. The governing board of any home rule city referred to in this section may by appropriate resolution or legislative action transfer to any other such home rule city or cities or to the industrial commission its local portion of the state ceiling for any calendar year, such transfer to be irrevocable upon enactment in accordance with law.

SECTION 7. Section 54-17-07.6 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-17-07.6. ACCEPTANCE OF GRANTS, CONTRIBUTIONS, LOANS, OR OTHER AID. Acting in its capacity as a state housing finance agency, the industrial commission is authorized to contract for, accept, and administer any grant, contribution, or loan of funds, property, or other aid in any form from the federal government or from any other source, and to do all things necessary to qualify for any grant, contribution, or loan under any federal program, including those things necessary to qualify for assistance under the federal housing programs in effect from time to time.

SECTION 8. Section 54-17-07.7 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-17-07.7. TERMS OF LOANS. Notwithstanding any other provision of law, the industrial commission is authorized to require, as a condition to the origination and purchase of loans and mortgage loans to be purchased by it, prepayment penalties, restrictions upon assumability, default provisions, rights to accelerate, rights to increase the interest rate, and any other terms the commission may determine to be necessary or desirable to assure the repayment of its housing revenue bonds and the exemption from federal income taxes of the interest payable on its housing revenue bonds under the Internal Revenue Code of 1954. All such terms shall be enforceable by the originator, the commission, or any successor holder of the loans or mortgage loans unless expressly waived in writing by or on behalf of the commission.

SECTION 9. EMERGENCY. This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved March 11, 1981

CHAPTER 525

HOUSE BILL NO. 1269
(Representative Mertens)
(Senator Wenstrom)

HOME WEATHERIZATION GRANT PROGRAM

AN ACT to provide grants for home weatherization programs; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. GRANT PROGRAM FOR HOME WEATHERIZATION PROGRAMS. The industrial commission or its designee shall administer a home weatherization grant program to provide financial assistance to regional offices which administer the United States department of energy home weatherization program. Grant moneys shall be used for direct consumer benefit programs to support labor and material costs for roof repair and heating plant repair to effect energy conservation. No funds shall be used for administrative purposes.

SECTION 2. APPLICATION FOR GRANTS. Each regional office which administers the United States department of energy home weatherization program may apply for the grants provided in this Act under such reasonable guidelines as may be adopted by the industrial commission or its designee. Each application must be accompanied by a two-year budget, including a productivity work plan. Each regional office shall be eligible for a base amount of forty thousand dollars for fiscal year 1982 and forty-five thousand dollars for fiscal year 1983.

SECTION 3. APPROPRIATION. There is hereby appropriated from income of the special trust fund created by subdivision 2 of section 7 of initiated measure No. 6 approved on November 4, 1980, the sum of \$680,000, or so much thereof as may be necessary, to the industrial commission or its designee for grants as provided in this Act for the biennium beginning July 1, 1981, and ending June 30, 1983.

Approved April 1, 1981

CHAPTER 526

SENATE BILL NO. 2432
(Senators Barth, Albers, Dotzenrod)
(Representatives E. Pomeroy, Swiontek)

BEGINNING FARMER LOAN GUARANTEE PROGRAM

AN ACT to provide a seller-sponsored loan guarantee program by the industrial commission for loans to beginning farmers; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. INDUSTRIAL COMMISSION LOAN GUARANTEES FOR SELLER-SPONSORED LOANS BETWEEN LANDOWNERS AND BEGINNING FARMERS. The industrial commission shall act as a guarantor for seller-sponsored loans between landowners and beginning farmers, as defined by subsection 2 of section 57-38-67. In the event of a default, the state of North Dakota shall pay the lender ninety percent of the sums due and payable under the security interest. The commission may adopt necessary rules under chapter 28-32 to determine whether a lender qualifies for a loan guarantee. However, the purchaser must qualify as a beginning farmer as defined by subsection 2 of section 57-38-67. A seller-sponsored loan which is a contract for deed must extend for not less than fifteen years and have an annual interest rate equal to or less than the minimum rate allowed by the internal revenue service before interest is imputed. The maximum dollar amount of any guarantee may not exceed two hundred thousand dollars on a loan secured by real property and one hundred twenty-five thousand dollars on a loan secured by personal property. The loan guarantee shall be void only if the guaranteed loan was obtained by fraud or material misrepresentation of which the original lender or subsequent holder had actual knowledge.

SECTION 2. PROCEDURE ON DEFAULT ON GUARANTEED BEGINNING FARMER SECURITY LOAN. The industrial commission shall adopt rules pursuant to chapter 28-32 defining a default.

1. Within ninety days of a default on a guaranteed beginning farmer security loan, the lender shall send notice to the beginning farmer stating that the commission must be notified if the default continues for another ninety days, and the consequences of that default. The lender and the beginning farmer may agree to take any steps reasonable to

assure the fulfillment of the loan obligation. After one hundred eighty days from the initial default, if the beginning farmer has not made arrangements to meet his obligation, the lender shall file a claim with the commission, identifying the loan and the nature of the default, and assigning to the state all of the lender's security and interest in the loan in exchange for payment according to the terms of the loan guarantee. If the commission determines that the terms of the loan guarantee have been met, the commission shall authorize payment of state funds to the lender, and shall notify the defaulting party. The state of North Dakota shall then become the holder of the mortgage or other security interest, and taxes shall be levied and paid on the land as though the owner were a natural person and not the state. The commission may, on behalf of the state, commence foreclosure proceedings in the manner provided by law.

2. Property acquired by the commission, upon default of the beginning farmer, shall be disposed of in accordance with chapter 47-30. Proceeds from the sale of a parcel of property obtained by the state pursuant to this section shall be paid into the guarantee fund established by section 3 of this Act to the extent that funds from the guarantee fund were disbursed according to the terms of the loan guarantee. Proceeds in excess of the amount disbursed from the guarantee fund shall be paid into the general fund.

SECTION 3. ESTABLISHMENT AND MAINTENANCE OF ADEQUATE GUARANTEE FUNDS - USE OF LANDS AND MINERALS TRUST - APPROPRIATION. The industrial commission shall establish and at all times maintain in the Bank of North Dakota an adequate guarantee reserve fund in a special account in the Bank. The guarantee reserve fund shall be maintained from the lands and minerals trust created by section 15-08.1-08 and any moneys transferred from the lands and minerals trust to maintain the guarantee reserve fund are appropriated to reimburse lenders for guaranteed loans in default. The securities in which the moneys in the reserve fund may be invested shall meet the same requirements as those authorized for investment under the state investment board. The income from such investments shall be made available for the cost of administering the state guarantee loan program and income in excess of that required to pay the costs of administering the program shall be deposited in the reserve fund. The total amount of funds from the lands and minerals trust used as a guarantee reserve fund under this Act may not exceed two million dollars. The amount of reserves for all guaranteed loans shall be determined by a formula which will assure, as determined by the Bank, an adequate amount of reserve.

Approved April 8, 1981

CHAPTER 527

SENATE BILL NO. 2074
(Legislative Council)
(Interim Judiciary "C" Committee)

APPOINTMENT OF FEDERAL AID COORDINATOR

AN ACT to amend and reenact section 54-27.1-01 of the North Dakota Century Code, relating to appointment of the federal aid coordinator.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 54-27.1-01 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-27.1-01. FEDERAL AID COORDINATOR OFFICE - APPOINTMENT - LOCATION OF OFFICE. There is created ~~in the office of the lieutenant-governor~~ within the executive branch a federal aid coordinator office. ~~The lieutenant-governor shall be the coordinator. If the lieutenant-governor cannot serve as coordinator prior to June 30, 1981, the coordinator shall be appointed by and shall serve at the pleasure of the governor until June 30, 1981. The lieutenant-governor, while serving as coordinator, shall receive the total salary and unvouchered expense allowance in the amount provided for the state tax commissioner during the period beginning July 1, 1979, and ending June 30, 1981. If the coordinator is appointed by the governor, the The salary of the coordinator shall be set by the governor within the limits of legislative appropriation. The coordinator may employ such other persons as may be necessary and may fix their compensation within the appropriation made for that purpose. If possible, the entire federal aid coordinator office shall be housed at one location on the state capitol grounds, subject to sufficient space being made available by the director of institutions. If sufficient space is not available to house the entire office in one location on the state capitol grounds, the entire office may be housed at one location in the city of Bismarck.~~

Approved March 11, 1981

* NOTE: Section 54-27.1-01 was also amended by section 3 of Senate Bill No. 2356, chapter 534.

CHAPTER 528

HOUSE BILL NO. 1443
(Representatives Wald, Strinden)
(Senator Nething)

ECONOMIC DEVELOPMENT COMMISSION

AN ACT to create and enact section 54-34-05.1 of the North Dakota Century Code, relating to the appointment of special committees by the governor for research and economic development; to amend and reenact section 4-14.1-04, subsection 6 of section 10-30-04, sections 21-11-02, 21-11-03, 21-11-04, 21-11-05, 21-11-06, 24-03-21, 24-17-06, subsection 1 of section 54-07-01.2, and sections 54-34-01, 54-34-02, 54-34-03, 54-34-03.1, 54-34-04, 54-34-06, 54-34-08, 54-36-01, 55-06-01, and 55-08-02.1 of the North Dakota Century Code, relating to the name change of the business and industrial development commission to the economic development commission and the membership, purpose, and authority of the commission; to repeal section 54-34-10 of the North Dakota Century Code, relating to legislative intent on international marketing efforts of state agencies; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 4-14.1-04 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-14.1-04. AGRICULTURAL PRODUCTS UTILIZATION COMMISSION - MEETINGS - PERSONNEL - ADVISORY COMMITTEE. The agricultural products utilization commission shall meet at least once annually, and shall report to each session of the legislative assembly. The commission may secure office space and employ needed personnel for the performance of its duties, may hire consultants, and may contract with public entities or private parties for services. The agricultural products utilization commission shall have an advisory committee composed of three persons, one each designated by the director of the ~~business--and--industrial~~ economic development department commission, the president of the North Dakota state university, and the state commissioner of agriculture.

SECTION 2. AMENDMENT. Subsection 6 of section 10-30-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

6. Cooperate with and avail itself of the facilities of the ~~business-and-industrial~~ economic development commission and any other similar governmental agencies; to cooperate with and assist, and otherwise encourage, local organizations in the various communities of the state the purpose of which shall be the promotion, assistance, and development of the business prosperity and economic welfare of such communities and of this state.

SECTION 3. AMENDMENT. Section 21-11-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-11-02. APPLICATION FOR LOAN - FORM - CONTENTS - PREFERENCE OF APPLICATIONS. Any privately or cooperatively owned enterprise for the purpose of securing a loan from this state for purposes of planning, constructing, acquiring, equipping, improving, or extending facilities for the conversion of North Dakota's natural resources into low cost power and the generation and transmission of such power, and the acquisition of real and personal property and water and mineral rights needed for such facilities, or any of such purposes, may file an application with the North Dakota ~~business-and-industrial~~ economic development commission. ~~Such~~ The application shall be in ~~such~~ the form ~~as may be~~ required by the ~~business-and-industrial-development~~ commission and shall be accompanied by a complete and fully detailed outline and description of the applicant's plan of operation. In the consideration of applications the ~~business--and--industrial-development~~ commission shall consider the following factors:

1. Preference shall be given to applicants with the following qualifications:
 - a. Applicants who are experienced in the generation or transmission of power, and who at the time of application have access to alternate markets for the sale of such power.
 - b. Applicants who are residents of North Dakota, or private or cooperative enterprises incorporated under the laws of North Dakota and having their headquarters in the state, whether or not a nonresident person or corporation owns part or all of the stock of the applicant or is engaged in a partnership or joint enterprise with the applicant.
2. The provisions of subsection 1 shall not prohibit the commission from approving loans to applicants not possessing the qualifications therein described, if in the judgment of the commission such approval would better

carry out the objectives of this chapter as stated in section 21-11-01.

