

Introduced by

Senator O. Larsen

Representative Schatz

1 A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century
2 Code, relating to the allocation of resources at the time of a child's birth; and to provide
3 legislative intent.

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

5 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Allocation at birth - Permitted uses.**

- 8 1. At the time of an eligible individual's birth, the Bank of North Dakota shall allocate five
9 thousand dollars and administer and manage that amount for the benefit of the
10 individual, in accordance with this section. For purposes of this section, an "eligible
11 individual" is one whose father and mother, at the time of the individual's birth, are
12 residents of this state and United States citizens.
- 13 2. The Bank of North Dakota shall administer and manage the amount allocated on
14 behalf of an eligible individual until the Bank is notified the allocation is to be released
15 because the individual has enrolled in an institution of higher education under the
16 control of the state board of higher education, at which time the individual's allocation
17 must be forwarded to the institution and credited to the account of the individual. An
18 individual is not eligible to receive any other scholarship funded by the state if the
19 individual's allocation is released under this subsection.
- 20 3. If an eligible individual does not enroll in an institution of higher education under the
21 control of the state board of higher education before the individual's twentieth birthday,
22 the individual may request the allocation be released and credited toward the
23 repayment of principal and interest on a loan held by the Bank of North Dakota. For

1 purposes of this subsection, the loan must be the individual's first business loan, farm
2 loan, or home mortgage loan.

3 4. If an individual's allocation is not released in accordance with subsection 2 or 3, the
4 Bank of North Dakota shall continue to administer and manage the allocation on
5 behalf of the eligible individual until the Bank is notified the individual has entered a
6 nursing home in this state, at which time the Bank shall forward the individual's
7 allocation to the nursing home to be credited to the account of the individual.

8 5. If an individual's allocation is not released in accordance with subsection 2, 3, or 4, the
9 Bank of North Dakota shall deposit the allocation, together with all interest earned on
10 the allocation, in the legacy fund.

11 6. The Bank of North Dakota may subtract administrative fees from any allocations the
12 Bank administers and manages in accordance with this section.

13 7. If an individual is convicted of a felony, any amount unallocated at the time of the
14 conviction, together with all interest earned on the account, must be deposited in the
15 legacy fund.

16 **SECTION 2. LEGISLATIVE INTENT.** It is the intent of the Legislative Assembly that in any
17 litigation involving this Act, the Constitution of North Dakota must be interpreted so as to
18 recognize the right of this state to directly or indirectly assist its eligible residents in educational,
19 agricultural, business, and health care pursuits.