

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2317

Introduced by

Senator Bell

Representative Porter

1 A BILL for an Act to create and enact chapter 15-72 of the North Dakota Century Code, relating
2 to the establishment of a coal mine reclamation trust utilizing private assets; and to provide for a
3 transfer.

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

5 **SECTION 1.** Chapter 15-72 of the North Dakota Century Code is created and enacted as
6 follows:

7 **15-72-01. Trust establishment.**

8 The coal mine reclamation trust is established to reclaim coal mines at the direction of the
9 public service commission by utilizing private assets pledged as collateral to fulfill the
10 performance bond obligations under section 38-14.1-16 and North Dakota Administrative Code
11 chapter 69-05.2-12. The coal mine reclamation trust may be used to fulfill the requirement of a
12 qualified third party.

13 **15-72-02. Powers and duties of the board - Transfer.**

14 The board of university and school lands shall set up a coal mine reclamation trust. The
15 coal mine reclamation trust may receive and accept assets as directed by the public service
16 commission which are held in the public service commission's custody under North Dakota
17 Administrative Code section 69-05.2-12-04 as collateral in a security agreement with any
18 person as defined in section 38-14.1-02. The commissioner of university and school lands shall
19 consult with the public service commission in carrying out the powers and duties of
20 administering the coal mine reclamation trust.

21 **15-72-03. Assets and custody.**

22 Any person proposing to pledge assets to the public service commission's custody under
23 North Dakota Administrative Code chapter 69-05.2-12 shall certify to the public service
24 commission:

- 1 1. The trust will have first priority security interest in the pledged assets.
- 2 2. The person has authority to place the assets in custody under all applicable federal
- 3 and state law.

4 **15-72-04. Trust management.**

5 The net income derived from the assets held in trust must be used for trust purposes. Any
6 assets placed in the trust may be sold, leased, invested, managed, or otherwise disposed of by
7 the board to fulfill the reclamation activities and obligations related to the performance bond. If
8 any of the trust assets include real property, net income from the trust assets must be used in
9 part to pay to the county where the real property is located the same amount that would have
10 been assessed against the real property for real property taxes if the real property was privately
11 owned. The board may maintain separate accounts in the trust if necessary. The board shall
12 manage all assets in the trust in the same manner that the board manages the board's other
13 trust assets or as otherwise may be required to satisfy the purposes of this chapter.