ROUGH DRAFT

Sixty-first Legislative Assembly of North Dakota

SENATE BILL NO.

Introduced by

Senator Fischer

1 A BILL for an Act to create and enact a new section to chapter 61-02 of the North Dakota

2 Century Code, relating to the state water commission as lead agency for the Red River valley

3 water supply project; and to amend and reenact section 61-39-01, subsections 8, 9, and 12 of

4 section 61-39-05, and section 61-39-16 of the North Dakota Century Code, relating to the Red

5 River valley water supply project.

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

SECTION 1. A new section to chapter 61-24.7 of the North Dakota Century Code is
created and enacted as follows:

9 State water commission to have primary responsibility for Red River valley water
10 supply project. The state water commission has primary responsibility for and is the lead
11 agency for the Red River valley water supply project. The state water commission as lead
12 agency applies to any agreements or contracts affecting the Red River valley water supply
13 project.

SECTION 2. AMENDMENT. Section 61-39-01 of the North Dakota Century Code is
 amended and reenacted as follows:

16 **61-39-01.** Findings and declaration of policy. The legislative assembly declares that 17 many areas and localities in eastern North Dakota do not enjoy adequate quantities of high-quality drinking water; that other areas and localities in eastern North Dakota do not have 18 19 sufficient quantities of water to ensure a dependable, long-term supply; that greater economic 20 security and the protection of health and property benefits the land and water resources of this 21 state; and that the promotion of the prosperity and general welfare of all of the people of this 22 state depend on the effective development and utilization of the land and water resources of 23 this state and necessitates and requires the exercise of the sovereign powers of this state and 24 concern a public purpose. To accomplish this public purpose, it is declared necessary that a

Sixty-first Legislative Assembly

1 water authority to store and distribute water to eastern North Dakota be established to provide 2 for the supply and distribution of water to the people of eastern North Dakota for purposes, 3 including domestic, rural water, municipal, livestock, light industrial, and other uses, with 4 primary emphasis on domestic, rural water, and municipal uses; and provide for the future 5 economic welfare and prosperity of the people of this state, and particularly the people of 6 eastern North Dakota, by the bulk purchase of water from the Garrison Diversion Conservancy 7 District delivered by the Red River valley water supply project for beneficial and public uses. 8 The Garrison Diversion Conservancy District state water commission may acquire, construct, 9 improve and own the Red River valley water supply project may acquire, construct, improve, 10 and own the Red River valley water supply project and the Lake Agassiz water authority may 11 enter one or more contracts to provide for the authority to acquire bulk water from the Garrison 12 Diversion Conservancy District and may enter water supply contracts with member cities and 13 water districts for the resale of this water for consumption within or outside the state. 14 The legislative assembly acknowledges that North Dakota and Minnesota communities

jointly use the Red River as a water resource. It is in the best interest of eastern North Dakota
also to study and possibly provide for the water needs of those Minnesota communities through
a Red River valley water supply project, particularly if that project maintains the use of the Red
River for North Dakota communities.

In furtherance of this public purpose, the state water commission may provide for the
issuance of bonds in accordance with chapter 61-02 to finance the costs of any project to
deliver water to eastern North Dakota. This chapter does not abrogate or limit the rights,
powers, duties, and functions of the state water commission or state engineer, but is
supplementary to those rights, powers, duties, and functions.

SECTION 3. AMENDMENT. Subsections 8, 9, and 12 of section 61-39-05 of the North
 Dakota Century Code are amended and reenacted as follows:

Enter a contract or contracts to provide for a supply of bulk water from the Garrison
 Diversion Conservancy District which contract or contracts may provide for
 payments to fund some or all of the Garrison Diversion Conservancy District's
 costs of acquiring, constructing, or reconstructing one or more Red River valley
 water supply projects, which Red River valley water supply projects the Garrison
 Diversion Conservancy District may acquire, construct, improve, and own, as well

Sixty-first Legislative Assembly

1	as the Garrison Diversion Conservancy District's costs of operating and
2	maintaining one or more Red River valley water supply projects, whether the
3	acquisition, construction, or reconstruction of any Red River valley water supply
4	project actually is completed and whether water actually is delivered pursuant to
5	the contract or contracts, and which contract or contracts the Garrison Diversion
6	Conservancy District may execute without limitation on term of years.

- 7 9. Enter a contract or contracts to provide for a bulk sale, lease, or other supply of 8 water for beneficial use to persons within or outside the authority, which contract or 9 contracts may provide for payments to fund some or all of the Garrison Diversion 10 Conservancy District's costs of acquiring, constructing, or reconstructing one or 11 more Red River valley water supply projects, as well as the Garrison Diversion Conservancy District's costs of operating and maintaining one or more Red River 12 13 valley water supply projects, whether the acquisition, construction, or 14 reconstruction of any Red River valley water supply project actually is completed 15 and whether water actually is delivered pursuant to the contract or contracts, which contract or contracts cities and water districts that are members of the Lake 16 17 Agassiz water authority are authorized to execute without limitation on term of 18 years.
- Lend some or all proceeds of its revenue bonds to the Garrison Diversion
 Conservancy District, to the state of North Dakota, or to a political subdivision or
 public body within the state, to facilitate the Garrison Diversion Conservancy
 District's acquisition, construction, reconstruction, or improvement of one or more
 Red River valley water supply projects, or any feasibility study or preliminary
 economic, engineering, or legal work relating to any Red River valley water supply
 project.

SECTION 4. AMENDMENT. Section 61-39-16 of the North Dakota Century Code is amended and reenacted as follows:

61-39-16. Project - Definition. As used in this chapter, unless the context otherwise
requires, the term project means either a system, plant, works, instrumentality, or property used
to provide water supply in connection with the Red River valley water supply project, or a
contract for the purchase of water, including a contract for the bulk purchase of water from the

Sixty-first Legislative Assembly

- 1 Garrison Diversion Conservancy District delivered by means of a Red River valley water supply
- 2 project.