

**SENATE BILL NO. 2270  
with House Amendments  
SENATE BILL NO. 2270**

Sixty-fifth  
Legislative Assembly  
of North Dakota

Introduced by

Senators Wanzek, G. Lee, Sorvaag

Representatives Sanford, Vigesaa, Zubke

1 A BILL for an Act to amend and reenact subsection 5 of section 6-09.4-03, section 61-24-27,  
2 subsection 3 of section 61-24.8-01, and sections 61-24.8-14, 61-24.8-16, and 61-24.8-17 of the  
3 North Dakota Century Code, relating to financing options for the Garrison Diversion  
4 Conservancy District and notice of assessments.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 5 of section 06-09.4-03 of the North Dakota  
7 Century Code is amended and reenacted as follows:

8 5. "Political subdivision" means:

- 9 a. A local governmental unit created by statute or by the Constitution of North  
10 Dakota for local governmental or other public purposes.
- 11 b. The state department of health, or any other state agency or authority, or any  
12 member-owned association or publicly owned and nonprofit corporation:  
13 (1) Operating any public water system that is subject to chapter 61-28.1.  
14 (2) Operating any facility, system, or other related activity that is eligible for  
15 financial assistance under chapter 61-28.2.
- 16 c. The Bank of North Dakota for purposes of the revolving loan fund program  
17 established by chapter 61-28.2.
- 18 d. The state water commission for purposes of the revolving loan fund program  
19 established by chapter 61-28.1.
- 20 e. A qualified borrower within the meaning of 26 U.S.C. 54(j)(5) [Pub. L. 109-58;  
21 119 Stat. 995].
- 22 f. The Garrison Diversion Conservancy District or any successor entity or  
23 improvement district created under chapter 61-24.8 to finance or refinance  
24 irrigation and water supply projects.

- 1           g. The Lake Agassiz water authority, for use in financing the construction,  
2           acquisition, extension, expansion, alteration, betterment, maintenance, or  
3           renovation of a project under section 61-39-16.

4           **SECTION 2. AMENDMENT.** Section 61-24-27 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6           **61-24-27. Notes and bonds exempt from taxation.**

7           Notwithstanding any other provision of law, the state and all public officers, boards, and  
8 agencies, and political subdivisions and agencies of the state including the public finance  
9 authority, all national banking associations, state banks, trust companies, savings banks and  
10 institutions, savings and loan associations, credit unions, investment companies, insurance  
11 companies, and other entities carrying on an investment business, and executors,  
12 administrators, guardians, trustees, and other fiduciaries, may legally invest any sinking funds,  
13 moneys, or other funds belonging to them or within their control in any bonds issued under this  
14 chapter, and the bonds are authorized security for public deposits. Notes and bonds, including  
15 refunding bonds, issued under this chapter and their interest and income are exempt from all  
16 taxation by the state or by any political subdivision except inheritance, estate, and transfer  
17 taxes.

18           **SECTION 3. AMENDMENT.** Subsection 3 of section 61-24.8-01 of the North Dakota  
19 Century Code is amended and reenacted as follows:

- 20           3. "Bond" means any revenue bond, refunding bond, improvement bond, or other  
21           evidence of indebtedness, including indebtedness owed to banks, or other public or  
22           private lending sources, of the district issued under this chapter.

23           **SECTION 4. AMENDMENT.** Section 61-24.8-14 of the North Dakota Century Code is  
24 amended and reenacted as follows:

25           **61-24.8-14. Voting on proposed projects.**

26           At the hearing and in the written notice, the affected landowners must be informed when  
27 and where votes concerning the proposed project may be filed. Affected landowners to be  
28 assessed have thirty days after the date of the hearing or thirty days after the date of mailing  
29 the notice to file their votes with the secretary of the district. Once the deadline for filing votes  
30 has been reached, no more votes may be filed and no person may withdraw a vote. Any  
31 withdrawal of a vote concerning the proposed project before that time must be in writing. When

