

— *North Dakota Water Users* — February 8, 2019 No. 8

Legislative Report

Hearing Schedule (February 11 – February 15).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

[HB 1428](#) failed on the House floor on Wednesday, February 6 with a 38-54 vote. This bill would have formed a Missouri River council to conduct acquisitions and manage the Missouri River shoreline.

[HB 1431](#) was heard before the House Political Subdivisions Committee on Thursday, February 7. This bill removes Mandan from SW Water Authority's mill levy.

[HB 1449](#) failed on the House floor on Friday, February 8 with a 12-76 vote. This bill would have raised the oil extraction tax rate to 6.5%.

[HB 1521](#) was heard before the Ethics Committee on Thursday, February 7. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

[SB 2020](#) was reviewed by the Senate Appropriations subcommittee on Tuesday, February 5. Regarding funding, the subcommittee agreed by consensus to continue the present biennium funding "buckets", though it seems the proposal for 2019-21 are for the apportionments to be budget bill line items rather than stated legislative intent. The allocations of the \$350M of anticipated revenue for new grants would be approximately similar percentages to the present distribution:

- Water Supply \$115 million
- Rural Water \$30 million
- Flood control \$145 million
- General water management (to include irrigation and Water Resource District projects) \$35.3 million
- \$75 million line of credit for capital projects

[SB 2090](#) passed on the Senate floor on Monday, February 4 with a 42-2 vote. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

[SB 2148](#) was heard before the Ethics Committee on Wednesday, February 6. This bill establishes an ethics commission and outlines the complaint process for violations.

[SB 2166](#) failed on the Senate floor on Tuesday, February 5 with a 2-44 vote. This bill would have raised the total liability of political subdivisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence.

[SB 2174](#) failed on the Senate floor on Monday, February 4 with a 4-40 vote. This bill would have required elections for WRD board members and sets term limits.

[SB 2220](#) failed on the Senate floor on Thursday, February 7 with a 14-32 vote. This bill would have allowed WRDs to charge actual costs associated with permits and allows a WRD board to review completed applications up to 45 days after receipt.

[SB 2295](#) passed on the Senate floor on Friday, February 8 with a 46-0 vote. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

[SB 2342](#) passed on the Senate floor on Friday, February 8 with a 37-9 vote. This bill sets noise restrictions on the operation of airboat watercraft at night.

[SCR 4009](#) passed on the Senate floor on Friday, February 8. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction

with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12 Rural Water/North Dakota Water Coalition Legislative Social
 February 22 Crossover for bills
 February 25-26 Recess
 March 6 Crossover for resolutions
 April 23 Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 11 - February 15, 2019

Date and Time	Bill Number	Short Title	Committee	Room
02/12/2019 2:30 PM	SB 2148	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Ethics	Pioneer
02/12/2019 3:00 PM	HB 1521	Relating to reporting campaign contributions, restrictions on	Ethics	Pioneer

		public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and section 28-32-27 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of hearing officers, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.		
02/15/2019 9:00 AM	HB 1085	Relating to the drought disaster livestock water assistance program; and to declare an emergency.	Senate Agriculture	Roosevelt Park
02/15/2019 10:00 AM	HB 1087	Relating to a permit to construct or modify a dam, dike, or other device.	Senate Agriculture	Roosevelt Park

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
HB 1066	"Prairie Dog Bill"		

HB 1085	Drought Disaster Livestock Water Assistance Program	PASSED	
HB 1086	Waters of the State	FAILED	
HB 1087	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
HB 1136	Bid Requirements for Public Improvements	PASSED	
HB 1173	Appeals to Local Government Cost	PASSED	
HB 1184	Eliminating Quick Take Eminent Domain		
HB 1192	Ordinary High Water Marks		
HB 1207	Reasonable Costs Awarded to Eminent Domain Defendant		
HB 1243	Recording of Easements	FAILED	
HB 1299	Duration of Pipeline Easements	FAILED	
HB 1302	Sale of Property Acquired by Eminent Domain		
HB 1314	Compensation and Reimbursement of WRD Board Members	FAILED	
HB 1320	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
HB 1356	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
HB 1362	Railroad Right of Way Utility Applications		
HB 1428	Acquisition and Management of the Missouri River Shoreline	FAILED	
HB 1431	Removal of Mandan from SW Water Authority's Mill Levy		
HB 1440	Protection of Groundwater	FAILED	
HB 1449	Oil Extraction Tax Rate	FAILED	
HB 1514	Eliminates Tile Permitting Process		
HB 1521	Reporting Campaign Contributions		
SB 2020	Appropriation for Defraying the Expenses of the State Water Commission		
SB 2044	Damaging Critical Infrastructure Penalty		
SB 2090	Permits for the Appropriation of Water		PASSED
SB 2091	Floodplain Management Community Standards		PASSED
SB 2139	Snagging and Clearing		PASSED
SB 2148	Measure 1 Lobbyist Bill		
SB 2166	Increased Liability Limits for Political Subdivisions		FAILED

SB 2174	WRD Board Member Elections, Appointments and Terms		FAILED
SB 2213	SW Water Authority Permanent Mill Levy		
SB 2220	WRD Tile Permits		FAILED
SB 2238	Eminent Domain Power of County Commissioners		
SB 2259	Valuation of Property		FAILED
SB 2275	Essential Infrastructure Revolving Loan Fund		
SB 2293	Aquatic Nuisance Species Program Fund		
SB 2295	Limiting Creation of Irrigation Districts		PASSED
SB 2342	Noise Restrictions on Watercraft		PASSED
SB 2358	Definition of a Watercourse		
SCR 4005	Low-Interest Revolving Loan Fund		FAILED
SCR 4009	Joint Water Resource Board Study		PASSED

VI. SB 2275

SB 2275 was amended this week. It is looking like the water project loan vehicle of choice. We are engaged on this bill and will report any updates. Below are some of the main points of the bill pertaining to water:

- SB2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature’s Infrastructure Revolving Loan Fund. The concept is to “disconnect” repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.