3. Each application shall include information for the purpose of showing to the commission and shall be approved only if the commission shall determine:
 - a. That the facilities proposed to be financed by the loan will result in significant additional industrial or other economic activity in North Dakota which would not occur in the absence of a state loan.
 - b. That the cost of power furnished by the facilities financed by the loan will be significantly lower than it would be without a loan made under this chapter.
 - c. That the facilities financed will furnish power at the lowest possible cost to stimulate industrial development, benefit the general public, and expand the use of North Dakota fuel resources.
4. In considering applications the ~~business-and-industrial development~~ commission shall have authority to establish additional reasonable criteria with respect to the financial qualification of individuals and organizations requesting loans.

SECTION 4. AMENDMENT. Section 21-11-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-11-03. PROCESSING OF APPLICATION - FEE - PURPOSE. The ~~business--and--industrial~~ economic development commission shall process each application and if it determines the applicant is eligible for the loan and has complied with all requirements, it shall request an application fee of not more than fifty thousand dollars. Such fee shall be deposited in a special and separate fund in the state treasury and shall be expended by the ~~business-and-industrial-development~~ commission for purposes of investigating the applicant and evaluating the technical and economic feasibility of the plans and specifications as submitted by the applicant. The ~~business--and--industrial--development~~ commission may consult or contract with any person or private, state, or federal department, agency, or entity, for purposes of such investigation or evaluation. All departments, agencies, institutions, and officials of this state and its political subdivisions shall provide to the ~~business-and-industrial--development~~ commission such aid, information, and assistance as it may request in regard to any matter relative to the applicant or such applicant's plans and specifications. The ~~business--and--industrial-development~~ commission shall be authorized to conduct any private or public hearing it may deem necessary in the course of such investigation or evaluation. Any unexpended portion of the funds received as an application fee shall be refunded to the applicant after the payment of all costs of investigation and evaluation of the application. There is hereby

appropriated from each application fee such funds as may be necessary to pay all costs of investigation and evaluation and pay refunds as provided in this section.

SECTION 5. AMENDMENT. Section 21-11-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-11-04. APPROVAL OR REJECTION OF APPLICATION. Upon completion of all investigations and evaluations of any matter relative to the applicant or the submitted application and plan, the ~~business-and-industrial~~ economic development commission shall either reject the application as submitted, approve the application as submitted, or offer to approve the application if modified in accordance with any recommendation made by the ~~business--and industrial--development~~ commission as a result of any such investigation or evaluation. If the applicant fails or refuses to agree to such modifications, the application shall be rejected.

SECTION 6. AMENDMENT. Section 21-11-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-11-05. APPROVED APPLICATION FILED WITH INDUSTRIAL COMMISSION AND LEGISLATIVE COUNCIL. Upon approval of the application, as submitted or modified, the ~~business-and-industrial~~ economic development commission shall file such application, along with its report and recommendations, received by it as a result of any investigation and evaluation, with the state industrial commission and with the legislative council. The legislative council shall prepare and submit any necessary legislation for the appropriation of additional funds or the authorization of the issuance of bonds at the following session of the legislative assembly, or at a special session if called in accordance with the constitution.

SECTION 7. AMENDMENT. Section 21-11-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

21-11-06. DISBURSEMENTS OF LOAN - INSPECTION FEE. If the industrial commission finds that the approved loan application has been filed and processed as required by this chapter and the proposed loan agreement is in proper legal form and the amount to be disbursed thereunder, with other previous disbursements, does not exceed the funds appropriated for that purpose, it shall authorize the execution of the loan agreement with the applicant by the director of the ~~business--and--industrial~~ economic development ~~department~~ commission on behalf of the state. Prior to the disbursement of any funds pursuant to such loan agreement, the applicant shall deliver to the director ~~of--the--business--and industrial-development-department~~ a supervision fee in such amount as may be specified in the loan agreement, which fee shall be deposited in a special fund in the state treasury. Such fee shall be expended by the ~~business--and-industrial~~ economic development commission for the purpose of periodic inspection of the construction of such power generation or transmission facilities,

and disbursements to the borrower under such loan agreement shall be made only upon certification by the director ~~of the business and industrial development department~~ or a person appointed by him the director that ~~such the~~ construction is being carried on in accordance with the loan agreement and that ~~such the~~ loan funds are due the borrower under ~~such the~~ agreement. Upon the completion of the construction of such facilities, any unexpended balance of such inspection fee shall be refunded to the borrower. There is hereby appropriated from each such inspection fee such funds as may be necessary to provide for such inspections and refunds as provided in this section.

SECTION 8. AMENDMENT. Section 24-03-21 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

24-03-21. PREPARATION OF ROAD MAPS - PUBLICATION OF TOURIST INFORMATION. The commissioner shall prepare for general distribution, road maps of the state highway system and such other roads as he shall deem necessary; ~~and the commissioner shall provide for publication, advertising, and dissemination of information concerning highways or such other publicity matter as he shall deem advisable to promote the use of North Dakota highways and attract tourists to the state or to prolong their stay in the state.~~ Any tourist-oriented material printed on road maps shall be prepared by the economic development commission at no expense to the department.

SECTION 9. AMENDMENT. Section 24-17-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

24-17-06. HIGHWAY CORRIDOR BOARD - MEMBERS. There is hereby established, to serve as an agency of the state and to perform the functions conferred upon it in this chapter, the highway corridor board. The board shall be composed of the following five members: the North Dakota state highway commissioner or his authorized agent; the director of the ~~business and industrial~~ economic development department commission or his authorized agent; the commissioner of agriculture or his authorized agent; a representative of the North Dakota outdoor advertising association to be designated by its president and to serve a term of four years; a representative of the North Dakota motel association designated by its president to serve a term of two years. At the expiration of the term of any member appointed to the board, his successor shall be appointed for a term of four years.

* SECTION 10. AMENDMENT. Subsection 1 of section 54-07-01.2 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. Notwithstanding the provisions of sections 2-05-01, 4-18.1-04, 4-27-04, 6-01-03, 6-09.1-02, 12-55-01, 12-59-01, 15-21-17, 15-38-17, 15-39.1-05, 15-65-02, 20.1-02-23, 23-01-02, 23-25-02, 36-01-01, 37-18.1-01, 50-06-02, 50-06-03.1, 50-26-01, 51-10-13, ~~54-03-20-27~~ 54-34-03, 54-42-01, 54-54-02, 55-01-01, 55-06-01,

* NOTE: Subsection 1 of section 54-07-01.2 was also amended by section 29 of House Bill No. 1418, chapter 486, and section 54-07-01.2 was also amended by section 45 of House Bill No. 1069, chapter 91.

61-02-04, 61-28-03, and 65-02-01, all members of the following boards and commissions shall, subject to the limitations of this section, be considered to have resigned from such boards and commissions effective January first of the first year of each four-year term of the governor:

- a. The aeronautics commission.
- b. The milk stabilization board.
- c. The dairy products promotion commission.
- d. The state banking board.
- e. The state credit union board.
- f. The advisory board of directors to the Bank of North Dakota.
- g. The board of pardons.
- h. The state parole board.
- i. The state board of public school education.
- j. The teachers' professional practices commission.
- k. The board of trustees for the teachers' fund for retirement.
- l. The educational broadcasting council.
- m. The state game and fish advisory board.
- n. The health council.
- o. The air pollution control advisory council.
- p. The livestock sanitary board.
- q. The administrative committee on veterans' affairs.
- r. The social service board of North Dakota.
- s. The governor's council on human resources.
- t. The North Dakota trade commission.
- u. ~~The legislative compensation commission.~~
- v. The ~~business--and--industrial~~ economic development commission.

- w- v. The merit system council.
- x- w. The North Dakota council on the arts.
- y- x. The state historical board.
- z- y. The Yellowstone-Missouri-Fort Union commission.
- aa- z. The state water conservation commission.
- bb- aa. The state water pollution control board.
- cc- bb. The workmen's compensation bureau.

SECTION 11. AMENDMENT. Section 54-34-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-01. ~~TITLE--This chapter shall be known as the Business and Industrial Development Act.~~ PURPOSE OF CHAPTER. The commission and director appointed under this chapter are intended to carry out a program of promotion and economic development to enhance the general welfare of the state through the establishment of new business and industry, the expansion of existing business and industry, the development of new markets for agricultural, and other products, the encouragement of international trade, the development of tourism, and the attraction of new residents, business, and industry.

SECTION 12. AMENDMENT. Section 54-34-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-02. APPOINTMENT OF DIRECTOR OF BUSINESS-AND-INDUSTRIAL THE ECONOMIC DEVELOPMENT DEPARTMENT COMMISSION. The governor, or his designee, shall appoint a state director of the business-and industrial economic development department commission hereinafter called the "director",--who shall--administer--and--carry-out-the functions-and-programs-of-the-department.--Such appointment shall be for--a--four-year-term-at. The director shall serve at the pleasure of the governor and shall receive a salary set by the governor within the limits of legislative appropriations. The director may be removed from such position at the will of the governor. The director shall be compensated for his allowed actual and necessary travel expenses in carrying on his official duties in at the same manner rate as for other state officials of this state.

SECTION 13. AMENDMENT. Section 54-34-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-03. APPOINTMENT OF BUSINESS--AND-INDUSTRIAL ECONOMIC DEVELOPMENT COMMISSION. The business--and--industrial economic development commission, hereafter called the commission, shall consist of the governor as chairman and eight members appointed by him the governor, one member to be appointed from each of the ~~six~~ seven judicial districts and ~~two members~~ one member to be appointed

from the state at large. The members shall be appointed for a term of four years staggered so that the terms of two members expire each year. Vacancies shall be filled in the same manner as the original appointment, except that vacancies occurring for other than the expiration of a term shall be filled by appointment for only the remainder of the term of the member causing the vacancy. Appointment to the commission by the governor shall be upon the basis of the special knowledge or interest of the member in the economic development of the state. All members of the commission shall be reimbursed for expenses incurred in attending meetings and otherwise performing official duties at the same rates and in the same manner as other state officials.

SECTION 14. AMENDMENT. Section 54-34-03.1 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-03.1. INITIAL COMMISSION MEMBERSHIP. The members of the ~~economic business and industrial~~ development commission serving upon such commission upon the effective date of this ~~chapter~~, Act shall automatically become members of the ~~business--and--industrial~~ economic development commission and shall so serve during any unexpired portion of the term for which they were appointed as members of the ~~economic business and industrial~~ development commission without regard to the judicial district of their residence. Thereafter, members of the ~~business--and--industrial~~ economic development commission shall be appointed in accordance with the provisions of section 54-34-03.

SECTION 15. AMENDMENT. Section 54-34-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-04. MEETING AND DUTIES OF ~~BUSINESS--AND--INDUSTRIAL~~ ECONOMIC DEVELOPMENT COMMISSION. ~~Meetings--of--the~~ The commission shall ~~be-at-least-quarterly-or-additionally~~ meet at the call of the governor ~~or--upon--the--written--notice--of--three--members--of--the~~ commission at least quarterly. Five members of the commission shall constitute a quorum. ~~A~~ The governor shall designate a vice chairman of the commission ~~shall-be-elected-by-the-members-of-the-commission~~ and ~~shall-preside-over-meetings-in-the-absence-of-the-governor~~. The director ~~of-the-commission~~ shall act as secretary of the commission. ~~It-shall-be-the-duty-of-each-commissioner-to~~ The commission shall advise and assist the ~~chairman~~ governor and the director in the performance of the functions, duties, and activities ~~in--relation~~ relative to ~~business-and-industrial~~ economic development as provided in this chapter.

SECTION 16. Section 54-34-05.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

54-34-05.1. APPOINTMENT OF SPECIAL COMMITTEES. The governor, in the governor's discretion, may appoint any temporary or special committees as may be desirable to provide assistance in carrying out the provisions of this chapter with regard to limited projects or

specialized fields of research and economic development. Members of these committees may at the discretion of the governor be compensated for their expenses and attendance at meetings or in carrying out their duties in the same manner as members of the commission.

