

Introduced by

Finance and Taxation Committee

(At the request of the Department of Trust Lands)

1 A BILL for an Act to amend and reenact subsection 1 of section 57-62-02 of the North Dakota
2 Century Code, relating to the coal development trust fund; and to repeal section 15-03-05.1 of
3 the North Dakota Century Code, relating to calculation of coal development trust fund income.

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

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-62-02 of the North Dakota Century
6 Code is amended and reenacted as follows:

7 1. Thirty percent must be deposited in a permanent trust fund in the state treasury, to be
8 known as the coal development trust fund, pursuant to section 21 of article X of the
9 Constitution of North Dakota. Those funds held in trust and administered by the board
10 of university and school lands on March 5, 1981, pursuant to section 12, chapter 563,
11 1975 Session Laws; section 12, chapter 560, 1977 Session Laws; or section 13,
12 chapter 626, 1979 Session Laws must also be deposited in the trust fund created
13 pursuant to this subsection. The fund must be held in trust and administered by the
14 board of university and school lands for loans to coal-impacted counties, cities, and
15 school districts as provided in section 57-62-03 and for loans to school districts
16 pursuant to chapter 15.1-36. The board of university and school lands may invest such
17 funds as are not loaned out as provided in this chapter and may consult with the state
18 investment board as provided by law. The income, including interest payments on
19 loans, from the trust must be used first to replace uncollectible loans made from the
20 fund and the balance must be deposited in the ~~school construction assistance-~~
21 ~~loan~~ general fund of the state. Loan principal payments must be redeposited in the
22 trust fund. The trust fund must be perpetual and held in trust as a replacement for
23 depleted natural resources subject to the provisions of this chapter and chapter
24 15.1-36.

1 **SECTION 2. REPEAL.** Section 15-03-05.1 of the North Dakota Century Code is repealed.