## FIRST ENGROSSMENT

Sixty-fourth Legislative Assembly of North Dakota

## **ENGROSSED HOUSE BILL NO. 1095**

Introduced by

Energy and Natural Resources Committee

(At the request of the State Engineer)

1 A BILL for an Act to amend and reenact subsection 2 of section 61-16.1-09, section

- 2 61-16.1-53.1, subsection 4 of section 61-21-01, and section 61-32-08 of the North Dakota
- 3 Century Code, relating to a water resource board's eminent domain power, administrative
- 4 hearings for noncomplying dams, dikes, and other devices, the definition of drain, and
- 5 administrative hearings for drainage projects; and to provide for a legislative management
- 6 <u>study</u>.

## 7 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

8 SECTION 1. AMENDMENT. Subsection 2 of section 61-16.1-09 of the North Dakota 9 Century Code is amended and reenacted as follows: 10 2. Exercise the power of eminent domain in the manner provided by title 32 for the 11 purpose of acquiring and securing any rights, titles, interests, estates, or easements-12 necessary or proper to carry out the duties imposed by this chapter, and particularly to-13 acquire the necessary rights in land for the construction of dams, flood control-14 projects, and other water conservation, distribution, and supply works of any nature-15 and to permit the flooding of lands, and to secure the right of access to such dams and 16 other devices and the right of public access to any waters impounded thereby. 17 Provided, however, that when the interest sought to be acquired is a right of way for-18 any project authorized in this chapter for which federal funds have been appropriated. 19 or state funds approved by the legislative assembly for a specific project have been 20 appropriated, the district, after making a written offer to purchase the right of way and 21 depositing the amount of the offer with the clerk of the district court of the county-22 wherein the right of way is located, may thereupon take immediate possession of the 23 right of way, as authorized by section 16 of article I of the Constitution of North Dakota. 24 Within thirty days after notice has been given in writing to the landowner by the clerk of

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1		the district court that a deposit has been made for the taking of a right of way as
2		authorized in this subsection, the owner of the property taken may appeal to the
3		district court by serving a notice of appeal upon the acquiring agency, and the matter
4		must be tried at the next regular or special term of court with a jury unless a jury be
5		waived, in the manner prescribed for trials under chapter 32-15.
6	SECTION 1. AMENDMENT. Section 61-16.1-53.1 of the North Dakota Century Code is	
7	amended and reenacted as follows:	
8	61-16.1-53.1. Appeal of board decisions - State engineer review - Closing of	
9	noncon	nplying dams, dikes, or other devices for water conservation, flood control,
10	regulation, and watershed improvement.	
11	<u>1.</u>	The board shall make the decision required by section 61-16.1-53 within a reasonable
12		time, not exceeding one hundred twenty days, after receiving the complaint. The board
13		shall notify all parties of its decision by certified mail. The Any aggrieved party may
14		appeal the board's decision may be appealed to the state engineer by any aggrieved
15		party. The appeal to the state engineer must be made within thirty days from the date
16		notice of the board's decision has been received. The appeal must be made by
17		submitting a written notice to the state engineer, which must specifically set forth the
18		reason why <del>the appealing party believes</del> the board's decision is erroneous. The
19		appealing party shall also submit copies of the written appeal notice to the board and
20		to all nonappealing parties. Upon receipt of this notice the board, if it has ordered
21		removal of a dam, dike, or other device, is relieved of its obligation to procure the
22		removal of the dam, dike, or other device. The state engineer shall handle the appeal
23		by conducting an independent investigation and making an independent determination
24		of the matter. The state engineer may enter property affected by the complaint for the
25		purpose of investigatingto investigate the complaint.
26	<u>2.</u>	If the board fails to investigate and make a determination concerning the complaint
27		within a reasonable time, not exceeding one hundred twenty days, the person filing the
28		complaint may file the complaint with the state engineer within one hundred fifty days
29		of the submittal date of the original complaint. The state engineer shall, without
30		reference to chapter 28-32, shall cause the investigation and determination to be

