

Sixty-sixth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1320

Introduced by

Representatives Pollert, Headland

Senators G. Lee, Wanzek

A BILL ~~for an Act to amend and reenact section 40-33-16, subsections 11 and 27 of~~
~~section 61-24-08, and subsection 8 of section 61-39-05 of the North Dakota Century Code,~~
~~relating to Red River valley water supply project contract terms and elimination of voter~~
~~approval requirements.~~ for an Act to create and enact a new section to chapter 54-07 of the
North Dakota Century Code, relating to the Theodore Roosevelt presidential library and
museum endowment fund; to provide a continuing appropriation; to provide for a transfer; to
authorize a loan; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1. AMENDMENT.** Section 40-33-16 of the North Dakota Century Code is~~
~~amended and reenacted as follows:~~

~~**40-33-16. Municipality may purchase water for distribution.**~~

~~1. Any city owning a system for the distribution of water for fire protection and other~~
~~public purposes and for selling water to its inhabitants and industries, but for which the~~
~~water supply is unsuitable or inadequate, may contract to purchase water at wholesale~~
~~for such~~those ~~purposes from any person, firm, public or private corporation, or limited~~
~~liability company able and willing to furnish the same, upon such~~the ~~terms and during~~
~~such~~the ~~period, not exceeding forty years, as the city governing body shall~~
~~deem~~deems ~~appropriate. Any such~~The ~~contract shall~~must ~~be authorized by an~~
~~ordinance submitted to the voters for approval by a majority of those voting on the~~
~~proposition before it takes effect. In and by such~~Pursuant to the ~~ordinance and~~
~~contract, the city may bind itself:~~

~~1. a. To establish and maintain rates and charges for supplying water by it to its~~
~~inhabitants and industries, either according to a prescribed schedule agreed~~
~~upon or sufficient to produce net stated amounts for specified periods during the~~

- 1 life of the contract, or both, and to appropriate and use the same for payments to
2 become due under the contract, and, if the contract so provides, the city shall
3 be ~~is~~ obligated to pay for such ~~the~~ water solely out of such ~~the~~ net revenues;
- 4 ~~2. b.~~ To pay, at an agreed rate or rates, for all water taken by the city under such ~~the~~
5 contract and not resold by it; and
- 6 ~~3. c.~~ To do and perform any other acts or things which, in the discretion of the
7 governing body, are deemed ~~deems~~ reasonable and appropriate for the
8 procurement of such ~~the~~ water on the most efficient and economical basis.
- 9 ~~2.~~ Notwithstanding subsection 1, contracts to purchase water from the water supply
10 system created by the Red River valley water supply project may have a term
11 exceeding forty years and, if executed in relation to the initial construction of the
12 system, need not be submitted to the voters for approval.
- 13 ~~3.~~ If any payments under any contract are to be made solely out of net revenues, the
14 contract may fix and prescribe the method or basis on which net revenues are to be
15 computed.
- 16 ~~**SECTION 2. AMENDMENT.** Subsection 11 of section 61-24-08 of the North Dakota Century~~
17 ~~Code is amended and reenacted as follows: _____~~
- 18 ~~11.~~ To operate and maintain or to contract for the operation and maintenance of water
19 supply and irrigation works serving lands and uses within or outside the district, and in
20 connection therewith, to maintain a reserve fund to meet major unforeseen costs of
21 operation and maintenance. The acquisition, construction, operation, and maintenance
22 of dams, reservoirs, ground water storage areas, canals, conduits, pipelines, tunnels,
23 and any other plants, works, facilities, improvements, or property necessary to operate
24 or maintain water supply or irrigation works under this section are exempt from any
25 requirements for voter approval.
- 26 ~~**SECTION 3. AMENDMENT.** Subsection 27 of section 61-24-08 of the North Dakota~~
27 ~~Century Code is amended and reenacted as follows: _____~~
- 28 ~~27.~~ To enter water service contracts with municipalities, water districts, or other political
29 subdivisions in this state and public utilities in Minnesota as part of the Red River
30 valley water supply project, regardless of whether the acquisition, construction, or
31 reconstruction of any Red River valley water supply project is actually completed and

whether water actually is delivered under the contracts. These contracts with cities and water districts are authorized to be executed without limitation on term of years notwithstanding any limitation to the contrary and, if the contracts are executed in relation to the initial construction of the system, without voter approval.

SECTION 4. AMENDMENT. Subsection 8 of section 61-39-05 of the North Dakota Century Code is amended and reenacted as follows: _____

_____~~8. Enter a contract or contracts to provide for a supply of bulk water from the Garrison Diversion Conservancy District which contract or contracts may provide for payments to fund some or all of the Garrison Diversion Conservancy District's costs of acquiring, designing, constructing, or reconstructing one or more features of a Red River valley water supply project, which project the that the Garrison Diversion Conservancy District may acquire, design, construct, improve, and own, as well as the Garrison Diversion Conservancy District's costs of operating and maintaining one or more Red River valley water supply projects, whether the acquisition, construction, or reconstruction of any Red River valley water supply project actually is completed and whether water actually is delivered pursuant to the contract or contracts, and which contract or contracts the Garrison Diversion Conservancy District may execute. Contracts executed under this subsection may be executed without limitation on the term of years and, if executed in relation to the initial construction of the system, need not be submitted to the voters for approval.~~

SECTION 1. A new section to chapter 54-07 of the North Dakota Century Code is created and enacted as follows:

Theodore Roosevelt presidential library and museum endowment fund - Continuing appropriation.

There is created in the state treasury the Theodore Roosevelt presidential library and museum endowment fund. The governor may provide for the fund to be invested under the supervision of the board of university and school lands. The interest and earnings of the fund are appropriated to the governor on a continuing basis to pay interest expenses on a loan from the Bank of North Dakota and to provide grants pursuant to this section. The governor may provide grants to a private entity subject to the following:

1. The private entity has certified to the governor the entity has received the sum of one hundred million dollars in cash donations and binding pledged donations for the construction of a presidential library and museum in North Dakota and for grants to affected entities; and

2. The governor has entered an agreement with the private entity in subsection 1 which includes the following provisions:

a. The grant funds will be spent only for operating and maintenance costs of the presidential library located in North Dakota;

b. Any unused grant funds will be returned to the state and deposited in the general fund if the presidential library has not been constructed within the period of time specified in the agreement or if the library ceases operations;

c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota for the purpose of creating an endowment to digitize documents relating to Theodore Roosevelt and for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

d. The private entity agrees to donate three hundred thousand dollars to a city in North Dakota for prior costs incurred related to planning for a presidential library.

SECTION 2. APPROPRIATION - TRANSFER. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be necessary, which the director of the office of management and budget shall transfer to the Theodore Roosevelt presidential library and museum endowment fund during the period beginning with the effective date of this Act, and ending June 30, 2019. Of the funds appropriated in this section, \$9,800,000 is from unexpended funds previously appropriated by the legislative assembly for grants related to the Theodore Roosevelt presidential library.

SECTION 3. LOAN AUTHORIZATION. The governor may obtain a loan from the Bank of North Dakota in an amount not to exceed \$35,000,000. The term of the loan may not exceed six years and the interest rate must be set at the prevailing interest rate charged by the Bank of

1 North Dakota to governmental entities. The governor shall repay the loan authorized in this
2 section from funds appropriated by the legislative assembly. The governor shall deposit the
3 proceeds of the loan in the Theodore Roosevelt presidential library and museum endowment
4 fund.

5 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.