

2025 South Dakota Legislature House Bill 1072

HOUSE ENGROSSED

Introduced by: **Representative** Wittman

1 An Act to modernize provisions relating to water development districts.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 Section 1. That § 46A-3A-1 be AMENDED:

4 46A-3A-1. In order to attain the objectives and intent of chapters 46A-3A to 46A3E, inclusive, and chapter 46A-2, the Legislature may establish water development
districts. A water development district may be established by an act of the Legislature,
signed by the Governor, describing the exact boundaries of the area to be included within
the proposed water development district and assigning it an appropriate name. A water
development district_is a political subdivision of this state.

10 <u>A water development district</u> may-also be established-pursuant to:

11 (1) By the Legislature; or

12 (2) In accordance with the procedure set forth in §§ 46A-3A-8 to 46A-3A-15, inclusive.
 13 A water development district is a political subdivision of the state this chapter.

A water development district-<u>shall exist is recognized</u> as a legal entity-<u>beginning</u> on<u>the</u> January first-<u>immediately</u> following the<u>effective</u> date of <u>an act establishing it as a</u> water development district its creation.

17 Section 2. That § 46A-3A-1.1 be AMENDED:

46A-3A-1.1. Water Each water development districts district shall promote the
 conservation, development, and proper management of district water resources,
 according to district priorities and. Each water development district shall serve as a
 district-wide clearinghouse authority for water quality and supply projects through:

- 22 (1) The provision of technical, organizational, and financial assistance to prospective
 23 and existing project sponsors and through recommending;
- 24 (2) The recommendation of projects for inclusion in the state water plan, and through
 25 other appropriate actions; and

1	<u>(3)</u>	Any lawful means, not otherwise provided, to accomplish the purposes of chapters
2		34A-2, 34A-3A, 34A-6, and 34A-9, chapters 46A-3A to 46A-3E, inclusive, and
3		chapters 46A-1 and 46A-2.
4	Section	3. That § 46A-3A-2 be AMENDED:
5		46A-3A-2. The Central Plains Water Development District is hereby established.
6	The €	Central Plains Water Development District includes all district is comprised of:
7	<u>(1)</u>	Faulk, Hughes, Hyde, Potter, and Sully counties; and all
8	<u>(2)</u>	<u>All</u> municipalities that-lie;
9		(a) Are wholly or partially situated within the included area counties set forth
10		in this section; or that are
11		(b) Are contiguous to the included area counties set forth in this section.
12	Section	4. That § 46A-3A-3 be AMENDED:
13		46A-3A-3. The East Dakota Water Development District is hereby established. The
14	distrie	ct-includes <u>is comprised of</u> :
15	(1)	All of Minnehaha, Moody, Brookings, Hamlin, Deuel, Codington and . Deuel, Grant,
16		Hamlin, Minnehaha, and Moody counties;
17	(2)	All of Lake County, with the exception of Clarno, Concord, Orland, Wayne, and
18		Winfred townships;
19	(3)	Badger township in Kingsbury County; and
20	(4)	All municipalities that are:
21		(a) Are wholly or partially <u>situated</u> within the included area counties or
22		townships described in this section; or that are
23		(b) Are contiguous to the included area counties or townships described in this
24		section.
25	Section	5. That § 46A-3A-4 be AMENDED:
26		46A-3A-4. The James River Water Development District is hereby established. The
27	Jame	s River Water Development District includes all <u>district is comprised</u> of<u>:</u>
28	<u>(1)</u>	Beadle, Brown, Spink, Beadle, Sanborn, Davison, Hanson, Hutchinson, Sanborn,
29		Spink, and Yankton counties;
30	<u>(2)</u>	Aurora, Belford, Bristol, Cooper, Dudley, Firesteel, Hopper, Palatine, Plankinton,
31		Pleasant Lake, and Pleasant Valley townships in Aurora County;

<u>(3)</u> Buffalo, Dayton, Dumarce, Eden, Fort, Hamilton, Hickman, Lake, Lowell, Miller,
 Newark, Newport, Pleasant Valley, Red Iron Lake, Sisseton, Stena, Waverly,
 Weston, and Wismer townships in Marshall County; Pleasant Valley, Bristol,
 Belford, Cooper, Firesteel, Palatine, Plankinton, Hopper, Pleasant Lake, Dudley,
 and Aurora townships in Aurora County; and all; and

6 (4) All municipalities that are wholly or partially <u>situated</u> within the <u>included area</u>
 7 <u>counties or townships described in this section</u>.