- made, either by action against the board, or by personally conducting the investigation
   and personally making the determination.
- 3 <u>3.</u> If the state engineer determines that a dam, dike, or other device has been
  4 constructed or established by a landowner or tenant contrary to title 61 or any rules
  5 adopted by the board, the state engineer shall take one of these three actions:
- 6 <u>1.</u> <u>a.</u> Notify the landowner by certified mail at the landowner's post-office address of 7 record;
- 8 2. b. Return the matter to the jurisdiction of the board along with the investigation
  9 report; or
- 103.c.Forward the dam, dike, or other device complaint and investigation report to the11state's attorney.
- 12 <u>4.</u> If the state engineer decides to notify the landowner, the notice must specify the 13 nature and extent of the noncompliance and must state that if the dam, dike, or other 14 device is not removed within such a reasonable time as determined by the state 15 engineer determines, but not less than thirty days, the state engineer shall procure the 16 removal of the dam, dike, or other device and assess the cost of removal against the 17 responsible landowner's property of the responsible landowner. The notice from the 18 state engineer must state that, within fifteen days of the date the notice is mailed, the 19 affected landowner may demand, in writing, a hearing on the matter. Upon receipt of 20 the demand, the state engineer shall set a hearing date within fifteen days from the 21 date the demand is received. If, in the opinion of the state engineer, more than one 22 landowner or tenant has been responsible, the costs may be assessed on a pro rata 23 basis in proportion to the responsibility of the landowners. Upon assessment of costs, 24 the state engineer shall certify the assessment to the county auditor of the county 25 where the noncomplying dam, dike, or other device is located. The county auditor shall 26 extend the assessment against the property assessed. Each assessment must be 27 collected and paid as other property taxes are collected and paid. Assessments 28 collected must be deposited with the state treasurer and are hereby appropriated out-29 of the state treasury and must be credited to the contract fund established by section 30 61-02-64.1. Any person aggrieved by action of the state engineer under this section 31 may appeal the decision of the state engineer to the district court in accordance-

with<u>under</u> chapter 28-32. A hearing by the state engineer as provided for in this
 section is a prerequisite to such an appeal.

5. If the state engineer, after completing the investigation required under this section,
 decides to return the matter to the board, a complete copy of the investigation report
 must be forwarded to the board and it must include the nature and extent of the
 noncompliance. Upon having the matter returned to its jurisdiction, the board shall
 carry out the state engineer's decision in accordance with<u>under</u> the terms of this
 section.

- 9 <u>6.</u> If the state engineer, after completing the investigation required under this section,
  10 decides to forward the dam, dike, or other device complaint to the state's attorney, a
  11 complete copy of the investigation report must also be forwarded, which must include
  12 the nature and extent of the noncompliance. The state's attorney shall prosecute the
  13 complaint in accordance with<u>under</u> the statutory responsibilities prescribed in
  14 chapter 11-16.
- 15 7. In addition to the penalty imposed by the court in the event of on conviction under this 16 statute, the court shall order the dam, dike, or other device removed within sucha 17 reasonable time period as the court determines, but not less than thirty days. If the 18 dam, dike, or other device is not removed within the time prescribed by the court, the 19 court shall procure the removal of the dam, dike, or other device, and assess the cost 20 thereof against the property of the landowner responsible, in the same manner as 21 other assessments under chapter 61-16.1 are levied. If, in the opinion of the court, 22 more than one landowner or tenant has been responsible, the costs may be assessed 23 on a pro rata basis in proportion to the responsibility of the landowners.

SECTION 2. AMENDMENT. Subsection 4 of section 61-21-01 of the North Dakota Century
 Code is amended and reenacted as follows:

4. "Drain" means any natural watercourse opened, or proposed to be opened, and
improved for the purpose of drainage and any artificial drains of any nature or
description constructed for suchthethat purpose, including dikes and appurtenant
works. This definition may include more than one watercourse or artificial channel
constructed for the aforementioned purpose when the watercourses or channels drain
land within a practical drainage area as determined by the written petition called for in

- 1 section 61-21-10 and the survey and examination called for in section 61-21-12. 2 "Drain" also means reducing the capacity of a land feature to retain water. 3 SECTION 3. AMENDMENT. Section 61-32-08 of the North Dakota Century Code is 4 amended and reenacted as follows: 5 61-32-08. Appeal of board decisions - State engineer review - Closing of 6 noncomplying drains. 7 The board shall make the decision required by section 61-32-07 within a reasonable 1. 8 time, but not to exceed one hundred twenty days, after receiving the complaint. The 9 board shall notify all parties of its decision by certified mail. TheAny aggrieved party 10 may appeal the board's decision may be appealed to the state engineer by any-11 aggrieved party. The appeal to the state engineer must be made within thirty days 12 from the date notice of the board's decision has been received. The appeal must be 13 made by submitting a written notice to the state engineer, which must specifically set 14 forth the reason why the board's decision is erroneous. The appealing party shall also 15 submit copies of the written appeal notice to the board and to theall nonappealing 16 partyparties. Upon receipt of this notice the board, if it has ordered closure of a drain, 17 lateral drain, or ditch, is relieved of its obligation to procure the closing or filling of the 18 drain, lateral drain, or ditch. The state engineer shall handle the appeal by conducting 19 an independent investigation and making an independent determination of the matter. 20 The state engineer may enter property affected by the complaint for the purpose of 21 investigatingto investigate the complaint. 22 If the board fails to investigate and make a determination concerning the complaint 2. 23 within a reasonable time, but not to exceed one hundred twenty days, the person filing 24 the complaint may file such the complaint with the state engineer within one hundred
- 25 <u>fifty days of the submittal date of the original complaint</u>. The state engineer shall,
   26 without reference to chapter 28-32, cause the investigation and determination to be
   27 made, either by action against the board, or by personally conducting the investigation
   28 and personally making the determination.
- 3. If the state engineer determines that a drain, lateral drain, or ditch has been opened or
   established by a landowner or tenant contrary to title 61 or any rules adopted by the
   board, the state engineer shall take one of three actions:

- 1 <u>1.</u> <u>a.</u> Notify the landowner by certified mail at the landowner's post-office address of 2 record;
- 3 2. b. Return the matter to the jurisdiction of the board along with the investigation
   4 report; or
- 5 <del>3.</del> Forward the drainage complaint and investigation report to the state's attorney. C. 6 4. If the state engineer decides to notify the landowner, the notice must specify the 7 nature and extent of the noncompliance and must state that if the drain, lateral drain, 8 or ditch is not closed or filled within sucha reasonable time as determined by the state 9 engineer shall determine, but not less than thirty days, the state engineer shall procure 10 the closing or filling of the drain, lateral drain, or ditch and assess the cost thereof, 11 against the <u>responsible landowner's</u> property of the landowner responsible. The notice 12 from the state engineer must state that the affected landowner may, within fifteen days 13 of the date the notice is mailed, demand, in writing, a hearing on the matter. Upon 14 receipt of the demand, the state engineer shall set a hearing date within fifteen days 15 from the date the demand is received. If, in the opinion of the state engineer, more 16 than one landowner or tenant has been responsible, the costs may be assessed on a 17 pro rata basis in proportion to the responsibility of the landowners. Upon assessment 18 of costs, the state engineer shall certify the assessment to the county auditor of the 19 county where the noncomplying drain, lateral drain, or ditch is located. The county 20 auditor shall extend the assessment against the property assessed. Each assessment 21 must be collected and paid as other property taxes are collected and paid. 22 Assessments collected must be deposited with the state treasurer and are hereby-23 appropriated out of the state treasury and must be credited to the contract fund 24 established by section 61-02-64.1. Any person aggrieved by action of the state 25 engineer under the provisions of this section may appeal the decision of the state 26 engineer to the district court in accordance withunder chapter 28-32. A hearing by the 27 state engineer as provided for in this section shall beis a prerequisite to such an 28 appeal.

5. If the state engineer, after completing the investigation required under this section,
 decides to return the matter to the board, a complete copy of the investigation report
 shallmust be forwarded to the board and it shallmust include the nature and extent of

- the noncompliance. Upon having the matter returned to its jurisdiction, the board shall
   carry out the state engineer's decision in accordance with<u>under</u> the terms of this
   section.
- 6. If the state engineer, after completing the investigation required under this section,
  decides to forward the drainage complaint to the state's attorney, a complete copy of
  the investigation report must also be forwarded, which must include the nature and
  extent of the noncompliance. The state's attorney shall prosecute the complaint inaccordance withunder the statutory responsibilities prescribed in chapter 11-16.
- 9 <u>7.</u> In addition to the penalty imposed by the court in the event of on conviction under this 10 statute, the court shall order the drain, lateral drain, or ditch closed or filled within 11 sucha reasonable time period as the court determines, but not less than thirty days. If 12 the drain, lateral drain, or ditch is not closed or filled within the time prescribed by the 13 court, the court shall procure the closing or filling of the drain, lateral drain, or ditch, 14 and assess the cost thereof against the property of the landowner responsible, in the 15 same manner as other assessments under chapter 61-16.1 are levied. If, in the 16 opinion of the court, more than one landowner or tenant has been responsible, the 17 costs may be assessed on a pro rata basis in proportion to the responsibility of the 18 landowners.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY. During the 2015-16 interim, the
legislative management shall assign to the water topics overview committee the responsibility of
studying the use of quick take in eminent domain by water resource districts. The study must
include input from stakeholders, including the state water commission, water resource districts,
and landowners. The legislative management shall report its findings and recommendations,
together with any legislation required to implement the recommendations, to the sixty-fifth
legislative assembly.