SECTION 17. AMENDMENT. Section 54-34-06 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-06. DUTIES OF DIRECTOR OF ~~BUSINESS-AND-INDUSTRIAL~~ THE ECONOMIC DEVELOPMENT DEPARTMENT COMMISSION. The director, under the supervision of the governor and subject to legislative appropriation, shall ~~have-the-following-powers-and-duties~~:

1. ~~To--appoint~~ Appoint such personnel ~~to-assist-him~~ as may be deemed necessary to carry out the provisions of this chapter, and to fix their compensation.
2. ~~To--plan~~ Plan, execute, and direct a program of publicity, research, and agricultural and industrial development promotion which will:
 - a. ~~attract--entrepreneurs~~ Attract investors, investment capital, and new residents.
 - b. ~~further--the--development-and-use-of-all-the-resources-of-this-state--and~~
 - c. ~~assist~~ Foster and promote tourism and international trade.
 - c. Assist in improving the business and agricultural climate of North Dakota to encourage the growth and development of business and industry.
3. ~~To~~ Provide for and encourage through the universities and colleges of the state and other public and private institutions and agencies such projects of research as will promote the ~~business---and---industrial~~ economic development of the state.
4. ~~To--cooperate~~ Cooperate with departments and agencies of the federal government and of other states, and with departments, agencies, institutions, and political subdivisions of this state, and with associations, corporations, and individuals upon such terms as may be agreed upon in providing programs of advertising, promotion, or research which will advance the ~~business-and-industrial~~ economic development of the state.
5. ~~To--receive~~ Receive and accept from any source, ~~public-or-private~~ including agricultural and industrial development funds of cities and counties, money, property, services,

or other things of value, to be held, or used for the purpose tendered.

6. ~~Fe--encourage~~ Encourage the formation and coordination of the efforts of local development organizations throughout the state; make available to such local development organizations and to cities and the various political subdivisions of the state, such facts, data, and information as may be useful and desirable in their efforts to encourage the location of business and industry within the state, ~~and.~~
7. Coordinate the international marketing efforts of the various state agencies and institutions of the state of North Dakota.
8. Request all departments, agencies, institutions and political subdivisions of this state to give reasonable aid and assistance in carrying out the provisions of this chapter and to use portions of their funds for such purpose.
9. To do all things reasonably necessary and proper to realize the benefits and carry out the provisions of this chapter.

~~All--state--departments,--institutions,--and--officials--shall furnish--assistance--as--may--reasonably--be--requested--by--the--director--in carrying--out--the--provisions--of--this--chapter--and--may--use--portions--of their--funds--for--such--purpose.~~

~~The--director--shall--not--be--appointed--or--required--to--serve--on any--additional--boards,--committees,--or--commissions--of--state government,--His--sole--responsibility,--except--as--otherwise--provided by--the--legislative--assembly,--shall--be--to--encourage,--promote,--and advertise--in--the--interests--of--business--and--industrial--development--in the--state--of--North--Dakota--as--provided--in--this--chapter.~~

SECTION 18. AMENDMENT. Section 54-34-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-34-08. PATENTS AND PROFITS. Any and all patents for equipment, processes, methods, designs, or developments based upon research conducted under this chapter or by the department commission shall inure to and be taken out or assigned to the state of North Dakota.

SECTION 19. AMENDMENT. Section 54-36-01 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-36-01. COMMISSION - MEMBERS - OFFICERS - EXPENSES OF MEMBERS. The North Dakota Indian affairs commission shall consist of the governor; executive director of the social service board of

North Dakota; state health officer; director of ~~the job service~~ North Dakota ~~employment-security-bureau~~; the tribal chairmen of the Standing Rock, Fort Berthold, Fort Totten, and Turtle Mountain Indian Reservations or their designees; one other representative of each reservation appointed by the tribal council; a representative of the North Dakota county commissioners' association who lives on or adjacent to an Indian reservation; a representative of the league of North Dakota cities; three members at large who shall be at least one-fourth degree of Indian blood appointed by the governor; and a representative of each house of the legislative assembly who shall be chosen on a bipartisan basis by the presiding officer of each house. The commission may call upon the state director of the ~~business-and-industrial~~ economic development department commission for consultation upon business and industrial matters involved in the operation of the commission. The governor or his authorized representative shall act as chairman of the commission and the commission shall select one of its members as secretary. All members of the commission or their designees shall receive the mileage and expenses allowed state officers which shall be paid from the appropriation made to such commission except mileage and expenses of state officials shall be paid from the appropriation for the department they represent.

SECTION 20. AMENDMENT. Section 55-06-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

55-06-01. YELLOWSTONE-MISSOURI-FORT UNION COMMISSION. There shall be a Yellowstone-Missouri-Fort Union commission, hereinafter referred to as the "commission", declared to be a governmental agency with the authority to exercise the powers specified herein, or which may be reasonably implied, composed of the governor as chairman, the president of the senate, the speaker of the house, the superintendent of the state historical board, the director of the ~~business-and-industrial~~ economic development department commission, all ex officio, and five citizens of the state to be appointed by the governor who shall serve without compensation for the purpose of investigating, in cooperation with the state of Montana and the National Park Service, the historical importance and significance of the area and for formulating and executing plans for the preservation of the historic sites illustrative of the history of the United States.

SECTION 21. AMENDMENT. Section 55-08-02.1 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

55-08-02.1. OUTDOOR RECREATION INTERAGENCY COUNCIL - COMPOSITION - FUNCTIONS. A state outdoor recreation interagency council shall exist and shall be composed of the state engineer of the water conservation commission, commissioner of the state game and fish department, superintendent of the state historical board, commissioner of the state highway department, executive secretary of the North Dakota state soil conservation committee, state parks and recreation director, chairman of the state water conservation

commission, state health officer, director of the ~~North-Dakota business-and-industrial~~ economic development department ~~commission~~, state forester, director of the North Dakota travel division, and the commissioner of the state land department. The governor or his designee shall be council chairman.

The members of the council shall be vested with the power, authority, and duty to:

1. Deal with the distribution of state general fund appropriations which are to be matched with federal outdoor recreation grants-in-aid at the state level. Each member shall have one vote in such matters.
2. Meet periodically at the call of the chairman and shall keep minutes and other financial records dealing with such meetings.
3. Cooperate with the United States or any appropriate agency thereof, particularly in connection with the distribution and use of federal aid funds which the state may become eligible to receive.
4. Encourage cooperation among public, voluntary, and commercial agencies and organizations.
5. Subject to the approval of the governor, may adopt and promulgate and may amend, modify, or revise such rules and regulations for the conduct of its affairs as may be deemed necessary, including the time, place, and notice of regular meetings, call and notice of special meetings, and number of members required for a quorum to transact business.

SECTION 22. REPEAL. Section 54-34-10 of the 1979 Supplement to the North Dakota Century Code is hereby repealed.

SECTION 23. EMERGENCY. This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved March 26, 1981

CHAPTER 529

HOUSE BILL NO. 1075
(Legislative Council)
(Interim Legislative Procedure and Arrangements Committee)

LEGISLATIVE CHAMBER AND MEMORIAL HALLWAY AUTHORITY

AN ACT to create and enact a new subsection to section 54-35-02 of the North Dakota Century Code, relating to the powers and duties of the legislative council over the use of the legislative chambers and displays in memorial hallway; and to amend and reenact section 54-21-18 of the North Dakota Century Code, relating to the authority of the director of institutions over the capitol.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-21-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-21-18. CUSTODY OF OFFICE BUILDING - CONSIDERED PART OF CAPITOL BUILDING - DIRECTOR HAS CONTROL OF PUBLIC PROPERTY. The director of institutions shall control, manage, and maintain the state office building. The building shall be considered a part of the state capitol building within the meaning of statutes relating to the custody, maintenance, and control of the state capitol building and grounds, and within the meaning of statutes requiring state departments or agencies to maintain their offices in the state capitol building.

The Except as otherwise provided by law, the director shall have charge and control of the executive mansion, the capitol, and the park and public grounds connected therewith.

SECTION 2. A new subsection to section 54-35-02 of the 1979 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

To control the use of the legislative chambers and permanent displays in memorial hallway. Guidelines may be established pursuant to this subsection and the council, or its designee, shall administer any guidelines which are established.

Approved March 3, 1981

CHAPTER 530

HOUSE BILL NO. 1452
(Representatives Martinson, G. Larson, Gerl)
(Senator Cussons)

POWERS OF COMMITTEE ON PUBLIC EMPLOYEES RETIREMENT PROGRAMS

AN ACT to amend and reenact section 54-35-02.4 of the North Dakota Century Code, relating to the powers and duties of the committee on public employees retirement programs; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-35-02.4 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-35-02.4. COMMITTEE ON PUBLIC EMPLOYEES RETIREMENT PROGRAMS
- POWERS AND DUTIES.

1. The committee on public employees retirement programs shall consider and report on those legislative measures and proposals over which it takes jurisdiction and which affect, actuarially or otherwise, the retirement programs of state employees or employees of any political subdivision. The committee shall make a thorough review of any measure or proposal which it takes under its jurisdiction, including an actuarial review. The committee shall report its findings and recommendations, along with any necessary legislation, to the legislative council and to the legislative assembly.
2. To carry out its responsibilities, the committee, or its designee, is authorized to ~~enter:~~
 - a. Enter into contracts, including retainer agreements, with an actuary or actuarial firm for expert assistance and consultation. ~~The committee may also call~~
 - b. Call on personnel from state agencies or political subdivisions to furnish such information and render

such assistance as the committee may from time to time request.

- c. Establish rules for its operation, including the submission and review of proposals and the establishing of standards for actuarial review.
3. The committee shall may solicit draft measures and proposals from interested persons during the interim between legislative sessions, and may also study measures and proposals referred to it by the legislative assembly or the legislative council.
 4. A copy of the committee's report concerning any legislative measure shall, if that measure is introduced for consideration by a legislative assembly, be appended to the copy of that measure which is referred to a standing committee.
 5. A legislative measure affecting a public employees retirement program shall not be introduced in either house unless it is accompanied by a report from the committee. A majority of the members of the committee, acting through the chairman, shall have sole authority to determine whether any legislative measure affects a public employees retirement program.
 6. Any amendment made during a legislative session to a legislative measure affecting a public employees retirement program shall not be considered by a standing committee unless it is accompanied by a report from the committee on public employees retirement programs.
 7. Any legislation enacted in contravention of the provisions of this section shall be invalid and of no force and effect, and any benefits provided under such legislation shall be reduced to the level current prior to enactment.

SECTION 2. EMERGENCY. This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved March 3, 1981

CHAPTER 531

SENATE BILL NO. 2419
(Thane, Barth, Nething, Redlin)

GARRISON DIVERSION OVERVIEW COMMITTEE

AN ACT to create a new section to chapter 54-35 of the North Dakota Century Code, relating to a statutory Garrison diversion overview committee.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-35 of the North Dakota Century Code is hereby created and enacted to read as follows:

GARRISON DIVERSION OVERVIEW COMMITTEE - DUTIES. The legislative council shall create a legislative council committee entitled the Garrison diversion overview committee. The committee shall consist of the floor leaders and their assistants from the house and senate, the speaker of the house, the president pro tempore of the senate selected at the end of the immediately preceding legislative session, and the chairmen of the house and senate standing committees on natural resources. If a member of the committee named in this section is unable to serve on the committee, the chairman of the legislative council may appoint another member of the legislative assembly to fill the vacancy. The committee shall be responsible for legislative overview of the Garrison diversion project and related matters; and for any necessary discussions with adjacent states on water-related topics. Staff services for the committee shall be provided by the legislative council staff. The committee shall report to the legislative council in the same manner as do other interim legislative council committees.

Approved March 31, 1981

CHAPTER 532

HOUSE BILL NO. 1467
(Strinden)

LEGISLATIVE COUNCIL SCIENCE AND TECHNOLOGY PROGRAM

AN ACT to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to a legislative council science and technology program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-35 of the North Dakota Century Code is hereby created and enacted to read as follows:

SCIENCE AND TECHNOLOGY PROGRAM - STAFF - POWERS AND DUTIES.

1. The legislative council, or its designee, shall provide scientific and technological research and staff services to the legislative branch. The services shall be provided in accordance with the existing statutory authority of the legislative council and within the framework of its other staff services.
2. The legislative council staff office shall provide the scientific and technological services, and the council, or its designee, may hire such additional staff as are necessary, and set compensation for any additional staff within the limits of legislative appropriations.
3. The council, or its designee, shall structure the provision of scientific and technological services and assistance to the legislative assembly; and shall receive such cooperation and assistance from other state agencies as it may reasonably request.