8 Section 6. That § 46A-3A-5 be AMENDED:

- 9 **46A-3A-5.** The South Central Water Development District is hereby established.
- 10 The South Central Water Development District includes all of Charles Mix, Brule, Buffalo,
- 11 <u>district is comprised of:</u>

22

- <u>(1)</u> Bon Homme, <u>Brule, Buffalo, Charles Mix,</u> Douglas, and Gregory counties; Patten,
 Lake, White Lake, Eureka, Gales, Crystal Lake, Washington, Center, and Truro
- 14(2)Center, Crystal Lake, Eureka, Gales, Lake, Patten, Truro, Washington, and White15Lake townships in Aurora County; and the
- 16 (3) That portion of Lyman County south of the White River.

17 Section 7. That § 46A-3A-6 be AMENDED:

46A-3A-6. The West Dakota Water Development District is hereby established.
 The West Dakota Water Development District district includes that portion of Pennington
 County west of the Cheyenne River.

21 Section 8. That § 46A-3A-7 be AMENDED:

- 46A-3A-7. The West River Water Development District is hereby established. The
- West River Water Development District includes all of Jones, Mellette, and district is
 comprised of:
- 25 (1) Haakon, Jones, and Mellette counties, the;
- <u>(2) That</u> portion of Jackson County north of the White River, except Interior township
 and the unorganized Cedar township, the;
- <u>(3) That</u> portion of Pennington County east of the Cheyenne River, except for Castle
 Butte, Conata, Crooked Creek, Flat Butte, Imlay, and Scenic townships, the;
- 30 (4) The unorganized territory of the Badlands-and that;

- <u>(5) That portion of the unorganized territory of east central Pennington County east of</u>
 the Cheyenne River; and the
- 3 (6) That portion of Lyman County north of the White River.

4 Section 9. That § 46A-3A-7.1 be AMENDED:

5 **46A-3A-7.1.** The Vermillion Basin Water Development District is hereby 6 established. The district includes:

- 7 (1) All of Turner, McCook, and Clay, McCook, and Turner counties;
- 8 (2) All of Kingsbury County, with the exception of except Badger township;
- 9 (3) Clarno, Concord, Orland, Wayne, and Winfred townships in Lake County;
- 10 (4) Adams, Belleview, Canova, Clearwater, Grafton, Henden, Howard, and Vermillion
 11 townships in Miner County; and
- 12 (5) All municipalities that are wholly or partially <u>situated</u> within the <u>included area</u>
 13 <u>counties or townships described in this section</u>.

14 Section 10. That § 46A-3A-8 be AMENDED:

46A-3A-8. Fifteen percent of the <u>residents and eligible</u> voters <u>residing</u> in a
 geographical area may petition the Board of Water and Natural Resources to submit to an
 election the question of whether the geographical area shall become a water development
 district.

19 Section 11. That § 46A-3A-9 be AMENDED:

46A-3A-9. A petition arising under the provisions of submitted to the Board of Water and Natural Resources, in accordance with § 46A-3A-8, shall describe the exact must:

- (1) <u>Describe the boundaries of the area to be included within the proposed water</u>
 development district, and each person signing the petition shall add to the person's
 signature, in the person's own handwriting, the person's place of residence; and
- (2) Include the address of each individual who signed the petition, and the date of
 signing. The on which the individual signed the petition, in the individual's own
 handwriting.
- <u>If the petition may contain contains</u> more than one page, and each page shall must
 have identical headings. Any number of identical petition forms may be circulated and

1	each <u>is deemed to</u> be a part of the petition , but each. Each of the identical petition forms
2	must be verified by the circulator as follows:
3	"I, the undersigned, being first duly sworn, hereby depose that I circulated the
4	above and foregoing petition, containing signatures; that I personally
5	witnessed each of the persons named upon the petition place their signatures on named
6	individual sign the petition and add-in their own handwriting the information set forth after
7	their respective signatures the individual's address and the date.
8	
9	
10	P.O. Address
11	
12	
13	Subscribed and sworn to before me this day of, 20
14	
15	
16	Notary Public".

17 Section 12. That § 46A-3A-10 be AMENDED:

46A-3A-10. If a petition proposing <u>organization the establishment</u> of a water development district is presented to the Board of Water and Natural Resources, the board₇ after first determining that <u>must determine whether</u> the petition is in compliance with the required provisions by resolution shall approve requirements of this chapter. If the petition is in compliance, the board must, by resolution, approve the petition for establishment of the proposed water development district and shall and provide a name for the water development_proposed district.

The board <u>shall</u>, at the next general election <u>shall</u>, refer <u>the question regarding the</u>
 <u>establishment of the district</u> to the voters of the proposed <u>water development</u> district-the
 question of whether development district shall be established.

28 Section 13. That § 46A-3A-11 be AMENDED:

46A-3A-11. The question-of forming regarding the establishment of a water
development district-shall_must be presented upon a separate ballot, which shall be
prepared by the Board of Water and Natural Resources, and. The ballot must, insofar as
applicable, shall be in the form prescribed by the general election laws.

