

Vote No on SB 2037

SB 2037 creates new challenges for **farmers and ranchers, water managers, and road authorities**. The bill would require local water resource districts to conduct an economic analysis on every single parcel included in an assessment area prior to holding a vote on any type of assessment project. This process would take power away from landowners and ag producers; will making managing water harder; and institutes an untested mandate on locals.

SB 2037 takes away local control.

- Today, producers are the drivers of assessment projects. This bill establishes a state mandate that would take local control away from those landowners. If this bill passes, water resource districts would have to follow an economic model created by economists and engineers, and not the knowledge and wishes of the local landowners, who know their land better than anyone. The outcome of the mandated economic analysis would tie the hands of water resource districts when it comes to setting assessments and would not allow landowners or facts-on-the-ground to influence the assessment analysis.
- The supporters of this bill have suggested this requirement is similar to other states; however, North Dakota's assessment process for water resource districts is actually far more transparent and landowner driven. Unlike other states, North Dakota requires assessment projects be voted on by all impacted landowners. In other words, under the current system, landowners vote to tax themselves for a project. Requiring this proposed analysis would limit the ability of landowners to influence their own assessment and would actually dilute the voice of the landowners in what should be a local process.

SB 2037 makes managing water harder.

- This type of parcel-by-parcel economic analysis is incredibly time-consuming and expensive; the landowners who need these projects will bear the cost of this burdensome, state-mandated, process. If this bill passes, projects would take much longer to develop, and this bill will make the assessment process unnecessarily complex. Meanwhile, the producers who need these projects will continue to lose valuable land and productivity.
- Additionally, while the focus of the discussion has been solely assessment projects that establish drains, this language would impact all water assessment projects, including the building of dams. Dams, built using assessment districts, provide flood protection for thousands of downstream landowners. Not only will passage of this bill make drainage harder, it will make these flood protection projects harder to complete as well.

SB 2037 institutes a largely untested mandate on locals.

- There are currently no parcel-by-parcel economic analyses used in North Dakota. This legislation was developed based on analyses conducted by the State Water Commission (SWC) for their cost-share grants. However, the SWC's analysis is not done on a parcel basis. The interim committee received a single demonstration of an analysis tool that would meet this new requirement, but, there is no practical use of parcel-by-parcel economic analysis in the state.

SB 2037 would take local control away from landowners who today have a large say in the assessment process. It would make constructing new water projects significantly more difficult and costly, which will negatively impact producers.

This is a step in the wrong direction for ag producers, road authorities, and rural North Dakotans.