Approved March 6, 1981

CHAPTER 533

HOUSE BILL NO. 1295
(Strinden, Kuchera, Swiontek)

CENTRAL HEATING SOURCE JOINT AGREEMENTS

AN ACT to authorize and encourage joint agreements to furnish or receive heat from a central heating source.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. JOINT AGREEMENTS FOR HEAT FROM A CENTRAL HEATING SOURCE. Any political subdivision, nonprofit hospital, or nursing home of this state, through its governing body, may enter into an agreement with any state agency or institution to furnish or receive heat from a central heating source. The director of institutions or the state health officer must be the contracting party in an agreement involving a state institution under the director's or health officer's control. Political subdivisions, nonprofit hospitals, nursing homes, and state agencies and institutions are encouraged to enter into agreements pursuant to this section.

Approved March 9, 1981

CHAPTER 534

SENATE BILL NO. 2356
(Committee on Appropriations)

OFFICE OF MANAGEMENT AND BUDGET

AN ACT to rename the department of accounts and purchases as the office of management and budget; to create and enact a new section to chapter 54-07 and a new section to chapter 54-44 of the North Dakota Century Code, relating to the designation of the office of management and budget as the agency to administer nonstatutorily assigned governmental functions; and to amend and reenact sections 54-27.1-01 and 54-44-01 and subsection 1 of section 54-44-11 of the North Dakota Century Code, relating to the federal aid coordinator office, the responsibilities of the office of management and budget, and the state purchasing operating fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. OFFICE OF MANAGEMENT AND BUDGET TO REPLACE DEPARTMENT OF ACCOUNTS AND PURCHASES. Wherever the terms "department of accounts and purchases", "director of the department of accounts and purchases", "director of the state department of accounts and purchases", "director of accounts and purchases", and "department" when referring to the department of accounts and purchases, appear in this code, the term "office of management and budget", "director of the office of management and budget", "director of the state office of management and budget", or "office", as the case may be, shall be substituted therefor. The director of the office of management and budget is to be substituted for, and take any action previously to be taken by, and shall perform any duties previously to be performed by the director of the department of accounts and purchases.

SECTION 2. A new section to chapter 54-07 of the North Dakota Century Code is hereby created and enacted to read as follows:

OFFICE OF MANAGEMENT AND BUDGET TO BE DESIGNATED OR APPOINTED AS ADMINISTERING STATE AGENCY. The governor may designate or appoint the office of management and budget as the state agency responsible for administering any statutory function where that function is not statutorily placed in a specific state entity. The

office of management and budget shall administer the statutory functions received pursuant to this section in accordance with applicable statutory provisions.

* SECTION 3. AMENDMENT. If Senate Bill No. 2074 is not approved by the Forty-seventh Legislative Assembly or does not otherwise take effect, then section 54-27.1-01 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-27.1-01. FEDERAL AID COORDINATOR OFFICE - APPOINTMENT--
~~LOCATION-OF-OFFICE~~ DIRECTOR. There is created in the office of the ~~lieutenant-governor~~ management and budget a federal aid coordinator office. ~~The lieutenant-governor shall be the coordinator. If the lieutenant-governor cannot serve as coordinator prior to June 30, 1981, the coordinator shall be appointed by and shall serve at the pleasure of the governor until June 30, 1981. The lieutenant governor, while serving as coordinator, shall receive the total salary and unvouchered expense allowance in the amount provided for the state tax commissioner during the period beginning July 1, 1979, and ending June 30, 1981. If the coordinator is appointed by the governor, the director of the office of management and budget may be~~ the coordinator or the director may appoint a coordinator who shall serve at the pleasure of the director. The salary of the an appointed coordinator shall be set by the governor director within the limits of legislative appropriation. The coordinator may employ such other persons as may be necessary and may fix their compensation within the appropriation made for that purpose. If possible, the entire federal aid coordinator office shall be housed at one location on the state capitol grounds, subject to sufficient space being made available by the director of institutions. If sufficient space is not available to house the entire office in one location on the state capitol grounds, the entire office may be housed at one location in the city of Bismarck.

SECTION 4. AMENDMENT. Section 54-27.1-01 of the 1979 Supplement to the North Dakota Century Code as amended and reenacted by section 1 of Senate Bill No. 2074, as approved by the Forty-seventh Legislative Assembly, is hereby amended and reenacted to read as follows:

54-27.1-01. FEDERAL AID COORDINATOR OFFICE - APPOINTMENT--
~~LOCATION-OF-OFFICE~~ DIRECTOR. There is created ~~within the executive branch in the office of~~ management and budget a federal aid coordinator office. ~~The coordinator shall be appointed by and shall serve at the pleasure of the governor~~ director of the office of management and budget may be the coordinator or the director may appoint a coordinator who shall serve at the pleasure of the director. The salary of the an appointed coordinator shall be set by the governor director within the limits of legislative appropriation. The coordinator may employ such other persons as may be necessary and may fix their compensation within the appropriation made for that purpose. If possible, the entire federal aid coordinator office shall be housed at one location on the state

* NOTE: Section 54-27.1-01 was also amended by section 1 of Senate Bill No. 2074, chapter 527.

capitol grounds, subject to sufficient space being made available by the director of institutions. If sufficient space is not available to house the entire office in one location on the state capitol grounds, the entire office may be housed at one location in the city of Bismarck.

SECTION 5. AMENDMENT. Section 54-44-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44-01. DECLARATION-OF-LEGISLATIVE-INTENT RESPONSIBILITY OF THE OFFICE OF MANAGEMENT AND BUDGET. It--is--the--intent--of--the legislative--assembly--to--establish--a--department--of--accounts--and purchases--which--together--with--the The office of the management and budget will is to be a central authority, vested with the control and supervision of the fiscal administration of the executive branch of the government, and which--will--be is directly responsible to the governor. It--is--further--the--intent--of--the--legislative--assembly--to endow--the The office of the state auditor with has the primary responsibility of conducting a true independent post audit of all the executive departments and agencies. In--addition--it--is--the intent--of--this--body--to--consolidate--and--vest--in--the--office--of--the state--tax--commissioner--the The responsibility of collecting additional taxes is consolidated and vested in the office of the state tax commissioner.

~~Therefore,--the--provisions--of--this~~ This chapter shall be liberally construed in a manner which will implement ~~the--intent--of the--legislative--assembly--herein--declared~~ this section.

SECTION 6. A new section to chapter 54-44 of the North Dakota Century Code is hereby created and enacted to read as follows:

RESPONSIBILITY TO ADMINISTER UNASSIGNED STATUTORY FUNCTIONS OF STATE GOVERNMENT. The office of management and budget shall administer all statutory functions assigned to the executive branch of state government but not statutorily placed with any specific state entity.

* SECTION 7. AMENDMENT. Subsection 1 of section 54-44-11 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. ~~The department--of--accounts--and--purchases~~ office of management and budget shall establish a state purchasing ~~department~~ operating fund to be used for the procurement and maintenance of an inventory of equipment and supplies for the state departments and agencies. Any surplus in this fund in excess of one hundred thousand dollars on June thirtieth of each year shall be transferred to the state general fund.

Approved March 31, 1981

* NOTE: Section 54-44-11 was also amended by section 1 of Senate Bill No. 2133, chapter 538.

CHAPTER 535

SENATE BILL NO. 2410
(Committee on Appropriations)

LINE ITEM SALARY REQUIREMENTS

AN ACT to amend and reenact section 6-01-11, subsection 1 of section 10-04-03, and sections 15-02-03, 15-41-03, 19-01-03, 20-1-02-03, 27-02-03, 27-03-03, 27-04-03, 34-05-04, 37-03-01, 39-02-02, 39-03-07, 54-12-07, 54-24-01, 54-44-03, 65-02-02, and 65-11-03 of the North Dakota Century Code, relating to the establishment of salaries of certain state officials and employees within amounts appropriated by the legislative assembly.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-01-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-01-11. SALARY OF ~~STATE-EXAMINER~~ COMMISSIONER. The salary of the ~~state-examiner~~ commissioner shall ~~be,--for--each--biennium,~~ within the amount appropriated ~~therefor~~ for salaries by the legislative assembly. ~~He~~ The commissioner shall be allowed, in addition ~~thereto~~ to his salary, his necessary and actual expenses incurred in the discharge of his official duties. ~~His~~ The commissioner's salary and expenses shall be audited and paid in the manner in which the salary and expenses of other state officers are paid.

SECTION 2. AMENDMENT. Subsection 1 of section 10-04-03 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. The state securities commissioner shall be appointed by the governor and confirmed by the senate, and shall hold his office for a term of four years and until his successor has been appointed, confirmed by the senate, and has qualified, unless he is removed sooner as herein provided. However, an interim appointment may be made by the governor if the senate is not in session and such interim appointee may hold office until the senate has had an opportunity to confirm or reject such appointment, and

his term of office shall commence on the first day of July in each year next following a national presidential election. The state securities commissioner shall be skilled in securities, and shall not be an incumbent of any other public office in the state, or in any county, municipality, or public institution thereof, and shall not own, hold, or control any stocks, capital, bonds, or securities, and shall not hold the office of trustee, assignee, officer, agent, or employee of any financial institution under his jurisdiction or of any corporation engaged in the business of guaranteeing or ensuring the fidelity or faithful performance of the duties or the solvency of public officers or of public depositories. The governor may remove from office any state securities commissioner who violates or fails to discharge faithfully the duties of his office or who becomes disqualified under the provisions of this section.

It shall be the prime duty of such commissioner to administer the provisions of this chapter. The commissioner shall receive a salary ~~of such~~ within the amount ~~as shall be~~ appropriated for salaries by the legislative assembly. The commissioner shall use a seal with the words "securities commissioner, North Dakota" and such design as the commissioner may prescribe engraved thereon by which seal the commissioner shall authenticate proceedings and documents used by him in the administration of this chapter. The commissioner shall employ from time to time such clerks and employees as are necessary for the administration of this chapter, and they shall perform ~~such~~ the duties as assigned by the commissioner ~~shall assign~~. In the absence or disability of the commissioner, his chief deputy shall administer the provisions of this chapter, as acting commissioner.

SECTION 3. AMENDMENT. Section 15-02-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-02-03. COMMISSIONER - SALARY. The salary of the commissioner of university and school lands shall be ~~established by act of appropriation~~ within the amount appropriated for salaries by the legislative assembly.

SECTION 4. AMENDMENT. Section 15-41-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-41-03. DIRECTOR OF SECONDARY EDUCATION - APPOINTMENT - QUALIFICATIONS - TERMS - COMPENSATION. The superintendent of public instruction, with the approval of the state board of higher education, shall appoint a director of secondary education. Such director shall be a graduate of a college or university of recognized standards and shall have had at least five years of successful experience either as principal of a high school or superintendent of city schools in this state. His term of office

shall be for two years commencing on July first of each odd-numbered year. His salary shall be within the amount appropriated ~~therefor from time to time~~ for salaries by the legislative assembly, and he shall receive his actual and necessary expenses incurred in the discharge of his official duties.

SECTION 5. AMENDMENT. Section 19-01-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

19-01-03. DIRECTOR OF DEPARTMENT - APPOINTMENT, BOND, OATH, SALARY. The commission shall appoint a director of the department who shall serve at the will of the commission. He shall act as secretary of the commission and shall keep such minutes and books as the commission shall determine. Subject to the supervision of the commission, he shall have general charge of the department. Before assuming the duties of his office, he shall furnish a bond in the sum of twenty-five thousand dollars for the faithful performance of his duties and the proper accounting for all moneys collected in his office. The premium for such bond shall be paid as an expense of the department. The director shall take the oath of office and file the same in the manner required of other state officers. He shall receive ~~an annual~~ a salary ~~of such~~ within the amount as appropriated ~~therefor~~ for salaries by the legislative assembly.

SECTION 6. AMENDMENT. Section 20.1-02-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

20.1-02-03. COMPENSATION AND EXPENSES OF COMMISSIONER - AUDIT AND PAYMENT. The ~~biennial~~ salary of the commissioner shall be within the amount appropriated ~~therefor~~ for salaries by the legislative assembly ~~together with the actual and~~. The commissioner shall be reimbursed for the necessary expenses incurred by him in the performance of his duties. ~~His~~ The commissioner's salary and expenses shall be paid out of the game and fish fund and shall be audited and paid in the same manner as the salary and expenses of other state officers.