1 Section 14. That § 46A-3A-12 be AMENDED:

46A-3A-12. An Except as otherwise provided, an election to form a water
development district-shall_must be conducted, canvassed, recounted, and contested-as
elections under, insofar as applicable, in accordance with the general election laws of this
state, except as otherwise herein provided, and except where the general laws are
inapplicable. If the details concerning the conduct, canvassing, recounting, or contest of
the election are not set forth within chapters 46A-3A to 46A-3E, inclusive, and the general
election laws are not applicable, then the.

9 The Board of Water and Natural Resources shall may, in accordance with chapter 10 <u>1-26</u>, promulgate rules pursuant to chapter 1-26 reasonably necessary to carry out the intentions of to address any matter related to the conduct of an election governing the 11 12 establishment of a district, as set forth in chapters 46A-3A to 46A-3E, inclusive, with 13 respect to elections and make possible the submission to an election of any matter which 14 by the terms of chapters 46A-3A to 46A-3E, inclusive, may be submitted to a vote of the 15 voters of any water development district or proposed water development district or in the 16 general election laws of this state.

17 Section 15. That § 46A-3A-13 be AMENDED:

46A-3A-13. Any If a municipality is included within the area comprising boundaries of a proposed water development district shall constitute, the municipality constitutes a separate election district. That area The portion of any county that is wholly or partially included in within the boundaries of a proposed water development district, and which is outside the corporate limits of a municipality, shall also constitute constitutes a separate election district.

No<u>An</u> election district may <u>not</u> become a part of <u>any a</u> water development district
 unless<u>at least</u> sixty percentor more of the votes cast<u>by the voters of such in the</u> election
 district shall be in favor of the proposed water development district<u>are favorable</u>.

27 Section 16. That § 46A-3A-14 be AMENDED:

46A-3A-14. If in some, but not all of the election districts within a proposed water
 development district, sixty percent or more of the votes cast are in favor of the formation
 of the water development district, the The Board of Water and Natural Resources shall, by
 resolution, establish a water development district consisting of only those election districts

wherein in which the requisite vote approving the formation of a water development
 district of approval was cast.

- In the event of the creation <u>Any election district included in the establishment of a</u>
 water development district, <u>any of the election districts in accordance with this section</u>,
 may withdraw from the water development district by filing <u>a petition</u> with the board within
 sixty days thereafter, <u>a.</u> The petition requesting withdrawal, <u>signed must:</u>
- 7 (1) Be signed by fifteen percent of the residents and voters residing in the election
 8 district. The petition shall contain;
- 9 (2) Contain the same information with respect to the signers and be as required for a
 10 petition to establish a water development district;
- 11(3) Be verified in the same manner as in the case of required for a petition to establish12a water development district; and
- 13 (4) Be filed with the board on or before the sixtieth day after the election.

The question of whether regarding the withdrawal of an election district shall withdraw shall from the water development district must be referred to the voters of the election district at the next general election, the procedure is the same as required to establish a water development district.

18 Section 17. That § 46A-3A-15 be AMENDED:

19 46A-3A-15. If all or some of the election districts within a proposed water 20 development district cast sufficient votes to become a part of the water development 21 district, as provided for in this chapter on approval of the proposed district by sixty percent 22 or more of the votes cast in the election districts, or if, the Board of Water and Natural 23 Resources establishes a water development district pursuant to the provisions of § 46A-24 3A-14 for which not all of the election districts become a part of the water development 25 district, the board shall must, by resolution create and, establish the water development 26 district, give it a name and, upon filing and file a true copy of the resolution with the 27 secretary of state, the. Upon filing of the resolution, the water development district shall 28 become becomes a political subdivision of the state with the authority, powers, and duties 29 prescribed by this chapter.

30 Section 18. That § 46A-3A-16 be AMENDED:

46A-3A-16. After a water development district has been established pursuant to
 the provisions of chapters 46A-3A to 46A-3E, inclusive, any contiguous county, township,
 or group of townships-contiguous to the external boundary of the water development

