



North Dakota Legislative Council

Prepared for the Legislative Management
LC# 25.9138.01000
October 2023

SUMMARY OF REENACTMENT OF PROVISIONS RELATING TO JOINT WATER RESOURCE BOARDS AND THE WATER INFRASTRUCTURE REVOLVING LOAN FUND - LC# 23.1150.01000

This memorandum describes the bill draft [23.1150.01000], which reenacts the following sections of Senate Bill No. 2015 (2023):

- Section 52, relating to joint water resource boards;
- Section 54, relating to the repeal of a Bank of North Dakota transfer to the water infrastructure revolving loan fund; and
- Section 55, relating to a Bank of North Dakota transfer to the water infrastructure revolving loan fund. ([appendix](#))

SECTION 1

Section 1 reenacts Section 52 of Senate Bill No. 2015 (2023), which amends the new subsection to North Dakota Century Code Section 61-16.1-11, as created by Section 1 of Senate Bill No. 2372 (2023). The new subsection created by Section 1 of Senate Bill No. 2372 (2023) requires all districts within the Red River, James River, Mouse River, and Missouri River to form and remain a member of a joint water resource board relative to the district's respective drainage basin. The new subsection is further amended to correct "shall" to "may" when referencing the board of county commissioners' power to approve a levy of tax not to exceed two mills upon the taxable valuation of the real property within each joint board's respective drainage basin. Without this amendment, the board would be required to approve a tax levy. The amendment provides the board discretion if a levy of tax is not required.

SECTION 2

Section 2 reenacts Section 54 of Senate Bill No. 2015 (2023), which repealed Section 5 of Senate Bill No. 2020 (2023), relating to a transfer of \$100 million of Bank of North Dakota profits to the water infrastructure revolving loan fund during the 2023-25 biennium to provide local cost-share loans for projects approved by the State Water Commission. A corrected version of the repealed language from Section 5 of Senate Bill No. 2020 was redrafted as Section 55 of Senate Bill No. 2015 (2023) as a line of credit to the Department of Water Resources to be transferred to the infrastructure revolving loan fund.

SECTION 3

Section 3 reenacts Section 55 of Senate Bill No. 2015 (2023), which provides a line of credit not to exceed \$100 million to the Department of Water Resources to be transferred to the water infrastructure revolving loan fund to provide local cost-share loans for projects approved by the State Water Commission. The section requires the interest rate charged on the line of credit to be the prevailing interest rate charged to North Dakota government entities. The Department of Water Resources is required to request a deficiency appropriation from the 69th Legislative Assembly to repay the line of credit.

SECTION 4

Section 4 provides the Act applies retroactively to July 1, 2023.

SECTION 5

Section 5 provides the Act becomes effective immediately upon its filing with the Secretary of State.

ATTACH: 1

SECTION 52. AMENDMENT. The new subsection to section 61-16.1-11 of the North Dakota Century Code, as created by section 1 of Senate Bill No. 2372, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

All districts within the Red River, James River, Mouse River, Missouri River, and Devils Lake drainage basins shall, by agreement, form and remain a member of a joint water resource board relative to the district's respective drainage basin. All agreements and subsequent amendments must be filed with the department of water resources. Notwithstanding other provisions of law, the board of county commissioners of the member districts in the Red River, James River, Mouse River, Missouri River, and Devils Lake drainage basins ~~shall~~may approve a levy of tax not to exceed two mills upon the taxable valuation of the real property within each joint board's respective drainage basin.

SECTION 54. REPEAL. Section 5 of Senate Bill No. 2020, as approved by the sixty-eighth legislative assembly, is repealed.

SECTION 55. BANK OF NORTH DAKOTA LINE OF CREDIT - WATER INFRASTRUCTURE REVOLVING LOAN FUND - TRANSFER. The Bank of North Dakota shall extend a line of credit not to exceed \$100,000,000 to the department of water resources to be transferred to the water infrastructure revolving loan fund as requested by the director of the department of water resources to provide local cost-share loans for projects approved by the state water commission pursuant to section 6-09-49.2. The interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota government entities. The department of water resources shall request a deficiency appropriation from the sixty-ninth legislative assembly to repay the line of credit.