SECTION 7. AMENDMENT. Section 27-02-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

27-02-03. STENOGRAPHERS FOR SUPREME COURT. The supreme court may employ such stenographic assistance as may be necessary, but the salaries and expenses therefor shall not exceed the sum amount appropriated for ~~such purpose~~ salaries and expenses by the legislative assembly.

SECTION 8. AMENDMENT. Section 27-03-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

27-03-03. SALARY OF CLERK OF SUPREME COURT. The salary of the clerk of the supreme court, ~~for each biennium~~, shall be within the amount appropriated ~~therefor~~ for salaries by the legislative assembly.

SECTION 9. AMENDMENT. Section 27-04-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

27-04-03. SALARY OF SUPREME COURT REPORTER. The salary of the supreme court reporter, ~~for each biennium,~~ shall be within the amount appropriated ~~therefor~~ for salaries by the legislative assembly.

SECTION 10. AMENDMENT. Section 34-05-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

34-05-04. EMPLOYMENT OF ASSISTANTS. The commissioner of labor may employ necessary help and assistants for the purpose of administering and enforcing labor laws, rules, and regulations, and may fix their compensation and bonds. The total amount of compensation paid for such purposes, however, shall not exceed the amount appropriated ~~therefor~~ for compensation by the legislative assembly.

SECTION 11. AMENDMENT. Section 37-03-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

37-03-01. ADJUTANT GENERAL - APPOINTMENT - QUALIFICATIONS - TERM - SALARY - OFFICE AT CAPITAL - REMOVAL. The adjutant general shall be appointed by the governor, and shall have been a federally recognized commissioned officer of the national guard for a period of at least three years immediately preceding his appointment. His term of office shall be for six years and shall commence on July 1, 1941, and on every sixth anniversary thereof. Any vacancy in such office may be filled by the governor, but an appointment to fill a vacancy shall be made only for the unexpired term. The salary of the adjutant general shall be within the biennial appropriation made ~~for this purpose~~ for salaries by the legislative assembly. He shall have his office at the state capital. The provisions of chapter 37-04 relating to the vacation of commissions, retirement, and discharge shall apply to the adjutant general.

SECTION 12. AMENDMENT. Section 39-02-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

39-02-02. SALARY AND EXPENSES OF REGISTRAR. The salary of the registrar for all services rendered in any capacity whatever shall be ~~for each biennium,~~ within the amount appropriated ~~therefor~~ for salaries by the legislative assembly. He shall be allowed in addition thereto his necessary and actual expenses incurred in the discharge of his official duties.

SECTION 13. AMENDMENT. Section 39-03-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

39-03-07. SALARY OF SUPERINTENDENT - LIMITATIONS. The salary of the superintendent shall be ~~in such sum as shall be~~ within the amount appropriated, ~~from time to time,~~ for salaries by the legislative assembly. The salary of the assistant superintendent

and each patrolman shall be fixed by the superintendent, and ~~all salaries shall be paid monthly in the same manner as other state employees are paid.~~

SECTION 14. AMENDMENT. Section 54-12-07 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-12-07. SALARY OF ASSISTANT ATTORNEYS GENERAL. The ~~annual~~ salary of the assistant attorneys general shall be ~~as--provided within the amount appropriated for salaries by the legislative assembly from time-to-time~~ and shall be payable in the same manner as other departmental payrolls.

SECTION 15. AMENDMENT. Section 54-24-01 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-24-01. STATE LIBRARY - STATE LIBRARIAN APPOINTED BY DIRECTOR OF INSTITUTIONS. The director of institutions shall appoint an executive officer to be known as the state librarian, who shall receive ~~such-annual~~ a salary ~~as-shall-be-provided~~ within the amount appropriated for salaries by the legislative assembly. The state librarian shall have control of the work and shall be director of the state library.

SECTION 16. AMENDMENT. Section 54-44-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44-03. DIRECTOR OF DEPARTMENT OF ACCOUNTS AND PURCHASES. There shall be a director of the department of accounts and purchases who shall be appointed by and serve at the will of the governor. The salary of the director shall be set by the governor within the limits of the ~~appropriation--made--therefor~~ amount appropriated for salaries by the legislative assembly, and the director and other employees of the department shall be reimbursed for expenses incurred in carrying out the duties of their office at the same rate and in the same manner as other state officials. The director shall be empowered to ~~prescribe--regulations~~ adopt rules, not inconsistent with law or rules established by the governor, for the administration of the department of accounts and purchases, the conduct of its employees, the distribution and performance of its business, and the custody, use, and preservation of the records, documents, and property pertaining thereto. He shall be empowered to set up such divisions or other internal organization within the department that he shall deem necessary in order to efficiently carry out the duties, powers, and responsibilities of the department.

The director of the department of accounts and purchases shall execute an official bond in the sum of one hundred thousand dollars.

SECTION 17. AMENDMENT. Section 65-02-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

65-02-02. OATH OF OFFICE - SALARY. Before commencing to perform his duties, each commissioner shall file an oath of office in the usual form and shall be bonded by the state bonding department in the sum of five thousand dollars for the faithful discharge of his duties as such commissioner and the proper accounting for all moneys received by him as such officer. Each commissioner shall receive ~~such a salary as-~~ within the amount appropriated for salaries by the legislative assembly.

SECTION 18. AMENDMENT. Section 65-11-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

65-11-03. SALARY OF SAFETY ENGINEER. The salary of the safety engineer shall be within the sum amount appropriated for ~~that purpose~~ salaries by the legislative assembly, plus necessary travel expenses.

Approved March 11, 1981

CHAPTER 536

HOUSE BILL NO. 1557
(Committee on Appropriations)

UNEMPLOYMENT COMPENSATION ASSESSMENTS

AN ACT to amend and reenact section 54-44-04.3 of the North Dakota Century Code, relating to reduction or suspension of unemployment compensation assessments to state departments and institutions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 54-44-04.3 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44-04.3. UNEMPLOYMENT COMPENSATION ASSESSMENTS TO DEPARTMENTS AND INSTITUTIONS. Beginning July 1, 1979, all departments and institutions of the state of North Dakota shall pay to the department of accounts and purchases one percent of the first six thousand dollars of each employee's earnings. Such assessments shall be paid to the department of accounts and purchases in accordance with guidelines established by the office of the budget, from the general fund and special funds appropriated for salaries and wages to the individual departments and institutions. The moneys received from such assessments shall be deposited by the department of accounts and purchases into a fund for the purpose of paying unemployment compensation claims. The director of accounts and purchases may decrease or suspend the assessments provided for in this section upon determination that the funds deposited pursuant to this section are sufficient to offset anticipated obligations.

Approved March 3, 1981

* NOTE: This section has been redesignated as section 54-44-04.2.

CHAPTER 537

HOUSE BILL NO. 1618
(Lipsiea)

SURPLUS PROPERTY DISTRIBUTION

AN ACT to create and enact a new subsection to section 54-44-04 and two new sections to chapter 54-44 of the North Dakota Century Code, relating to placing responsibility for distribution of federal and state surplus property in the department of accounts and purchases; and to repeal chapter 15-61 of the North Dakota Century Code, relating to the personnel, powers, and duties of the division of surplus property of the department of public instruction.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. A new subsection to section 54-44-04 of the 1979 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

Shall distribute federal and state surplus property pursuant to sections 2 and 3 of this Act.

SECTION 2. A new section to chapter 54-44 of the North Dakota Century Code is hereby created and enacted to read as follows:

FEDERAL SURPLUS PROPERTY - DEPARTMENT OF ACCOUNTS AND PURCHASES RESPONSIBLE FOR DISTRIBUTION - POWERS AND DUTIES OF DIRECTOR.

1. The department of accounts and purchases is responsible for the fair and equitable distribution, through donation, of all federal surplus property transferred to the state in accordance with the Federal Property and Administrative Services Act of 1949, as amended [63 Stat. 378; 40 U.S.C. 484 (j)], hereinafter referred to as the "federal Act".
2. The director of the department of accounts and purchases, or such subordinate officer as the director shall designate:

- a. May receive, investigate, and make recommendations on applications for federal surplus property available under the federal Act.
- b. May acquire any federal surplus property transferred to the state under the federal Act.
- c. May distribute any federal surplus property pursuant to the federal Act to:
 - (1) Any public agency for use in carrying out or promoting for the residents of a given political subdivision one or more public purposes; or
 - (2) Nonprofit educational institutions, public health institutions, or organizations which are exempt from taxation under section 501 of the Federal Internal Revenue Code, for purposes of education or public health or research for those purposes.
- d. May store the federal surplus property.
- e. Shall develop, submit, and implement a state plan of operation for distribution of federal surplus property and comply with the federal Act and rules and regulations adopted thereunder. Provided, the director may continue the state plan of operation developed by the department of public instruction.
- f. May cooperate and enter into agreements with other surplus property agencies and federal agencies to screen and acquire surplus property and exchange property, facilities, personnel, and services.
- g. May provide information and assistance for acquiring federal surplus property to entities listed in subdivision c.
- h. May assess and collect service charges from participating recipients to cover direct and reasonable cost of services under this section. The service charges shall be deposited with the state treasurer in a surplus property special fund and used pursuant to the federal Act. The state treasurer shall credit all interest earned to the fund if the director requests the state treasurer to invest portions of the fund.
- i. Adopt rules and take other action necessary to distribute federal surplus property pursuant to the federal Act.

SECTION 3. A new section to chapter 55-44 of the 1979 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

STATE SURPLUS PROPERTY - DEPARTMENT HEADS TO INFORM DIRECTOR - DISPOSITION OF PROPERTY - PROCEEDS - EXCHANGE OF PROPERTY.

1. The person in charge of any department, agency, or institution of the state shall inform the director of accounts and purchases whenever that department, agency, or institution possesses surplus property, whether originally obtained with state or federal funds, and the person in charge believes that the state surplus property may be used by any other department, agency, institution, or political subdivision of the state.
2. The director of accounts and purchases shall dispose of the state surplus property in the following manner:
 - a. By transferring it to other state departments, institutions, or agencies without cost other than transportation expenses which shall be paid by the receiving agency. Provided, when the state surplus property was originally purchased pursuant to an appropriation other than from the general fund of the state, the agency receiving that state surplus property shall pay an amount equal to the fair market value of the property. Moneys received pursuant to this subdivision shall be deposited in the fund from which the original purchases were made.
 - b. If not disposed of under subdivision a, then by sale on sealed bids or at public auction to the highest and best bid for property valued at more than three thousand dollars, with no money deposit required prior to sale, or by sealed bids, public auction, or negotiation at fair value for property valued at less than three thousand dollars.
 - c. If not disposed of under subdivisions a or b, title to the property shall be transferred to political subdivisions without cost, except transportation expenses.
3. All proceeds of property sold under this section, less sales costs, shall be deposited in the general fund except as provided in subdivision a of subsection 1.
4. No department, agency, or institution may exchange items as part of a purchase price of new items until a detailed statement of the value of the items to be exchanged and request for approval have been submitted to the director of accounts and purchases. The director shall approve the exchange only if the director has determined that the item has been valued at fair value.

SECTION 4. REPEAL. Chapter 15-61 of the North Dakota Century Code is hereby repealed.

Approved March 5, 1981

CHAPTER 538

SENATE BILL NO. 2133

(Committee on Appropriations)

(At the request of the Department of Accounts and Purchases)

ACCOUNTS AND PURCHASES OPERATING FUNDS

AN ACT to amend and reenact section 54-44-11 of the North Dakota Century Code, relating to operating funds in the department of accounts and purchases.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 54-44-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44-11. DEPARTMENT'S OPERATING FUNDS CREATION.

1. The department of accounts and purchases shall establish a state purchasing department operating fund to be used for the procurement and maintenance of an inventory of equipment and supplies for the state departments and agencies. Any surplus in this fund in excess of one hundred thousand dollars on June thirtieth of each year shall be transferred to the state general fund.
2. The department of accounts and purchases shall establish a state printing operating fund to be used for the procurement and maintenance of an inventory of printing equipment and supplies for the state departments and agencies. ~~Any surplus in this fund in excess of fifty thousand dollars on June thirtieth of each year shall be transferred to the state general fund.~~
3. The department of accounts and purchases shall establish a state central data processing operating fund to be used for the procurement and maintenance of data processing equipment and supplies and for providing data processing services to state departments and agencies. ~~Any surplus in this fund in excess of two hundred twenty-five thousand dollars on June thirtieth of each year shall be transferred to the state general fund.~~

* NOTE: Subsection 1 of section 54-44-11 was also amended by section 7 of Senate Bill No. 2356, chapter 534.