1	district may be added to and become a part of that water development the district by an
2	affirmative vote of a if:
3	(1) The board of the water development district submits to the Board of Water and
4	Natural Resources a resolution supporting the addition; and
5	(2) A majority of the votes cast on the question in the area proposed for addition, if
6	the board of directors of the water development district to which any addition is to
7	be made by resolution advises the Board of Water and Natural Resources that the
8	water development district board favors support the addition.
9	Any county or that-entire portion of a county included within a water development
10	district may be withdrawn withdraw from a water development district by an affirmative
11	vote of the district if a majority of the votes cast on the question in the county area
12	proposed for withdrawal . Proposals for additions or withdrawals shall support the
13	withdrawal.
14	Any proposal for an addition or withdrawal, as provided for in this section, must be
15	in the form of a written resolution or petition to the Board of Water and Natural Resources.
16	The <u>A</u> resolution- shall proposing an addition or withdrawal, as provided for in this
17	<u>section, must</u> be approved with an affirmative by a four-fifths vote of the governing body
18	of a <u>board of</u> county <u>commissioners</u>.
19	The petition-shall_proposing an addition or withdrawal must_be signed by-a number
20	of qualified voters in the area proposed for the addition or withdrawal voters at least equal
21	<u>in number</u> to at least five percent of the number of votes cast within the area in the most
22	recent gubernatorial election. The county auditor in each county where a petition is
23	circulated shall verify the signatures on the petition.
24	The resolution or petition -shall include a statement must state whether the election
25	is for the purpose of becoming a part of an existing water development district or
26	withdrawing from an existing water development district and a statement describing the
27	purpose of the action . The resolution or petition- shall<u>must</u> be presented to the Board of
28	Water and Natural Resources not more than one hundred twenty days nor less than ninety
29	days before a regularly scheduled general election.
30	Upon receipt of the resolution or petition, the Board of Water and Natural Resources
31	shall call an election on must place t he question of whether the addition or withdrawal
32	should be made. The election shall be held in conjunction with on the ballot at the next
33	regularly scheduled general election.
34	Section 19. That § 46A-3A-17 be AMENDED:

46A-3A-17. The <u>Any</u> costs associated with an election for withdrawal or addition
 shall be assigned to the involved in accordance with § 46A-3A-16 are the responsibility of
 the county in which the area is located.

4 Section 20. That § 46A-3B-1 be AMENDED:

5 **46A-3B-1.** The Except as otherwise provided in this section, a water development 6 district's initial board of directors-shall must be elected at the next general election 7 following the effective date of an act establishing a water development district the district's 8 establishment. If a general election will is not scheduled to occur within one year during 9 the twelve month period after the act goes into effect district is established, the Board of 10 Water and Natural Resources may shall call a special election for the initial board of 11 directors, the costs of such. The cost of a special election to be borne by the water 12 development is the responsibility of the district.

The initial directors <u>shall be are</u> elected to <u>serve for</u> staggered terms, until the January first following the first general election <u>that occurs occurring</u> at least twelve months after the initial election or the next succeeding general election respectively to represent areas of the water development district. <u>Directors shall thereafter be elected to</u> four year terms at each subsequent general election to succeed those directors whose terms expire at the end of the year in which the election is held. <u>Thereafter</u>, the term of each director is four years.

20 Section 21. That § 46A-3B-2 be AMENDED:

46A-3B-2. The board of directors of a <u>A</u> water development district shall consist
 of five, seven, or nine members. Those districts which have having a population up to of
 twenty-five thousand shall or fewer must have five directors.

Those districts which have <u>A district having</u> a population-of_greater than twenty-five
 thousand-and one to but not greater than seventy-five thousand-shall_must have seven
 directors.

27 Districts with<u>A district having</u> a population greater than seventy-five thousand-shall
 28 <u>must have nine directors.</u>

Each director shall be a resident and must be an eligible voter and reside in the director area represented. The Board of Water and Natural Resources shall divide the water development district into director areas. A director shall must be elected from each director area.

9

1 Section 22. That § 46A-3B-2.1 be AMENDED:

46A-3B-2.1. For any<u>If a</u> water development district having has a realignment of
director areas that will be realigned, as a result of § 46A-3B-2, any director of the district
who is in office on January 1, 2024, shall serving at the time of the realignment may
continue to serve as a director if until the expiration of the director's term, provided the
director remains a resident of the district.

7 Section 23. That § 46A-3B-3 be AMENDED:

46A-3B-3. As soon as possible following each decennial census of population and
 housing, or any adjustment to a water development district boundary, the Board of Water
 and Natural Resources shall ascertain whether the number of board members-should must
 be adjusted, adjust the same, and redistrict-water development district-the director areas
 to reflect changes in the population of the water development district, so as to assure and
 ensure equitable representation of all areas within the water development district.

The board <u>Board of Water and Natural Resources</u> may make adjustments to water development district director areas to reflect precinct changes made pursuant to chapter 16 12-14, if <u>equitable representation of</u> all areas <u>remains assured remain equitably</u> 17 <u>represented</u>.

If an adjustment under this section results in an increased number of board members, each additional position must be filled by elective action of the remaining directors, from candidates proposed by nominating petitions signed by at least twentyfive eligible voters<u>residing</u> in the director area to be represented by the additional position. The individual chosen by the remaining directors to fill the additional position shall serve until a director is elected at the next general election and takes office, as provided for in § 46A-3B-9.

