

Chairman Patten and members of the Senate Energy and Natural Resources Committee,  
I am writing this testimony to express my opposition to SB2299.

There is no reason for this bill to be declared an emergency bill. There is no Urgent situation that these changes are going to correct. No one is going to die, no crimes are being committed, and no districts are going to fail if these changes are not implemented immediately. In my opinion, it is ridiculous that this bill is even considered as emergency.

54-10-14 v.

There is no issue with adding water districts to the list of public subdivisions because that is what water districts are, however, we are unique in how we receive funding.

54-10-15 1.

Why do the requirements to have a state audit requested by the membership differ from the rest of the political subdivisions. I have no issues with the membership asking for an audit, but it should stay uniform like all the other political subdivisions. Most, if not all water districts, have federal loans, and because of that, Federal Law requires that we have audits performed every year by an independent audit agency. Those audits are sent to the ND State Auditor just like all the other political subdivisions. Our bylaws require a yearly audit by a certified public accountant.

61-35-09 .3

**THIS SHOULD BE REMOVED COMPLETELY.** Our bylaws have a requirement for a Nominating committee for the nomination of directors prior to the annual meeting of the members. This nominating committee is no different than the nominating committees in the “corporate world”. Those nominating committees are tasked with looking out for the best interest of the “corporation” by forwarding qualified candidates for election at the annual meeting of members, just like the Non-profit or Credit Union board nominating committees do. By allowing a person to be placed on a ballot 5 days before an election, it will cause chaos since the nominating committee needs more time than that to schedule a meeting and qualify/vet the candidates. If this amendment is adopted, state law will essentially preclude water districts from using a nominating committee to qualify their board members prior to elections. That is a level of micromanagement by the state that should not be allowed. It creates a financial burden on the district for having to reprint ballots and pay a premium to get the ballots back in time for the annual meeting. Let’s say our annual meeting is on a Wednesday, because it says 5 days, a person could submit their name late on a Friday afternoon and we would only have 3 days to change the ballots. Not to mention it is completely unfair to any person who was vetted and placed on the ballot. There is no need for state law to be changed because there are a few people who have not taken the time to follow the process already in place, or to otherwise make a request that our water district change the bylaws.

61-35-10.4

The issue with this section is not the that members want to observe, the issue one word “Engage” .... each participating member to plainly observe and engage in the election process. That one word has multiple meanings: To Enter into, To participate, to hold attention, to pledge. Vote ND.gov website specifically states that observers cannot interfere. That one word allows disorder to possibly erupt. That word needs to be removed.

Thank you for your time and consideration,  
Matthew Zelinski  
North Prairie Regional Water District  
District 6