4. Each office, agency, or institution provided with purchasing, printing, or data processing services, unless exempted by law, shall pay to the department of accounts and purchases a proportionate share of the cost of such service as determined by the director of the department of accounts and purchases, based on actual costs and actual usage. The amounts paid to the department of accounts and purchases by the various offices, agencies, and institutions shall be deposited in the appropriate operating fund and shall be expended in accordance with legislative appropriations.

Approved March 6, 1981

CHAPTER 539

SENATE BILL NO. 2049
(Legislative Council)
(Interim Data Processing Committee)

BUDGET FILING AND DATA PROCESSING AUTHORITY

AN ACT to create and enact a new section to chapter 54-44.2 and one new subsection to section 54-44.2-02 of the North Dakota Century Code, defining data processing terms, and establishing procedures for data processing resource planning; and to amend and reenact sections 54-44.1-04 and 54-44.2-01 and subsection 3 of section 54-44.2-02 of the North Dakota Century Code, relating to the filing of budgets with the executive budget office, the appointment of the central data processing director, and the powers and duties of the office of central data processing.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.1-04. BUDGET ESTIMATES OF BUDGET UNITS FILED WITH THE OFFICE OF THE BUDGET - DEADLINE. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial requirements of his budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted shall bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget in his discretion may extend the filing date for any budget unit ~~for--not--more--than--forty--five--days~~ if he finds there is some ~~unusual~~ circumstance which makes it ~~absolutely-impossible-to-file-an-estimate-of-financial-requirements-for-such-budget-unit~~ advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare such budget unit's estimate of financial requirements except such estimate shall not exceed ninety percent of such budget unit's previous biennial appropriation. The director of

the budget or such subordinate officer as he shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which shall be open to the public.

SECTION 2. A new section to chapter 54-44.2 of the North Dakota Century Code is hereby created and enacted to read as follows:

DEFINITIONS. As used in this chapter:

1. "Data processing" or "electronic data processing" means the systematic sequencing of operations performed by data processing equipment and/or programs upon data stored or entered in alphabetic, numeric, or alphanumeric format.
2. "Data processing equipment" means an electronic device or associated devices, except calculators and stand-alone noncommunicating word processors, which perform logical, arithmetic, and memory functions by the manipulation of electronic or magnetic impulses and includes all compiling and related input, output, and storage, equipment, programs and procedures, and data processing communications facilities.
3. "Word processing" means the textual formatting, correcting, editing, and rearranging of language elements, designed to convey full messages in English syntax, through manipulation of electronic or magnetic impulses. "Word processors" are devices on which word processing can be carried out.

SECTION 3. AMENDMENT. Section 54-44.2-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.2-01. OFFICE OF CENTRAL DATA PROCESSING - CREATION. The office of central data processing is hereby established in the department of accounts and purchases. The director of the department of accounts and purchases shall ~~be--its--ex--office~~ ~~director~~ appoint a director of central data processing. ~~Such~~ The director of the central data processing ~~office~~ shall supervise and regulate electronic data processing activities of all of the executive branch state agencies, institutions, departments, and boards, except the job service North Dakota ~~employment-security bureau~~ and the office of the adjutant general. The office of central data processing shall establish an electronic data processing center which shall, unless excepted by the director, be used by all executive branch state agencies, departments, and institutions except the institutions under the control of the board of higher education, the ~~state-employment-bureau~~ job service North Dakota, and the office of the adjutant general. The office of central data processing shall provide data processing services to the legislative and judicial branches of government. If the office

of central data processing is unable to fulfill a request for service from the legislative or judicial branch of government, the service may be procured by the legislative or judicial branch within the limits of legislative appropriations.

The director of central data processing shall ~~appoint a central data processing supervisor who shall~~ be appointed upon the basis of education, experience, and other qualifications in data processing and administration, without reference to partisan politics, and ~~who shall serve at the pleasure of the director of central data processing the department of accounts and purchases.~~ The director of central data processing shall employ such other professional, technical, and clerical personnel as he may deem necessary to carry out the duties prescribed in this chapter and shall, within the limits of the legislative appropriation, fix the salaries of all employees within the office of central data processing. All personnel within the office of central data processing shall be allowed their actual and necessary travel expenses at the same rate as for other employees of the state.

SECTION 4. AMENDMENT. Subsection 3 of section 54-44.2-02 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Have the authority to purchase or lease such additional equipment or replace, including by trade or resale, present equipment as may be necessary to carry out the provisions of this chapter. ~~The director of the office of central data processing shall require each department, agency, or institution, except the job service North Dakota and the office of adjutant general which may desire to maintain or procure data processing services or equipment not available from the office of central data processing, to submit a written request for these services or equipment, accompanied by full justification for their need, to the director of the office of central data processing, who must approve such request in writing before such department, institution, or agency shall be authorized to procure, maintain, or contract for these services or equipment from sources other than the office of central data processing. The director of the office of central data processing shall not approve any such requests for authority to rent, purchase, or to otherwise acquire or contract for additional or new data processing services or equipment unless, after full study of the justification submitted and such further study or independent evaluation and testing as he shall deem necessary, he shall find that such services cannot be reasonably provided by the office of central data processing and that such equipment would be fully and economically usable and compatible with the central data processing system.~~ Each executive branch department, agency, or institution, except the institutions under the control of the board of higher education, the job service

North Dakota, and the office of adjutant general, shall submit to the director of central data processing for his approval or disapproval a written request for data processing services which require new data processing applications. A request shall also be submitted for modifications to existing data processing applications which are expected to increase the cost of operating such data processing applications by more than fifteen percent. The director of central data processing shall have authority to approve or disapprove the lease, purchase, or other contractual acquisition of additional or new electronic data processing services or equipment by executive branch agencies, except the institutions under the control of the board of higher education, the job service North Dakota, and the office of adjutant general. If an equipment purchase or rental is authorized, the equipment,---except---that---which---may---be---purchased---for institutions under the control---of---the---board---of---higher education, shall become the property of the office of central data processing and shall---be---delivered---to---such office---by---the---vender---of---such---equipment---and---shall---be operated---by---personnel---of---the---office---of---central---data processing. The director of central data processing may authorize a user agency to house and operate electronic data processing equipment.

SECTION 5. A new subsection to section 54-44.2-02 of the 1979 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

Analyze proposals for executive branch agency word processing equipment and facility acquisitions and make such comments and recommendations as it may believe necessary so that such equipment and facilities will be compatible with electronic data processing equipment and programs under the supervision of central data processing. The department of accounts and purchases shall not approve vouchers for acquisition of word processing equipment and facilities by executive branch agencies unless such vouchers have attached to them the central data processing office's comments and recommendations.

Approved April 1, 1981

CHAPTER 540

SENATE BILL NO. 2261
(Melland)

BUDGET DATA INFORMATION PRESENTATION

AN ACT to amend and reenact section 54-44.1-07 of the North Dakota Century Code, relating to the presentation of budget data information by the director of the budget to the legislative council.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.1-07. PRESENTATION OF BUDGET DATA - HOW PRESENTED TO THE LEGISLATURE LEGISLATIVE ASSEMBLY. The director of the budget or his designated subordinate shall present the budget data information in section 54-44.1-06, including the budget and revenue proposals recommended by the governor, and make available sufficient copies thereof to ~~a special committee~~ the budget section of the legislative council ~~on budget review~~. The budget data shall be completed and made available to the budget section of the legislative council, or its designee, in such form as may be acceptable to it by December first of each year next preceding the session of the ~~legislature legislative assembly, or at such later date as may be set by the budget section chairman~~. The chairman of the ~~legislative council or its committee on budget review~~ budget section shall set the time and place at which such budget data is to be presented.

Approved March 19, 1981

CHAPTER 541

HOUSE BILL NO. 1316
(A. Olson)

STATE PERSONNEL BOARD MEMBERSHIP

AN ACT to amend and reenact section 54-44.3-03 and 54-44.3-05 of the North Dakota Century Code, relating to employees who are eligible to vote for members of the state personnel board.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-44.3-03 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.3-03. STATE PERSONNEL BOARD - COMPOSITION - TERMS - VACANCIES - QUALIFICATIONS OF MEMBERS.

1. Effective July 1, 1975, there is hereby created a five-member state personnel board. The board shall be composed of a constitutionally elected official, who shall be the chairman of the board; a member appointed by the board of higher education; one member appointed by the governor; and two members elected by the state employees classified under sections 54-44.3-19 and 54-44.3-20. The constitutionally elected officials shall meet at the call of the governor within ten days after the effective date of this chapter and thereafter at the expiration of the term of the constitutionally elected member and select by a majority vote the constitutionally elected official who shall serve on the board.
2. The term of the member of the board appointed by the governor and the respective terms of the members of the board elected by ~~the state~~ classified employees shall be for six years. The constitutionally elected official's term of office shall be for four years or the remainder of ~~his~~ the official's term of office, whichever is shorter. However, for the initial composition of the board, the following procedures shall apply:

- 1- a. The member of the board first appointed by the governor shall serve for a period of two years.
- 2- b. One of the two members of the board elected by ~~the~~ state classified employees shall first serve a term of two years.
- 3- c. One of the two members of the board elected by ~~the~~ state classified employees shall first serve a term of five years.

Thereafter, all appointments and elections to the personnel board will be for six years' duration.

3. Any vacancy in office shall be filled for the unexpired term in the same manner as the selection of the person vacating the office.
4. The member of the board appointed by the governor shall be a resident of the state for at least sixty days, and shall be known to be in sympathy with the application of merit principles to public employment. Each member of the board elected by ~~the-state~~ classified employees shall be a resident of the state for at least sixty days, and shall be known to be in sympathy with the application of merit principles to public employment. No member of the board appointed by the governor or elected by ~~the-state~~ classified employees ~~shall~~ may have held a position in a political party within four years immediately preceding ~~his~~ the member's appointment or election to the board, and those members of the board elected by ~~the-state~~ classified employees shall be full-time employees in good standing of the classified service.

SECTION 2. AMENDMENT. Section 54-44.3-05 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.3-05. ELECTION COMMITTEE. The governor, the secretary of state, and the attorney general shall constitute a three-member committee to develop rules and regulations for a secret ballot election among all ~~eligible-state~~ eligible under sections 54-44.3-19 and 54-44.3-20 to carry out the election of the two members of the board elected by ~~the-state~~ classified employees. All elections of members of the board shall be the responsibility of the director who will ensure that proper and due notification is given to all employees in sufficient time to enable potential candidates to initiate necessary petitions and conduct campaigns. Nominees for candidacy shall be required to submit petitions containing no less than two hundred names of employees in good standing ~~in-the~~ classified service under sections 54-44.3-19 and 54-44.3-20. All elections will be conducted through a secret ballot process.

Approved March 2, 1981

CHAPTER 542

SENATE BILL NO. 2047
(Legislative Council)
(Interim Budget "B" Committee)

CENTRAL PERSONNEL COMPENSATION PLAN CHANGES

AN ACT to amend and reenact section 54-44.3-12.1 of the North Dakota Century Code to allow changes to the central personnel compensation plan during a biennium.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-44.3-12.1 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.3-12.1. REVISIONS TO ~~CLASSIFICATION-AND~~ COMPENSATION ~~PLANS~~ PLAN. Revisions to ~~classification-and~~ the compensation plans plan shall only be made on July first, following the close of a regular legislative session. ~~Such--revisions, except that new~~ classifications may be added to the compensation plan during a biennium when deemed necessary by the director. Revisions to the compensation plan shall only be made to the extent the legislative assembly appropriates funds to implement such plans.

