

**Fifty-fifth Legislative Assembly, State of North Dakota, begun in the  
Capitol in the City of Bismarck, on Monday, the sixth day of January,  
one thousand nine hundred and ninety-seven**

HOUSE BILL NO. 1170  
(Representatives Wald, Jacobs, Kempenich)  
(Senators Goetz, Krauter, Urlacher)

AN ACT to amend and reenact sections 61-02-64.1, 61-02-64.2, 61-24.3-01, and 61-24.3-18 of the North Dakota Century Code, relating to repayment of obligations with respect to bond issues and to issuing and repaying bonds for the southwest pipeline project; and to declare an emergency.

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

**SECTION 1. AMENDMENT.** Section 61-02-64.1 of the North Dakota Century Code is amended and reenacted as follows:

**61-02-64.1. Contract fund - Purpose - Reimbursements to be deposited with the state treasurer.** ~~All Unless otherwise provided under the terms of a bond resolution or trust indenture adopted by the commission pursuant to this chapter, all contractual obligations of the commission, including obligations with respect to any works financed with bonds issued under this chapter, and excepting salaries and expenses of commission employees and the cost of any supplies, materials, and equipment not related to works financed with bonds, shall, must be paid from the contract fund. The moneys in the contract fund shall must be paid out or disbursed in such the manner as may be determined by the commission. Any moneys paid to the commission by any department, agency, or political subdivision of this or another state or of the United States or any person, corporation, or limited liability company to meet its part of the cost of a water project, shared with the commission on a matching basis, and as determined by a contract entered into with the commission, shall must be held pursuant to the terms of the resolution or trust indenture adopted by the commission pursuant to this chapter or deposited with the state treasurer and are hereby appropriated out of the state treasury, and shall be credited to the contract fund or held pursuant to the terms of the resolution or trust indenture of the commission adopted or entered into under this chapter. Moneys deposited with the state treasurer are appropriated to the commission and must be credited to the contract fund.~~

**SECTION 2. AMENDMENT.** Section 61-02-64.2 of the North Dakota Century Code is amended and reenacted as follows:

**61-02-64.2. Repayment of loan proceeds and reimbursements deposited in resources trust fund.** Notwithstanding section 61-02-64.1, any repayment made after January 1, 1991, of any loans disbursed from the contract fund or resources trust fund and any moneys paid to the state or the commission after January 1, 1991, to reimburse the commission for moneys, other than bond proceeds, used for municipal, rural, and industrial water supply projects must be deposited in the resources trust fund in the state treasury.

**SECTION 3. AMENDMENT.** Section 61-24.3-01 of the North Dakota Century Code is amended and reenacted as follows:

**61-24.3-01. Legislative findings and intent.** The legislative assembly finds that adequate water supplies for municipal, domestic, livestock, rural, irrigation, industrial, and other uses are essential for the social stability and economic security of the people of the state of North Dakota. It is further found that the development and utilization of the water resources of this state are necessary for the protection of health, property, and enterprise, and for the promotion of prosperity and general welfare of the people of the state of North Dakota, and that such development and utilization of water resources in this state involves, necessitates, and requires the exercise of the sovereign powers of the state and concern a public purpose. Therefore, it is hereby declared necessary that the southwest pipeline project, as authorized and approved pursuant to this chapter, be established and constructed,

to provide for the supplementation of the water resources of a portion of the area of North Dakota south and west of the Missouri River with water supplies from the Missouri River for multiple purposes, including domestic, rural, and municipal uses. In furtherance of this public purpose, the state water commission may provide for the issuance of bonds not to exceed fifteen million dollars in accordance with chapter 61-02 to finance the cost of the project. The provisions of this chapter ~~shall~~ may not be construed to, in any manner, abrogate or limit the rights, powers, duties, ~~and~~ or functions of the state water commission or the state engineer, but ~~shall be~~ are supplementary thereto. Nor ~~shall~~ may this chapter be construed as limiting or in any way affecting the laws of this state relating to the organization or operation of irrigation districts, water resource districts, or other political subdivisions.

**SECTION 4. AMENDMENT.** Section 61-24.3-18 of the North Dakota Century Code is amended and reenacted as follows:

**61-24.3-18. Water rates for capital costs - Deposit.** Money derived and received from water user entities for capital costs of the southwest pipeline project ~~shall~~ may be pledged by the commission for the repayment of bonds issued for the construction of the southwest pipeline project. Any money not pledged must be deposited by the commission in the resources trust fund, established pursuant to section 57-51.1-07, and ~~shall~~ may be expended only pursuant to legislative appropriation for the purposes specified in subsection 1 of section 57-51.1-07.

**SECTION 5. 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-fifth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1170 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote:      Yeas          93              Nays          0              Absent        4

\_\_\_\_\_  
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          47              Nays          0              Absent        2

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 1997.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 1997.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 1997,  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State