1 the votes have been filed and the deadline for filing votes has passed, the board shall  
2 immediately determine whether the project is approved. If the board finds that one hundred  
3 percent of the total votes filed are for the proposed project, then the vote constitutes an  
4 affirmation of the project and the board shall issue an order establishing the proposed project  
5 and may proceed, after complying with the requirements of sections 61-24.8-17 and 61-24.8-18,  
6 to contract or provide for the construction or maintenance of the project in substantially the  
7 manner and according to the forms and procedure provided in section 61-24.8-41. The board  
8 may enter any agreement with any federal or state agency under the terms of which the  
9 contract for the project is to be let by the federal agency, the state agency, or a combination  
10 thereof. In projects where there is an agreement that a party other than the board will let the  
11 contract, the board may dispense with all of the requirements of section 61-24.8-41. Upon  
12 making an order establishing or denying establishment of a project, the board shall publish  
13 notice of the order in a newspaper of general circulation in the area in which the affected  
14 landowners reside and in the official county newspaper of each county in which the benefited  
15 lands are located. Any right of appeal begins to run on the date of publication or mailing of the  
16 notice.

17 **SECTION 5. AMENDMENT.** Section 61-24.8-16 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19 **61-24.8-16. Assessment of cost of project.**

20 When the board proposes to make any special assessment under this chapter, the board or  
21 its agent, before the hearing or the mailing of written notice required under section 61-24.8-13,  
22 shall inspect any and all lots and parcels of land that may be subject to assessment and shall  
23 determine from the inspection the particular lots and parcels of lands which, in the opinion of the  
24 board, will be directly benefited by the construction of the work for which the assessment is  
25 made and shall assess the proportion of the total cost of acquiring right of way and constructing  
26 and maintaining such improvement in accordance with direct benefits received but not  
27 exceeding such benefits against any lot, piece, or parcel of land that is directly benefited by the  
28 improvement. Property belonging to the United States is exempt from assessment unless the  
29 United States has provided for the payment of any assessment that may be levied against its  
30 property for benefits received. There must be attached to the list of assessments a certificate  
31 signed by the chairman and certified by the secretary that it is a true and correct assessment of

1 the benefit described to the best of their judgment and stating the several items of expense  
2 included in the assessment.

3 **SECTION 6. AMENDMENT.** Section 61-24.8-17 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **61-24.8-17. Assessment list to be published - Notice of hearing - Alteration of**  
6 **assessments - Confirmation of assessment list - Filing.**

7 After entering an order establishing the project, the board shall cause the assessment list to  
8 be published once each week for two successive weeks in the official county newspaper of  
9 each county in which the benefited lands are located and in local newspapers of general  
10 circulation in the area of the affected lands. The publication must include a notice of the time  
11 and place the board will meet to hear objections to any assessment by any interested party or  
12 an agent or attorney for that party. Publication of the assessment list is not required if the board  
13 mails the assessment list and the time and place of the hearing to each affected landowner. The  
14 date set for the hearing must be not less than fourteen days after the mailing and first  
15 publication of the notice. At the hearing, the board may make such alterations in the  
16 assessments as in its opinion may be just and necessary to correct any error in the assessment  
17 but must make the aggregate of all assessments equal to the total amount required to pay the  
18 entire cost of the work for which the assessments are made or the part of the cost to be paid by  
19 special assessment. An assessment may not exceed the benefit as determined by the board to  
20 the parcel of land assessed. The hearing is not required if the board receives written consent  
21 from each affected landowner to the levy of assessments and publishes notice that the hearing  
22 is unnecessary due to the receipt of written consent in the official county newspaper of each  
23 county in which the benefited lands are located and in local newspapers of general circulation in  
24 the area of the affected lands. The board then shall confirm the assessment list and the  
25 secretary shall attach to the list a certificate that it is correct as confirmed by the board. The list  
26 must be filed in the office of the district secretary.