25 Section 24. That § 46A-3B-4 be AMENDED:

46A-3B-4. A director candidate may be nominated by a petition signed by at least twenty-five registered voters<u>residing</u> in the director area to be represented by the candidate. Nominating petitions<u>shall_must</u> be made available at the water development district office, the secretary of state's office, and the respective county auditors' offices<u>on</u> forms. Nominating petitions must be prescribed by the state election board and filed with the secretary of state<u>not prior to between</u> eight a.m., <u>on</u> January first₇ and<u>not later than</u> five p.m., <u>on</u> the last Tuesday of March, prior to the date of the primary election. If a petition is mailed to the secretary of state's office, by registered mail-by, before five p.m.,
 <u>on</u> the last Tuesday of March, prior to the primary election, it is considered filed.

For the initial election, director nominating petitions<u>shall</u><u>must</u> be made available by the Department of Agriculture and Natural Resources and<u>shall</u><u>must</u> be filed with the department<u>not</u><u>no</u> later than five p.m.,<u>on</u> the first Tuesday of August, before the general election, or in the case of a special election under § 46A-3B-1,<u>not</u><u>no</u> later than thirty days before the date<u>set for of</u> the special election.

8 Section 25. That § 46A-3B-5 be AMENDED:

9 46A-3B-5. If three or more nominating petitions are filed for-<u>a</u> the position of
10 director-office, the secretary of state-shall_must certify the nomination of-director
11 candidates to the respective county auditors and the water development district office.
12 The water development district office shall furnish nonpolitical sample and official ballots
13 in adequate numbers and with adequate time to permit distribution of-such the ballots, by
14 the respective county auditors, together with other primary election ballots.

Following a primary election, the names of the two candidates receiving the most votes cast in the primary election (or if only two nominating petitions are filed, the names of the two candidates) shall must be certified and ballots must be furnished in the same manner as for the primary election, but in time to permit distribution of the ballots by the respective county auditors, together with other general election ballots.

20If only two nominating petitions are filed, the names of both candidates must be21certified and ballots must be furnished as provided in this section.

If only one nominating petition is filed for a director office, no election may be held
 and, a certificate of election shall must be issued to the nominee in the same manner as
 to a successful candidate after an election.

In the case of an initial election, no primary election may be held and the Board of Water and Natural Resources shall certify the names of the candidates and furnish ballots in time to permit distribution of the ballots by the county auditors prior to the general or special election.

29 Section 26. That § 46A-3B-6 be AMENDED:

46A-3B-6. Not later thanWithin thirty days after a general or special election for
 the initial directors of a water development district, the Board of Water and Natural
 Resources shall hold a run-off election<u>in for</u> each director area in which no<u>director</u>
 candidate received a majority of the votes cast<u>for that area's director office</u>. The run-off

1 election in each affected director area shall must be between the two-director candidates

- 2 receiving the most votes during the general or special election. The water development
- 3 district shall pay is responsible for the costs of the run-off election.

4 Section 27. That § 46A-3B-7 be AMENDED:

- 5 **46A-3B-7.** A water development district, or the Board of Water and Natural 6 Resources in the case of an initial election, shall publish<u>once</u> each week for two 7 consecutive weeks in the official newspapers of the water development district a notice 8 setting forth vacancies that will occur<u>by upon the</u> completion of <u>board member</u> termsof 9 the water development district board members. The last publication may not be. The 10 notice must:
- 11 (1) Be published once per week for two consecutive weeks;
- 12 (2) Be published in the official newspaper of the district;
- <u>(3) Be published no</u> less than ten nor more than twenty days before the final deadline
 for the filing of director petitions. The notice shall also state; and
- 15 (4) State the time and place where director nominating petitions may be filed for such
 16 director vacancies.

17 Section 28. That § 46A-3B-8 be AMENDED:

46A-3B-8. The respective county auditors shall transmit the results of the election for water development district directors to the secretary of state. If only one nominating petition for a water development district director office has been filed, the secretary of state shall issue a certificate of election shall be issued to the nominee by the secretary of state. In the case of an initial election, the Board of Water and Natural Resources shall certify the names of all nominees to the secretary of state. The and the secretary of state shall issue a certificate of election to each successful candidate.

25 Section 29. That § 46A-3B-9 be AMENDED:

- 46A-3B-9. Each director shall take office on the first day of January first of the
 year following the election, or not later than sixty days after election in the case of a
 special election.
- A vacancy that may occur on the water development district board of directors by
 reason of death, failure to be a resident and voter, resignation, or other cause pursuant
 to § 3-4-1, or upon An office becomes vacant:
 - <u>Underscores</u> indicate new language. Overstrikes indicate deleted language.

1 (1) Upon the occurrence of any event listed in § 3-4-1; or

<u>(2) Upon the expiration of a term of office, if no qualifying petitions have been filed or</u>
 if no successor has qualified for the office, unless otherwise provided in chapters
 46A-3A to 46A-3E, inclusive, shall be declared to exist and shall be filled by elective
 action of the.