Approved March 11, 1981

CHAPTER 543

HOUSE BILL NO. 1046
(Legislative Council)
(Interim Budget "B" Committee)

MENTAL HEALTH AND HUMAN SERVICE CENTER CENTRAL PERSONNEL COVERAGE

AN ACT to amend and reenact section 54-44.3-19 of the North Dakota Century Code, relating to the status of mental health and retardation service units and human service centers under the central personnel division classification and pay plan.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 54-44.3-19 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-44.3-19. BOARD AUTHORITY TO PROVIDE SERVICE TO CITIES AND POLITICAL SUBDIVISIONS, AND OTHER ENTITIES. The board may enter into agreement with any city or political subdivision of this state to furnish any of its services and facilities, other than factfinding or conciliation services, and such the agreement shall provide for reimbursement to the state of the cost of the services and facilities furnished. All cities and political subdivisions of this state may enter into such the agreements. The board and division shall provide coverage to other agencies or political subdivisions as may by federal laws or regulations be required to be subject to a personnel system in order to obtain federal grants-in-aid. The board and division shall provide coverage to ~~mental health and retardation service units, human service centers, and other units resulting from combinations of mental health and retardation service units, area social service centers, and other functions or services of state agencies or~~ political subdivisions upon the request of ~~such centers or units.~~ Such other the subdivisions. Other agencies, departments, or divisions, or positions, ~~shall may~~ be placed under the complete or limited board and division personnel plan in the manner and to the extent the legislative assembly shall by law direct.

Approved February 18, 1981

* NOTE: Section 54-44.3-19 was also amended by section 35 of House Bill No. 1418, chapter 486.

CHAPTER 544

HOUSE BILL NO. 1072
(Legislative Council)
(Legislative Audit and Fiscal Review Committee)

CENTRAL MICROFILM UNIT REVENUE DEPOSIT

AN ACT to amend and reenact section 54-46.1-01 of the North Dakota Century Code, relating to the central microfilm unit.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-46.1-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-46.1-01. CENTRAL MICROFILM UNIT. The secretary of state, in his capacity as state records administrator, shall establish and maintain a central microfilm unit and microfilm any record of any state office, agency, or department in either the executive, legislative, or judicial branch of state government, if he shall determine the cost of such microfilming is reasonable in relation to ~~such~~ the record's historical significance or the frequency and type of use of ~~such~~ the record. Each office, agency, and department shall reimburse the central microfilm unit for the actual costs incurred in microfilming its records, which collections shall be deposited in ~~a special~~ the general fund in the state treasury. Expenditures required for the operation of the central microfilm unit shall be made from ~~such~~ the general fund and shall be limited to ~~such~~ the amounts as appropriated by the legislative assembly. The secretary of state shall employ ~~such~~ ~~either~~ professional, technical, and clerical personnel as he ~~may deem~~ deems necessary to carry out the duties prescribed in this chapter and shall, within the limits of the legislative appropriation, fix the salaries of all employees within the central microfilm unit. All personnel within the central microfilm unit shall be allowed their actual and necessary travel expenses at the same rate as for other employees of the state. The central microfilm unit shall be located in the state capitol building. The secretary of state is further authorized to perform microfilm services for the state institutions and for any county, when they request such services, and the secretary of state agrees that the request is consistent with good records management practices.

Approved April 1, 1981

CHAPTER 545

SENATE BILL NO. 2107
(Committee on State and Federal Government)
(At the request of the Public Employees Retirement System)

POLITICAL SUBDIVISION COMBINATION FOR P.E.R.S.

AN ACT to amend and reenact subsections 5 and 6 of section 54-52-01 and section 54-52-02.1 of the North Dakota Century Code, relating to the definition of "funding agent" and "governmental unit", and authorizing other political subdivisions to join the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsections 5 and 6 of section 54-52-01 of the 1979 Supplement to the North Dakota Century Code are hereby amended and reenacted to read as follows:

5. "Funding agent" or "agents" means ~~the insurance company an~~ investment firm, trust bank, or other financial institution ~~whom~~ which the retirement board ~~selects~~ may select to hold and invest the employers' and members' contributions ~~and pay certain benefits~~.
6. "Governmental unit" means the state of North Dakota or a county or city thereof, a school district, including the Fargo school district, or any combination thereof, a district health unit, and the Garrison Conservancy District.

SECTION 2. AMENDMENT. Section 54-52-02.1 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-52-02.1. COUNTY, CITY, AND NONCERTIFIED SCHOOL DISTRICT EMPLOYEES AUTHORIZED TO JOIN PUBLIC EMPLOYEES RETIREMENT SYSTEM. The boards of county commissioners of the several counties ~~and~~ the governing ~~bodies~~ body of any city ~~or~~ school district ~~are~~, or any combination thereof is hereby authorized on behalf of ~~their~~ its permanent employees, and permanent noncertified employees only in the case of school districts, to enter into agreements with the state retirement board for the purpose of extending the benefits of the public employees retirement system, as provided in this chapter,

to such employees. Such an agreement may, in accordance with this chapter, contain provisions relating to benefits, contributions, effective date, modification, administration, and other appropriate provisions as the state retirement board and the board of county commissioners ~~or~~, the governing body of a city or, a school district, or any combination thereof shall agree upon, but such agreement shall provide that:

1. The county, city, or school district, or any combination thereof will contribute on behalf of each eligible employee an amount equal to that provided in section 54-52-06.
2. A portion of the moneys, paid by the counties, cities, or school districts, or any combination thereof may be used to pay administrative expenses of the retirement board.

Notwithstanding any other provision of this chapter, no political subdivision of this state not participating in the retirement system on June 30, 1977, shall thereafter become a participant in the system until an actuarial study is performed under the direction of the board to calculate the cost of that portion of benefits to be paid by the retirement system to the employees of such political subdivision based on any prior service or on any service after June 30, 1977, and before the date of initial participation in the retirement system, or both; and the political subdivision has adopted a method, approved by the board, to pay the costs determined in this subsection over a period not to exceed twenty-five years from June 30, 1977. No political subdivision may discontinue participation in the fund without first making such payment to the fund as may be necessary for the fund to pay the future benefits of the eligible employees of such political subdivision as determined on the basis of rules and regulations promulgated by the board.

Approved March 18, 1981

CHAPTER 546

HOUSE BILL NO. 1111
(Committee on State and Federal Government)
(At the request of the Public Employees Retirement System)

**PUBLIC EMPLOYEE RETIREMENT SERVICE
REPURCHASE**

AN ACT to create and enact a new section to chapter 54-52 of the North Dakota Century Code, relating to the repurchase of past service by former members of the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-52 of the North Dakota Century Code is hereby created and enacted to read as follows:

REPURCHASE OF PAST SERVICE UPON REEMPLOYMENT. An individual with ten or more years of service who terminates participation in the plan after June 30, 1977, may, at his or her sole discretion, elect to receive a refund of contributions and thus forfeit all rights to plan benefits and all rights to repurchase, for retirement purposes, such service. An individual who terminates with less than ten years of service, may, upon reemployment, repurchase past service in accordance with the rules and regulations established by the board.

Approved February 4, 1981

CHAPTER 547

HOUSE BILL NO. 1157
Mertens

**PUBLIC EMPLOYEE POSTPONED RETIREMENT
BENEFIT CALCULATION**

AN ACT to amend and reenact section 54-52-17 of the North Dakota Century Code, providing credit for years of service for those members of the public employees retirement system who retired on or after July 1, 1977.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Section 54-52-17 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

54-52-17. FORMULATION OF PLAN. Participating members shall receive benefits according to this section and according to the rules and regulations promulgated by the retirement board, not inconsistent with this chapter. No person shall receive a prior service benefit if the person was not continuously employed by a governmental unit in North Dakota for a period of not less than two years immediately prior to eligibility for retirement.

1. Participating members shall receive credit for full-time employment or its equivalent from the date they attain eligibility until their normal retirement date or postponed retirement date, as defined in this section. No participating member shall receive credit for more than thirty years of full-time employment unless such member has contributed to the plan or its predecessor established on July 1, 1966, in excess of thirty years; members who have contributed to these plans in excess of thirty years shall receive credit for the years of full-time employment after July 1, 1966. Part-time employment will be recognized as full-time employment on such a prorated basis as the board may prescribe.
2. Retirement benefits shall be calculated from the participating member's final average salary, which is the average of the highest salary received by the member for

* NOTE: Various portions of section 54-52-17 were also amended by section 1 of Senate Bill No. 2111, chapter 548, sections 1 and 2 of House Bill No. 1110, chapter 549, sections 1 and 2 of Senate Bill No. 2104, chapter 550, and by section 1 of House Bill No. 1631, chapter 551.

any sixty consecutive months employed during the last one hundred twenty months of employment. Months not employed or months where employment was not full time shall be excluded in arriving at the sixty months to be used for the purpose of computing an average. If the participating member has worked for less than sixty months at the normal retirement date, the final average salary shall be the average salary for the total months of employment.

3. Retirement dates shall be defined as follows:
 - a. Normal retirement date is the first day of the month next following the month in which the member attains the age of sixty-five years.
 - b. Postponed retirement date is the first day of the month next following the month in which the member actually severs his employment after attaining the age of sixty-five years.
 - c. Early retirement date is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed ten years of eligible employment.
 - d. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules and regulations of the retirement board, and has completed at least ten years of eligible employment. No member shall be eligible for benefits resulting from a disability unless he shall also be determined eligible for benefits under the Social Security Act as amended.
4. Retirement benefits shall be calculated by the retirement board as follows:
 - a. Normal retirement benefits for all retirees reaching normal retirement date shall be an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which shall be determined as follows:
 - (1) Service benefit equals one and four-hundredths percent of final average salary multiplied by the number of years of service employment.
 - (2) Prior service benefit equals one and four-hundredths percent of final average salary multiplied by the number of years of prior service employment.

- b. Postponed retirement benefits shall be calculated as for normal retirement benefits for those members who retired on or after July 1, 1977.
 - c. Early retirement benefits shall be calculated as for normal retirement benefits accrued to the date of termination of employment, but shall be actuarially reduced to account for benefit payments beginning prior to the normal retirement date. A retiree shall be eligible for early retirement benefits only after having completed ten years of eligible employment.
 - d. Disability retirement benefits shall be calculated as for normal retirement benefits accrued to the date of termination of employment due to permanent and total disability.
5. Upon termination of employment after completing ten years of eligible employment but prior to normal retirement date, a member who does not elect to receive early retirement benefits shall be eligible to receive deferred vested retirement benefits payable commencing on his normal retirement date equal to one hundred percent of his accrued normal retirement benefits.
 6. If a member dies after completing ten years of eligible employment, but prior to retiring, the surviving spouse of the member shall receive monthly retirement benefits equal to fifty percent of the deceased member's accrued normal retirement benefits until the spouse dies or remarries, whichever first occurs. If the spouse dies or remarries, he shall come under the provisions of subsection 8.
 7. If a member not coming under the provisions of subsection 6 terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, he or his designated beneficiary shall be entitled to the balances of his employee account fund and the vested portion of his vesting fund, both as of June 30, 1977, with five percent annual interest thereon to date of termination. In addition, the member or his designated beneficiary shall be entitled to his contribution made after June 30, 1977, with five percent annual interest thereon to the date of termination. If the termination results from death or permanent and total disability, the member shall be deemed one hundred percent vested in the vesting fund on June 30, 1977.
 8. If a member who is receiving retirement benefits or his surviving spouse who is receiving retirement benefits dies or if the surviving spouse remarries before the total amount of benefits paid to either or both equals the amount of the member's contribution with five percent interest, plus the vested amount on June 30, 1977, with

five percent interest, the difference shall be paid to such spouse, his surviving beneficiary, if any, or his estate.

9. The retirement board shall promulgate regulations providing for the receipt of retirement benefits in the following optional forms:
 - a. Joint and survivor, with fifty percent or one hundred percent options.
 - b. Level social security option, which shall be available only to early retirees.
 - c. Life with five- or ten-year certain options.

Unless a member requests that he receive benefits according to one of these options at the time of applying for retirement, all retirement benefits shall be in the form of a lifetime monthly pension.

Approved February 4, 1981

CHAPTER 548

SENATE BILL NO. 2111
(Melland)

PUBLIC EMPLOYEE POSTPONED
RETIREMENT DATE

AN ACT to amend and reenact subsection 3 of section 54-52-17 of the North Dakota Century Code, relating to retirement dates under the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Subsection 3 of section 54-52-17 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Retirement dates shall be defined as follows:

- a. Normal retirement date is the first day of the month next following the month in which the member attains the age of sixty-five years.
- b. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed his employment after attaining the age of sixty-five years.
- c. Early retirement date is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed ten years of eligible employment.
- d. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules and regulations of the retirement board, and has completed at least ten years of eligible employment. No member shall be eligible for benefits resulting from a disability unless he shall also be determined eligible for benefits under the Social Security Act as amended.

