

**HOUSE BILL NO. 1140**

Introduced by

Natural Resources Committee

(At the request of the State Engineer)

1 A BILL for an Act to amend and reenact sections 61-35-04, 61-35-07, 61-35-08, and  
2 subsection 1 of section 61-35-25 of the North Dakota Century Code, relating to payment of  
3 publication costs to create a water district, election of a board of a water district, and notice of  
4 dissolution or merger of a rural water corporation or cooperative.

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

6 **SECTION 1. AMENDMENT.** Section 61-35-04 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **61-35-04. Hearing after filing.** When a petition for the organization of a district is filed  
9 with the state engineer, the state engineer shall fix a time for a hearing on the petition not less  
10 than fifteen nor more than forty-five days after the filing of the petition. The state engineer shall  
11 prepare a notice as required by section 61-35-05. At least seven days before the date fixed for  
12 the hearing on the petition, the notice must be:

- 13 1. ~~Published~~ published in the official county newspapers in the counties included  
14 within the district.  
15 2. ~~Transmitted with a copy of the original petition to the state engineer~~ The applicant  
16 shall pay all costs of the publication notice.

17 **SECTION 2. AMENDMENT.** Section 61-35-07 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **61-35-07. Findings - Order.** After the hearing, the state engineer may strike off any  
20 part of the territory that testimony shows will not be benefited by the creation of the district. If  
21 the state engineer does not find that the district is reasonably necessary, the state engineer  
22 shall dismiss the petition. If the state engineer finds that required notice of the hearing has  
23 been given and that the proposed district is reasonably necessary for the public health,  
24 convenience, and comfort of the residents, the state engineer shall make an order establishing

1 the district as a political subdivision, designating its boundary, and identifying it by name or  
2 number. The order shall be published in the same newspaper or newspapers that published  
3 the notice of hearing. The applicant shall pay all costs of the publication of the order. The state  
4 engineer shall prepare and preserve a complete record of the hearing on the petition and the  
5 state engineer's findings and action.

6 **SECTION 3. AMENDMENT.** Section 61-35-08 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **61-35-08. Meeting of members - Election of board.** As a part of the order organizing  
9 the district, the state engineer shall fix the time and place at which the members shall meet to  
10 select from their number a board of directors. Selection of the initial board may not be later  
11 than thirty days after the ~~hearing order is issued.~~ The number of directors on the board, not to  
12 exceed nine, must be determined by a majority vote of those members present. Any member  
13 elected a director who fails to become a participating member, within thirty days after entry in  
14 the minutes of the board of a declaration of availability of benefit units for subscription, forfeits  
15 the office of director.

16 **SECTION 4. AMENDMENT.** Subsection 1 of section 61-35-25 of the North Dakota  
17 Century Code is amended and reenacted as follows:

18 1. After final approval of the petition by the state engineer, the secretary of the  
19 corporation or cooperative shall file a notice with the ~~corporation or cooperative~~  
20 secretary of state or attorney general, if applicable, in accordance with title 10.