6 <u>If an office becomes vacant, the</u> remaining directors from candidates proposed by 7 nominating petitions signed by at least twenty-five eligible voters in must fill the position 8 <u>by appointing a qualified candidate from</u> the director area for which a vacancy exists. The 9 <u>person_individual</u> appointed to fill the vacancy shall serve for the remainder of the 10 unexpired term.

11 Section 30. That § 46A-3B-10 be AMENDED:

12 **46A-3B-10.** Each director of a water development district board of directors shall 13 establish amounts to reimburse board members is entitled to receive compensation in an 14 amount established by the board, plus reimbursement for expenses for lodging, meals, 15 and mileage and to provide compensation for each day of actual service for traveling to, 16 attending, and returning from incurred if the director is attending meetings, hearings, or 17 investigations of the water development district or performing duties directed by the 18 board.-Such reimbursement and compensation shall be paid on The compensation and 19 reimbursement provided for in this section is payable upon vouchers-duly verified and 20 approved according to procedures determined approved by the board.

21 Section 31. That § 46A-3B-11 be AMENDED:

46A-3B-11. At the firstEach water development district board of directors shall
 hold an annual meeting in January of each year, designated as the annual meeting of the
 water development district, the. At the annual meeting, the directors shall elect from
 among themselves a chair, a vice chair, and a secretary from among their membership.
 The officers. Each officer elected in accordance with this section shall hold office until the
 next annual meeting of the water development district or until their successors have a successor has been elected.

In addition, the<u>Each board of</u> directors shall appoint a treasurer who may<u>or may</u> not be a director and who shall serve at the pleasure of the board<u>of directors or until a</u> successor is appointed. The treasurer<u>shall_must</u> be bonded in<u>such amounts and with</u> such sureties as the directors may specify, conditioned on faithful performance of the treasurer's duties<u>an amount determined by the board</u>. 1 The chair, vice chair, secretary, and treasurer constitute the officers of the board 2 of directors. The treasurer, if not a director, has no has voting privileges only if the 3 treasurer is a director.

4 Section 32. That § 46A-3B-12 be AMENDED:

46A-3B-12. A majority of the members of the water development district board
 of directors board's voting members constitutes a quorum for the transaction of water
 development district business.

8 Section 33. That § 46A-3C-1 be AMENDED:

9	46A-3C-1. A In order to dissolve a water development district may be dissolved
10	by affirmative vote of at least fifty percent of the votes cast on the question at a general
11	election. The question shall be referred to district voters by the Board of Water and Natural
12	Resources after receipt of a petition in writing signed by a number of qualified voters of
13	the water development district equal to at least fifteen percent of the votes cast within
14	the water development district in the most recent gubernatorial election. The petition shall
15	be filed with the board by the first Tuesday in July of the year in which the general election
16	is to occur, a petition of dissolution must be filed with the Board of Water and Natural
17	Resources.
18	The petition must be:
19	(1) Signed by eligible voters of the district, equal in number to at least fifteen percent
20	of the votes cast in the district during the most recent gubernatorial election; and
21	(2) Filed with the Board of Water and Natural Resources on or before the first Tuesday
22	of July, immediately preceding the general election.
23	Upon receipt of a petition in accordance with this section, the Board of Water and
24	Natural Resources must refer the question to the voters of the district, at the next general
25	election.
26	Section 34. That § 46A-3C-2 be AMENDED:
27	46A-3C-2. The <u>A</u> petition of dissolution pursuant to § 46A-3C-1-shall request must:
28	(1) State the legal name of the water development district;
29	(2) Request that the water development district be dissolved and shall include the legal
30	name of the water development district. Each person signing the petition shall add
21	to the person's signature ; and

31 to the person's signature,; and

1	(3) Include the address of each individual who signed the petition and the date of
2	which the individual signed the petition, in the person's _ individual's _ ow
3	handwriting , the person's place of residence and the date of signing. The petitio
4	may contain .
5	<u>If the petition contains</u> more than one page, and each page shall must have <u>a</u>
6	identical headings. Any number of identical petition forms may be circulated and each b
7	a part of the petition. Every heading.
8	Each page of the petition containing signatures shall have upon it and below th
9	signatures must contain an affidavit by the circulator in substantially the following form:
10	STATE OF SOUTH)
11	DAKOTA) SS
12	COUNTY OF)
13	I, the undersigned, being first duly sworn, depose and say, tha
14	I am the circulator of the foregoing petition containing signatures; that eac
15	person <u>individual</u> whose name appears on the petition sheet personally signed the petition
16	in my presence; that I believe that each of the signers is a resident at the address writte
17	opposite the signer's name; and that I stated to every petitioner before the signer affixe
18	his or her signature the legal effect and nature of the petition <u>to each individual, prior t</u>
19	the individual signing the petition.
20	
21	Circulato
22	Subscribed and sworn to before me this day c
23	, 20
24	
25	Notary Publi
26	
26	Section 35. That § 46A-3C-3 be AMENDED:
27	46A-3C-3. Upon presentation of a petition to the Board of Water and Natura
28	<u>Resources</u> , proposing that a water development district be dissolved to the Board of Wate
29	and Natural Resources, the board, after first determining that must determine whethe
30	the petition is in compliance with all legal requirements, shall. If the board determine
31	that the petition is in compliance, the board must, by resolution, approve the petition and
32	at the next general election, shall refer the question to the voters of the wate
33	development district at the next general election.

