

SENATE BILL NO. 2373

Introduced by

Senators Hogue, Dotzenrod, Grindberg, G. Lee, Wardner

Representative Hofstad

1 A BILL for an Act to amend and reenact section 61-40-09 of the North Dakota Century Code,
2 relating to the western area water supply authority.

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

4 **SECTION 1. AMENDMENT.** Section 61-40-09 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **61-40-09. Default.**

7 ~~If the authority is in default in the payment of the principal of or interest on any of the~~
8 ~~obligations of the authority under this chapter and if the budget section determines that the~~
9 ~~authority is unable to reimburse the state in the time period required by the budget section, the~~
10 ~~budget section may give written notice to the governing board of the authority that the state has~~
11 ~~taken~~The state shall take possession and ownership of the water system of the authority and
12 the liabilities of the authority. In addition, the state assumes the powers of the authority. ~~If the~~
13 ~~authority is in default in the payment of the principal of or interest on the obligation to the Bank~~
14 ~~of North Dakota for a loan for which the Bank of North Dakota is the source of funds for the~~
15 ~~loan, the state water commission shall request funding from the legislative assembly to repay~~
16 ~~the principal and interest due. Upon written notice, the~~The members of the governing board of
17 the authority are immediately removed, and the state water commission is the governing board
18 ~~from the date of notice.~~ If the state water commission determines that governance, possession,
19 and ownership of the water system is not necessary ~~for the authority to be able to reimburse the~~
20 ~~state in the necessary time period,~~ the state water commission may develop a plan to return
21 governance, possession, and ownership to the authority, subject to approval of the plan by the
22 ~~budget section~~legislative assembly.