

PROPOSED AMENDMENTS TO SENATE BILL NO. 2265

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 61-07-03 and two new sections to chapter 61-08 of the North Dakota Century Code, relating to the issuance of revenue bonds;" and after "sections" insert "61-07-07, 61-07-08,"

Page 1, line 3, remove "and" and after "61-08-39" insert ", 61-09-13, and 61-09-14"

Page 1, line 3, after "to" insert "powers and"

Page 1, after line 8, insert:

"SECTION 1. A new subsection to section 61-07-03 of the North Dakota Century Code is created and enacted as follows:

Acquire real property, buildings, improvements, and equipment used or useful in connection with storing, warehousing, distributing, or selling agricultural products, which may be located within or outside the district.

SECTION 2. AMENDMENT. Section 61-07-07 of the North Dakota Century Code is amended and reenacted as follows:

61-07-07. Board to formulate general plan of operation - Contents. As soon as practicable after the organization of an irrigation district, the board of directors, by a resolution entered on its records, shall formulate a general plan of its proposed operation in which ~~it shall~~ must state:

1. What constructed works or other property are proposed to be purchased, the purchase price ~~thereof~~, and what construction work is proposed to be done, and the estimated cost of ~~such~~ the construction.
2. Whether funds to pay ~~such~~ the purchase price or cost of construction ~~shall~~ will be raised by issuing bonds ~~or district improvement warrants~~ or by creating a fund through the collection of ~~water~~ rentals ~~or~~ charges from water users, or by creating a fund by levying assessments against the lands benefited, or whether it is contemplated to raise funds by the use of all or a combination of ~~such~~ those methods of raising funds.

SECTION 3. AMENDMENT. Section 61-07-08 of the North Dakota Century Code is amended and reenacted as follows:

61-07-08. Surveys, examinations, and plans made to determine cost of construction in district - State engineer to prepare report. For the purpose of ascertaining the cost of any irrigation construction work in a district, the board shall cause such surveys, examinations, and plans to be made as ~~shall~~ may demonstrate the practicability of ~~such~~ the plan and furnish the proper basis for an estimate of the cost of carrying out the ~~same~~ plan. All ~~such~~ surveys, examinations, maps, plans, and estimates ~~shall~~ must be made under the direction of a registered professional engineer, who may be the state engineer, and ~~shall~~ must be certified by the registered professional engineer. The board ~~then~~ shall submit a copy ~~of the same~~ to the state engineer who shall prepare a summary report ~~thereon~~ and file the ~~same~~ report with the board. ~~Such~~ The report ~~shall~~ must contain such matters as in the judgment of the state engineer ~~may be~~ are desirable. Upon receiving ~~such~~ the report, the board of directors shall ~~proceed to~~ determine the amount of money required to be raised."

"**SECTION 21.** Two new sections to chapter 61-08 of the North Dakota Century Code are created and enacted as follows:

Issuance of revenue bonds. The acquisition, construction, reconstruction, improvement, betterment, or extension of any revenue producing facility, and the issuance of revenue bonds in anticipation of the collection of the revenues of the facility, may be authorized by resolution adopted by the affirmative vote of a majority of the board of directors. The amount of the bonds authorized may not exceed the amount authorized by the electors of the district as provided in this chapter.

Payment and security for revenue bonds. Revenue bonds issued under this chapter may not be payable from nor charged upon any funds other than the revenue pledged to the payment of the bonds, nor is the district issuing the bonds subject to any pecuniary liability on the bonds. A holder of the bonds does not have the right to compel the levy of special assessments to pay the bonds or the interest, or to enforce payment of the bonds against any property of the district other than property pledged as security for the bonds. Each revenue bond issued under this chapter must recite in substance that the bond, including interest on the bond, is payable solely from the revenue pledged to the payment of the bond, and that the bond does not constitute a debt of the district within the meaning of any constitutional or statutory limitation.

SECTION 22. AMENDMENT. Section 61-09-13 of the North Dakota Century Code is amended and reenacted as follows:

61-09-13. Board may borrow additional funds if levy of annual assessment is insufficient for district - Limitations. If after the levy of the annual assessment for the current year the board finds that because of some unusual or unforeseen cause funds raised through the collection of ~~such~~ the assessment, and from other sources, will not be sufficient for the proper maintenance and operation of the district, and the irrigation works ~~therein~~ of the district, the board may borrow additional funds needed to an amount not to exceed ~~one dollar~~ twenty dollars per acre [.40 hectare] for the irrigable lands within the district and may pledge the credit of the district for the payment of the ~~same loan~~, or the board may issue ~~and register warrants~~ bonds in anticipation of further collections. The board shall include in the levy for the ensuing year the amount required to pay ~~such~~ the loan or to retire ~~such warrants~~ the bonds.

SECTION 23. AMENDMENT. Section 61-09-14 of the North Dakota Century Code is amended and reenacted as follows:

61-09-14. Warrants Borrowing in excess of ninety percent of levy prohibited - Additional levy permissible - Transfer of balance in fund. ~~No~~ An irrigation district, on account of expenses of operation and maintenance and to pay the current expenses of the district, in any year ~~shall issue warrants~~ may not borrow in excess of ninety percent of the levy of assessments for ~~such~~ that year. In case of due and outstanding obligations of the district on account of current expenses and expenses of operation and maintenance contracted ~~prior to~~ before the year in which the levy is made, the district board ~~shall have power to~~ may make an additional levy, not to exceed ~~one dollar~~ twenty dollars per acre [.40 hectare], upon all irrigable lands within the district, to create a special fund for the payment of ~~such~~ the past due obligations. Whenever the claims or obligations against any fund for any year are fully paid, the board ~~shall have the power to~~ may transfer any unused balance to any fund for any preceding or succeeding year."

Re-number accordingly