Approved March 5, 1981

* NOTE: Subdivision d of subsection 3 of section 54-52-17 was also amended by section 1 of House Bill No. 1110, chapter 549, and section 54-52-17 was also amended by section 1 of House Bill No. 1157, chapter 547.

CHAPTER 549

HOUSE BILL NO. 1110
(Committee on State and Federal Government)
(At the request of the Public Employees Retirement System)

PUBLIC EMPLOYEE DISABILITY BENEFIT CALCULATION

AN ACT to amend and reenact subdivision d of subsection 3 and subdivision d of subsection 4 of section 54-52-17 of the North Dakota Century Code, relating to the computation of disability benefits under the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Subdivision d of subsection 3 of section 54-52-17 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- d. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules and regulations of the retirement board, and has completed at least ~~ten--years~~ one hundred eighty days of eligible employment. No member shall be eligible for benefits resulting from a disability unless he shall also be determined eligible for benefits under the Social Security Act as amended.

** SECTION 2. AMENDMENT. Subdivision d of subsection 4 of section 54-52-17 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- d. Disability retirement benefits shall be calculated as ~~for normal retirement benefits accrued to the date of termination of employment due to permanent and total disability~~ at sixty percent of the member's final average salary, reduced by the member's primary benefits under the Social Security Act as amended, and by any workmen's compensation benefits paid.

Approved February 4, 1981

* NOTE: Subsection 3 of section 54-52-17 was also amended by section 1 of Senate Bill No. 2111, chapter 548, and section 54-52-17 was also amended by section 1 of House Bill No. 1157, chapter 547.

** NOTE: Section 54-52-17 was also amended by section 1 of House Bill No. 1157, chapter 547.

CHAPTER 550

SENATE BILL NO. 2104
(Committee on State and Federal Government)
(At the request of the Public Employees Retirement System)

PUBLIC EMPLOYEE RETIREMENT BENEFITS CONTINUATION

AN ACT to amend and reenact subsections 6 and 8 of section 54-52-17 of the North Dakota Century Code, relating to the continuation of public employees' retirement benefits for surviving spouses regardless of remarriage.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Subsection 6 of section 54-52-17 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6. If a member dies after completing ten years of eligible employment, but prior to retiring, the surviving spouse of the member shall receive monthly retirement benefits equal to fifty percent of the deceased member's accrued normal retirement benefits until the spouse dies ~~or remarries, whichever first occurs~~. If the spouse dies ~~or remarries, he shall come under~~ the provisions of subsection 8 shall be applicable.

** SECTION 2. AMENDMENT. Subsection 8 of section 54-52-17 of the 1979 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

8. If a member who is receiving retirement benefits or his surviving spouse who is receiving retirement benefits dies ~~or if the surviving spouse remarries~~ before the total amount of benefits paid to either or both equals the amount of the member's contribution with five percent interest, plus the vested amount on June 30, 1977, with five percent interest, the difference shall be paid to such spouse, his surviving beneficiary, if any, or his estate.

Approved March 6, 1981

* NOTE: Section 54-52-17 was also amended by section 1 of House Bill No. 1157, chapter 547.

** NOTE: Subsection 8 of section 54-52-17 was also amended by section 1 of House Bill No. 1631, chapter 551, and section 54-52-17 was also amended by section 1 of House Bill No. 1157, chapter 547.

CHAPTER 551

HOUSE BILL NO. 1631
(Black, Gates)

PUBLIC EMPLOYEES RETIREMENT ACCOUNT
INTEREST RATE

AN ACT to amend and reenact subsections 7 and 8 of section 54-52-17 of the North Dakota Century Code, relating to interest payable on employee account funds under the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

* SECTION 1. AMENDMENT. Subsections 7 and 8 of section 54-52-17 of the 1979 Supplement to the North Dakota Century Code are hereby amended and reenacted to read as follows:

7. If a member not coming under the provisions of subsection 6 terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, he or his designated beneficiary shall be entitled to the balances of his employee account fund and the vested portion of his vesting fund, both as of June 30, 1977, with ~~five~~ six percent annual interest thereon to date of termination. In addition, the member or his designated beneficiary shall be entitled to his contribution made after June 30, 1977, with ~~five~~ six percent annual interest thereon to the date of termination. If the termination results from death or permanent and total disability, the member shall be deemed one hundred percent vested in the vesting fund on June 30, 1977.
8. If a member who is receiving retirement benefits or his surviving spouse who is receiving retirement benefits dies ~~or--if--the--surviving--spouse--remarries~~ before the total amount of benefits paid to either or both equals the amount of the member's contribution with ~~five~~ six percent interest, plus the vested amount on June 30, 1977, with ~~five~~ six percent interest, the difference shall be paid to such spouse, his surviving beneficiary, if any, or his estate.

Approved March 11, 1981

* NOTE: Subsection 8 of section 54-52-17 was also amended by section 2 of Senate Bill No. 2104, chapter 550, and section 54-52-17 was also amended by section 1 of House Bill No. 1157, chapter 547.

CHAPTER 552

SENATE BILL NO. 2106
(Committee on State and Federal Government)
(At the request of the Public Employees Retirement System)

**POLITICAL SUBDIVISION STATE GROUP
INSURANCE PARTICIPATION**

AN ACT to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to the participation of political subdivisions in the uniform group insurance program and to the amount a governing body may provide for the monthly premium; and to amend and reenact subsections 1 and 7 of section 54-52.1-01 of the North Dakota Century Code, relating to the definitions of "eligible employee" and "department, board, or agency".

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-52.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

COUNTY, CITY, NONCERTIFIED SCHOOL DISTRICT EMPLOYEES AND EMPLOYEES OF ANY COMBINATION THEREOF AUTHORIZED TO JOIN UNIFORM GROUP INSURANCE PROGRAM - EMPLOYER CONTRIBUTION. The board of county commissioners of any county, the governing body of any city or school district, or any combination thereof, which has elected to participate in the North Dakota public employees retirement system, is hereby authorized on behalf of its permanent employees, and permanent noncertified employees only in the case of school districts, to extend the benefits of the uniform group insurance program, as provided in this chapter, to such employees.

The boards of county commissioners of participating counties and the governing bodies of participating cities, school districts or any combinations thereof may determine the amount of the governing bodies' monthly contribution towards the total monthly premium amount required of each eligible participating employee.

SECTION 2. AMENDMENT. Subsection 1 of section 54-52.1-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. "Eligible employee" ~~shall-mean-all means every permanent employees employee who are is employed by the state, county, city, school district, or any combination thereof.~~ Eligible employees ~~shall--also~~ include members of the legislative assembly, judges of the supreme court, elective state officers as defined by subsection 1 of section 54-06-01, and disabled permanent employees who are receiving compensation from the North Dakota workmen's compensation fund. As used in this subsection, "permanent employee" ~~shall-mean~~ means any person hired with the intent that he ~~shall~~ be employed for more than twenty hours per week for more than five months each year.

SECTION 3. AMENDMENT. Subsection 7 of section 54-52.1-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

7. "Department, board, or agency" ~~shall--mean~~ means the departments, boards, agencies, or associations of this state, and ~~shall--include~~ includes the state's charitable, penal, and higher educational institutions; the Bank of North Dakota; ~~---and~~; the state mill and elevator association; and counties, cities, and school districts participating under chapter 54-52.

Approved March 18, 1981

CHAPTER 553

HOUSE BILL NO. 1459
(Representative Kretschmar)
(Senator Wenstrom)

COMMISSION ON UNIFORM STATE LAWS

AN ACT to provide for the appointment of members of the commission on uniform state laws, to prescribe the duties of commissioners, and to provide administrative procedures for the commission.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. COMMISSION ON UNIFORM STATE LAWS - MEMBERSHIP. The commission on uniform state laws shall consist of five members: one shall be engaged in the practice of law in this state, one shall be the dean or a full-time member of the faculty of the law school of the university of North Dakota, one shall be a law-trained judge of a court of record in this state, one shall be a member of the legislative assembly, and one shall be a member of the legislative council staff. The commission shall also consist of any residents of this state who, because of long service in the cause of uniformity of state legislation, shall have been elected life members of the national conference of commissioners on uniform state laws. Commissioners, except the member of the legislative assembly, the member of the legislative council staff, and life members, shall be appointed by the governor for terms of four years each, commencing on the first day of September following each presidential election, and shall serve until their respective successors are appointed. The member of the legislative assembly on the commission shall be appointed by the legislative council for a term not to exceed four years as prescribed by the legislative council, and the member of the legislative council staff shall be appointed by the chairman of the legislative council.

SECTION 2. VACANCIES. The office of any appointed commissioner becomes vacant upon death, resignation, or failure or refusal to serve. The appointing authority shall make an appointment to fill the vacancy for the unexpired term of the former appointee.

SECTION 3. MEETING AND ORGANIZATION. The commissioners shall meet at least once each two-year period and shall organize by

electing one of their number as chairman and another as secretary. The chairman and secretary shall hold their respective offices for a term of two years and until their successors are elected.

SECTION 4. DUTIES OF COMMISSIONERS AND COMMISSION. Each commissioner shall attend the annual meeting of the national conference of commissioners on uniform state laws and shall promote uniformity in state laws on those subjects where uniformity may be deemed desirable and practicable. The commission shall also promote as far as practicable the uniform judicial application and construction of all uniform state laws. Prior to each biennial legislative session, and at any other time as the commission may deem proper, the commission shall report to the legislative assembly an account of its transactions and its advice and recommendations for legislation.

SECTION 5. NO COMPENSATION FOR COMMISSIONERS. The commissioners shall serve without compensation for services as commissioners, but they shall be reimbursed, from moneys appropriated for that purpose, for necessary expenses incurred in performing their duties at the rates provided in sections 44-08-04 and 54-06-09. Warrant-checks for expense reimbursement shall be prepared by the department of accounts and purchases upon vouchers submitted by the commissioners.

Approved March 5, 1981

CHAPTER 554

HOUSE BILL NO. 1654
(Backes, Strinden)
(Approved by the Committee on Delayed Bills)

NORTH DAKOTA CENTENNIAL COMMISSION

AN ACT to establish a North Dakota centennial commission, to set forth its powers and duties, to provide for payment of commissioners' expenses, and to provide for termination of the commission.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. DEFINITION. In this Act, "commission" means the North Dakota centennial commission.

SECTION 2. ESTABLISHMENT OF A NORTH DAKOTA CENTENNIAL COMMISSION. The governor shall appoint a North Dakota centennial commission consisting of seven members.

SECTION 3. POWERS AND DUTIES. The commission shall:

1. Plan, promote, and designate parks, sites, and activities in North Dakota for special purposes and development during the 1989 centennial celebration of North Dakota statehood.
2. Conduct and promote studies, investigations, and research into the development of centennial activities.

SECTION 4. MEETINGS - COMPENSATION AND EXPENSES OF COMMISSION MEMBERS - RECORDS. The governor shall appoint the chairman of the commission. The commission shall meet at the call of the chairman and a majority of the commission shall constitute a quorum. Commission members shall receive no compensation but may receive actual mileage and travel expenses as provided by law for state officers and employees. The commission shall keep minutes of its meetings and a record of all its transactions.

SECTION 5. COMMISSION EXPENSES. All expenditures made by the commission in discharging its duties under this Act shall be payable from the governor's budget, within the limits of legislative appropriations, upon vouchers signed and approved by the chairman of

the commission. Upon approval of those vouchers as provided by law, warrant-checks for those expenditures shall be prepared by the department of accounts and purchases.

SECTION 6. REPORT OF COMMISSION. The commission shall report its initial plans and appropriations request for the 1989 North Dakota centennial celebration to the forty-eighth legislative assembly.

SECTION 7. TERMINATION OF COMMISSION. The commission shall terminate June 30, 1983, unless its existence is extended by the forty-eighth legislative assembly.

Approved March 18, 1981