

Bruce Henschel, Secretary

Board of Directors-Northeast Regional Water District

Opposing House Bill 1537

House Political Subdivisions Committee

February 6, 2025

Chairman Longmuir and members of the House Political Subdivisions Committee. My name Bruce Henschel and I am the Secretary of the Board of Directors for Northeast Regional Water District.

We are a rural water system up in the NE corner of the state. We have worked diligently over the years on new projects to bring online new members that have not been served with a safe reliable water source. We now serve over 2600 members along with many bulk users.

I am providing testimony in opposition to HB 1537. Since we have done the aforementioned projects, we also have had to take out loans to complete them. While doing this, the district knew we were protected by ND Statute N.D.C.C. 6-09.4-22 (Senate Bill 2086) and that the new territory being served was protected as well. In order to pay back these loans, we set rates that ensured an affordable rate for the members yet provided revenue for our district for maintenance and funds to repay the loans. This bill removes the safeguards we have which would allow other municipalities to take some of our territory, resulting in loss revenue. This would only put a hardship on the remaining members as we would obviously have to do rate increases to help offset the loss.

In closing, I do not see where this bill would be of any benefit to rural water systems and feel that the protection we now have in place with Senate Bill 2086, should be left alone.

I would like to thank you for giving me the time to provide testimony in opposition of HB 1537. I respectfully ask for a Do Not Pass Recommendation.

Bruce Henschel

Secretary-Board of Directors

Northeast Regional Water District