46A-3C-4. If at least fifty percent of the votes cast are in favor of the dissolution
 proposition dissolving the water development district, the Board of Water and Natural
 Resources must, by resolution shall, dissolve the water development district and shall file
 a-true copy of the resolution with the secretary of state.

16

6 If the vote is against dissolving the water development district, another vote may 7 not be held on the question of dissolution for four years. A new election may not be held 8 unless a new petition has been submitted to the Board of Water and Natural Resources. 9 The costs associated with an election to dissolve a water development district are the 10 responsibility of the affected water development district.

11 Section 37. That § 46A-3C-5 be AMENDED:

46A-3C-5. If a water development district has been dissolved, the Board of Water and Natural Resources shall exercise<u>all</u> necessary power and authority of the water development district board of directors<u></u>, until all financial responsibilities, obligations, and other contractual commitments of the dissolvedwater development district are satisfied.

16 Section 38. That § 46A-3C-6 be AMENDED:

- 46A-3C-6. Any election held to carry out the purposes of chapters 46A-3A to 46A 3E, inclusive, <u>shall must</u> be conducted, canvassed, recounted, and contested <u>as are in</u>
 the same manner as other elections under the general laws of this state law, except as
 otherwise <u>herein</u> provided in this section.
- If the details concerning the conduct, canvassing, recounting, or contest of the an election are not set forth within chapters 46A-3A to 46A-3E, inclusive, and the general election laws are not applicable, the Board of Water and Natural Resources shall must promulgate rules, pursuant to chapter 1-26, to carry:
- (1) Carry out the intent of chapters 46A-3A to 46A-3E, inclusive, with respect to
 elections; and make possible
- 27 (2) Provide for the submission to an election of any matter which by the provisions of
 28 that is subject to a vote, in accordance with chapters 46A-3A to 46A-3E, inclusive,
 29 is subject to a vote.

30 Section 39. That § 46A-3D-1 be AMENDED:

46A-3D-1. A water development district board of directors may equip, maintain,
 and operate an office, within the water development district, as its principal place of
 business and establish other offices as necessary.

The board of directors may appoint and fix compensation of any employees deemed
necessary by the board of directors to conduct the business and affairs of the water
development district and to carry out the intent of chapters 46A-3A to 46A-3E, inclusive.

7 -NoAn employee of the water development district may hold office as a water
 8 development district director while so employed not serve as a director.

9 Section 40. That § 46A-3D-2 be AMENDED:

46A-3D-2. A water development district board of directors may enter into group
 hospital and medical insurance contracts for <u>the</u> protection and benefit of <u>their district</u>
 employees and the immediate families of <u>such the</u> employees. The board may pay all or
 part of the necessary premiums for its employees.

14 Section 41. That § 46A-3D-3 be AMENDED:

46A-3D-3. A water development district board of directors shall keep-accurate board meeting minutes of its meetings and accurate records and books of account clearly setting forth and reflecting the operations, management, and business of the district. The minutes, records, and books-shall_must be kept at the principal place of business of the water development district and shall_and be open to public inspection during reasonable business hours. The minutes-shall_must be distributed to the official-newspapers newspaper of the water development district.

22 Section 42. That § 46A-3D-4 be AMENDED:

46A-3D-4. The fiscal year of the water development district coincides with the
 calendar year.

At the conclusion of each fiscal year in which the district's revenues exceeded three hundred fifty thousand dollars, the board shall obtain <u>an audit of the books and records</u>, from the Department of Legislative Audit or an auditor approved by the department, an audit of the books, records, and financial affairs of the district. The district shall retain a written report of the audit-<u>in at</u> its principal place of business and shall file a copy-<u>in the</u> Office of the Secretary of State with the secretary of state. The district shall publish a

17

1 notice regarding availability of the audit report in the official newspapersdesignated in 2 accordance with § 46A-3D-11 newspaper of the district.

3 A district having three hundred fifty thousand dollars or less in annual revenue may 4 submit an annual report in lieu of an audit. The district shall submit the report to the 5 auditor-general, on forms prescribed by the department.

6

The auditor-general may audit the books and records-of any office or officer of a 7 district upon a determination of cause, or if requested by the board or if the auditor-8 general finds that cause exists.

