

Good morning Chairman Longmuir and members of the House Political Subdivisions Committee. For the record, my name is Senator Bob Paulson from District 3 in Minot. I'm here to introduce SB 2299.

SB 2299 is a bill that seeks to clarify in code elements concerning water districts that are currently unclear or lacking.

Mr. Chairman and members of the committee, after I submitted this bill, I received a lot of feedback from other water districts in the state. I would like to thank Mr. Eric Volk of the Rural Water Systems Association, who did a lot of work coordinating amendments with those who would be affected by the bill. Unless there is something I'm unaware of, I believe that I have brought you something that is a finished product, at least I sincerely hope so! So, to give you some background on how the bill came to be.

This past year, over 150 members of a water district signed a petition seeking to have an audit conducted by the State Auditor, however the attorney for that water district determined that the State Auditor did not have the duty nor the authority to do so in Century Code, so Section 1 adds water districts subject to chapter 61-35 to the list of political subdivisions that the state auditor audits. And to be clear, Mr. Chair, this would be a fiscal audit, and not a performance audit.

Section 2 provides that the audit will be performed upon a petition of at least ten percent or three hundred of the participating members, whichever is fewer.

At a recent annual meeting, the nominating committee of the water district placed one name on the ballot. Another member seeking election was not placed on the ballot because he objected to signing a newly created Code of Conduct that he had concerns with. An attempt to make a nomination from the floor was ruled out of order at the meeting. So, Section 3 clarifies that each participating member seeking election to the board shall present a petition containing signatures of ten participating members. All petitions must be submitted to the secretary of the board or nominating committee at least forty - five days before the election or by the mail election deadline established under the district's bylaws. Any participating member who submits a petition must be added to the ballot, provided they reside in the appropriate district and qualify to serve as a director under the district 's bylaws.