

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2088**

Introduced by

Education Committee

(At the request of the Superintendent of Public Instruction)

1 A BILL for an Act to create and enact eight new sections to chapter 15.1-02 of the North Dakota
2 Century Code, relating to authorization for the creation of a North Dakota education foundation;
3 to provide for a report to legislative management; and to provide an expiration date.

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

5 **SECTION 1.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
6 and enacted as follows:

7 **North Dakota education foundation - Creation - Authorization.**

8 The superintendent of public instruction may create the North Dakota education foundation,
9 subject to the requirements of sections 1 through 8 of this Act.

10 **SECTION 2.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
11 and enacted as follows:

12 **Membership.**

13 1. The North Dakota education foundation is composed of seven members, appointed by
14 the superintendent of public instruction with the advice and consent of at least four
15 from among the following: the majority and minority leader of the house of
16 representatives, the majority and minority leader of the senate, the president pro
17 tempore of the senate, and the speaker of the house of representatives.

18 2. The foundation members must be selected to be a balanced and representative group,
19 consisting of individuals who are residents of this state and who by training and
20 experience have a familiarity with educational delivery at all levels and an
21 understanding of its impact on agriculture, the arts, commerce and finance,
22 manufacturing, mineral extraction, natural resources, and the professions.

23 **SECTION 3.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
24 and enacted as follows:

1 **Terms of office.**

2 1. The term of office for each member of the foundation begins January first and has a
3 duration of two years. The initial terms must be staggered by lot so that no fewer than
4 three terms expire each year.

5 2. An individual may not serve more than two consecutive terms.

6 3. If an individual is appointed to fill a vacancy, that service is not counted as a term for
7 purposes of this section unless that service exceeds one year.

8 **SECTION 4.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Foundation officers - Chairman.**

11 1. Annually, the foundation members shall elect from among themselves a chairman, a
12 vice chairman, a secretary, and a treasurer.

13 2. The chairman shall call all meetings of the foundation and shall call a special meeting
14 within seven days, if petitioned to do so by at least five of the members.

15 3. A chairman may not serve more than two consecutive terms in that role.

16 **SECTION 5.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
17 and enacted as follows:

18 **Quorum.**

19 A majority of the appointed members of the committee constitutes a quorum for the purpose
20 of conducting business.

21 **SECTION 6.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
22 and enacted as follows:

23 **Compensation.**

24 Each member of the foundation is entitled to receive compensation in the amount
25 established by the foundation, but not exceeding the amount per diem established for members
26 of the legislative assembly in accordance with section 54-03-20, plus reimbursement for
27 expenses as provided by law for state officers, if the member is attending meetings or
28 performing duties as directed by the foundation.

29 **SECTION 7.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
30 and enacted as follows:

1 **Duties - Acceptance of moneys - Consent - Report.**

2 1. The foundation shall pursue and distribute private sector moneys for use in education-
3 related activities, provided that before the foundation may accept moneys under this
4 section, the foundation shall:

5 a. Obtain from the benefactor a detailed statement indicating the purpose for the
6 contribution, the expected results, and the time frame within which the expected
7 results are to be achieved;

8 b. Present the statement required under subdivision a to:

9 (1) The legislative assembly during a regular or a special session; or

10 (2) The budget section of the legislative management, if the legislative
11 assembly is not in session; and

12 c. Obtain the consent of the legislative assembly or the budget section of the
13 legislative management.

14 2. Moneys distributed under this section are not public moneys for any purpose and are
15 not subject to section 12 of article X of the Constitution of North Dakota.

16 3. The foundation may retain up to one percent of any moneys received under this
17 section for administrative purposes.

18 4. The foundation, together with the superintendent of public instruction, shall provide a
19 report to the legislative management, at the time and in the manner directed by the
20 legislative management, regarding distributions made under this section. The report
21 must include direct and indirect benefits to school districts.

22 **SECTION 8.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
23 and enacted as follows:

24 **Administrative services - Expenses.**

25 The superintendent of public instruction shall provide administrative services to the
26 foundation and is responsible for all costs incurred in its operation, including the compensation
27 and reimbursement of its members, until the administrative fees retained by the foundation in
28 accordance with section 7 of this Act are sufficient to fund the operating costs.

29 **SECTION 9. EXPIRATION DATE - RETURN OF UNSPENT MONEYS.** This Act is effective
30 through June 30, 2017, and after that date is ineffective. Any moneys not distributed by the
31 foundation as of June 30, 2017, must be returned to the benefactor.