

Fifty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1170

Introduced by

Representatives Wald, Jacobs, Kempenich

Senators Goetz, Krauter, Urlacher

1 A BILL for an Act to amend and reenact sections 61-02-64.1, 61-02-64.2, 61-24.3-01, and
2 61-24.3-18 of the North Dakota Century Code, relating to repayment of obligations with respect
3 to bond issues and to issuing and repaying bonds for the southwest pipeline project; and to
4 declare an emergency.

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

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

8 **61-02-64.1. Contract fund - Purpose - Reimbursements to be deposited with the**
9 **state treasurer.** ~~All~~ Unless otherwise provided under the terms of a bond resolution or trust
10 indenture adopted by the commission pursuant to this chapter, all contractual obligations of the
11 commission, ~~including obligations with respect to any works financed with bonds issued under~~
12 ~~this chapter, and~~ excepting salaries and expenses of commission employees and the cost of
13 any supplies, materials, and equipment ~~not related to works financed with bonds, shall, must be~~
14 paid from the contract fund. The moneys in the contract fund ~~shall~~ must be paid out or
15 disbursed in ~~such the~~ manner as may be determined by the commission. Any moneys paid to
16 the commission by any department, agency, or political subdivision of this or another state or of
17 the United States or any person, corporation, or limited liability company to meet its part of the
18 cost of a water project, shared with the commission on a matching basis, and as determined by
19 a contract entered into with the commission, ~~shall~~ must be held pursuant to the terms of the
20 resolution or trust indenture adopted by the commission pursuant to this chapter or deposited
21 with the state treasurer and are hereby appropriated out of the state treasury, and shall be
22 credited to the contract fund or held pursuant to the terms of the resolution or trust indenture of
23 the commission adopted or entered into under this chapter. Moneys deposited with the state
24 treasurer are appropriated to the commission and must be credited to the contract fund.

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

3 **61-02-64.2. Repayment of loan proceeds and reimbursements deposited in**
4 **resources trust fund.** Notwithstanding section 61-02-64.1, any repayment made after
5 January 1, 1991, of any loans disbursed from the contract fund or resources trust fund and any
6 moneys paid to the state or the commission after January 1, 1991, to reimburse the
7 commission for moneys, other than bond proceeds, used for municipal, rural, and industrial
8 water supply projects must be deposited in the resources trust fund in the state treasury.

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

11 **61-24.3-01. Legislative findings and intent.** The legislative assembly finds that
12 adequate water supplies for municipal, domestic, livestock, rural, irrigation, industrial, and other
13 uses are essential for the social stability and economic security of the people of the state of
14 North Dakota. It is further found that the development and utilization of the water resources of
15 this state are necessary for the protection of health, property, and enterprise, and for the
16 promotion of prosperity and general welfare of the people of the state of North Dakota, and that
17 such development and utilization of water resources in this state involves, necessitates, and
18 requires the exercise of the sovereign powers of the state and concern a public purpose.
19 Therefore, it is hereby declared necessary that the southwest pipeline project, as authorized
20 and approved pursuant to this chapter, be established and constructed, to provide for the
21 supplementation of the water resources of a portion of the area of North Dakota south and west
22 of the Missouri River with water supplies from the Missouri River for multiple purposes,
23 including domestic, rural, and municipal uses. In furtherance of this public purpose, the state
24 water commission may provide for the issuance of bonds not to exceed fifteen million dollars in
25 accordance with chapter 61-02 to finance the cost of the project. The provisions of this chapter
26 ~~shall~~ may not be construed to, in any manner, abrogate or limit the rights, powers, duties, ~~and~~
27 or functions of the state water commission or the state engineer, but ~~shall be~~ are
28 supplementary thereto. Nor ~~shall~~ may this chapter be construed as limiting or in any way
29 affecting the laws of this state relating to the organization or operation of irrigation districts,
30 water resource districts, or other political subdivisions.

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

3 **61-24.3-18. Water rates for capital costs - Deposit.** Money derived and received
4 from water user entities for capital costs of the southwest pipeline project ~~shall~~ may be pledged
5 by the commission for the repayment of bonds issued for the construction of the southwest
6 pipeline project. Any money not pledged must be deposited by the commission in the
7 resources trust fund, established pursuant to section 57-51.1-07, and ~~shall~~ may be expended
8 only pursuant to legislative appropriation for the purposes specified in subsection 1 of section
9 57-51.1-07.

10 **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.