

**Fifty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 4, 2005**

HOUSE BILL NO. 1060
(Representatives Drovdal, N. Johnson, Boe)
(Senators Espegard, Taylor, Klein)

AN ACT to amend and reenact sections 10-30.6-01 and 10-30.6-05 of the North Dakota Century Code, relating to community development corporation formation requirements and board of director requirements; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 10-30.6-01 of the North Dakota Century Code is amended and reenacted as follows:

10-30.6-01. Organization.

1. To the extent permitted by federal law, any ~~three~~ one or more banks may form a community development corporation by complying with the conditions prescribed in this chapter and subscribing and acknowledging a certificate specifying:
 - a. The name, the general nature of its business, and the principal place of transacting its business. The name must distinguish the corporation from all other corporations authorized to do business in the state and must contain the words "community development corporation".
 - b. The period of its duration, which is perpetual.
 - c. The name and principal business address of each incorporator.
 - d. The names and addresses of those composing its board until the first election.
 - e. The highest amount of indebtedness or liability to which the corporation may be subject.
2. The certificate may contain any other lawful provision defining the powers and business of the corporation, its officers, directors, members, and stockholders.
- ~~3. One bank may hold no more than forty nine percent of the stock in the corporation.~~

SECTION 2. AMENDMENT. Section 10-30.6-05 of the North Dakota Century Code is amended and reenacted as follows:

10-30.6-05. Board of directors.

1. All the corporate powers of the corporation must be exercised by a board of no fewer than ~~fifteen~~ five elected directors who must be residents of this state. The number of directors and their term of office must be determined in the bylaws. If any vacancy occurs in the board of directors, the remaining directors may elect a person to fill the vacancy until the next annual meeting of the corporation.
2. The first board of directors shall adopt bylaws, which remain effective until amended or repealed by action of the board.
3. The first annual meeting must be held at a date to be fixed by the board of directors as soon as reasonably possible after a minimum of twenty-five percent of the capital stock of

the corporation has been paid into its treasury. The annual meeting must be called in the manner provided by the bylaws.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1060 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 92 Nays 0 Absent 2

Speaker of the House

Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 45 Nays 0 Absent 2

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2005.

Approved at _____ M. on _____, 2005.

Governor

Filed in this office this _____ day of _____, 2005,

at _____ o'clock _____ M.

Secretary of State