9 Section 43. That § 46A-3D-5 be AMENDED:

10 **46A-3D-5.** The water development district board of directors may sue and be sued 11 in the name of the water development district.

12 Section 44. That § 46A-3D-6 be AMENDED:

13 **46A-3D-6.** The water development district board of directors may cooperate or 14 contract with any individual, state, or subdivision thereof or federal agency or private or 15 public corporation to carry out the intent and person for the purposes of chapters 46A-3A 16 to 46A-3E, inclusive.

17 Section 45. That § 46A-3D-7 be AMENDED:

18 **46A-3D-7.** A water development district board of directors may carry public 19 liability insurance protecting the directors and employees against liability suits brought 20 against them for any acts or omissions while performing their that occur in the 21 performance of official duties as by the directors or by employees. The board may carry 22 other insurance as deemed necessary by the board to protect the water development 23 district and its property.

24 Section 46. That § 46A-3D-8 be AMENDED:

25 **46A-3D-8.** A water development district board of directors may acquire, by 26 purchase or lease, all real and other property, as may be necessary to carry out the 27 purposes and intent of chapters 46A-3A to 46A-3E, inclusive. The board may hold and use 28 the property, lease the property, sell the property, or otherwise dispose of any the 29 property in whole or in part or parcel thereof, or sell the property if it is no longer needed.

The water development district board shall follow the procedures in chapters _ chapter 6 13 and 7-30 for the sale, exchange, leasing, and disposal of property.

3 Section 47. That § 46A-3D-9 be AMENDED:

4 46A-3D-9. A water development district board of directors may exercise the power
of eminent domain for acquiring and securing to acquire any right, title, interest, estate,
or easement necessary to carry out the purposes and intent of chapters 46A-3A to 46A3E, inclusive, if the district is unable to acquire it by negotiation.

8 Section 48. That § 46A-3D-10 be AMENDED:

9 46A-3D-10. A water development district board of directors may accept funds,
 10 property, and services gifts, grants, and donations, or other assistance, financial or
 11 otherwise, from federal, state, and other public or private sources to carry out for the
 12 purposes and intent of chapters 46A-3A to 46A-3E, inclusive.

13 Section 49. That § 46A-3D-11 be AMENDED:

46A-3D-11. Each year each <u>A</u> water development district board <u>of directors</u> shall
 <u>annually</u> designate <u>legal newspapers</u> <u>a newspaper</u> of general circulation <u>published</u> within
 the <u>water development</u> district as <u>the</u> official <u>newspapers</u> <u>newspaper</u> of the <u>water</u>
 development district.

18 Section 50. That § 46A-3D-12 be AMENDED:

46A-3D-12. To carry out the purposes and intent of chapters 46A-3A to 46A-3E, inclusive, a<u>A</u> water development district board of directors may accumulate funds in establish a capital reserve fund established by resolution by the directors. The accumulated funds. Dollars in the fund may not revert at the end of a fiscal year and the water development district directors may make expenditures from the capital reserve. The board may expend dollars from the fund, as they deem necessary, consistent with for the purposes and intent of chapters 46A-3A to 46A-3E, inclusive.

26 Section 51. That § 46A-3D-13 be AMENDED:

46A-3D-13. It is the intent of chapters 46A-3A to 46A-3E, inclusive, that any Any
land used to satisfy federal wildlife mitigation requirements for a project-shall must be
within the water development district benefiting from that project.

1 Section 52. That § 46A-3E-1 be AMENDED:

2 **46A-3E-1.** A water development district board of directors may levy taxes, not to 3 exceed thirty cents per thousand dollars of taxable valuation in the district, for 4 accomplishment of the purposes of chapters 46A-1, 46A-2, and 46A-3A to 46A-3E, 5 inclusive, and chapters 46A-1 and 46A-2. If an area is included in more than one water 6 development district, that area's the tax levy payable to each of the water development 7 districts is determined by multiplying the greater of the overlapping water development 8 districts' levies by each water development district's taxing fraction. Each-water 9 development district's taxing fraction is determined by dividing that water development 10 district's proposed tax levy for the overlapped area by the sum of all water development districts' levies for the overlapped area. 11

12 Section 53. That § 46A-3E-2 be AMENDED:

46A-3E-2. A water development district board of directors may make special assessments against real property specially benefited by a project, provided that the persons seeking the assessment or an entity authorized to act on their behalf have contractually agreed to the special assessments as a means of providing local funding. There shall be filed with the water development district board of directors present to the board a petition, in a form approved by the Board of Water and Natural Resources, and signed by sixty-six and two-thirds percent of the owners of real property to be assessed.

20 Section 54. That § 46A-3E-3 be AMENDED:

21 46A-3E-3. Only those landowners persons who contractually agree for special 22 assessments to finance to a special assessment for a water delivery project may be 23 specially assessed. The provisions of Notwithstanding § 46A-3E-4-notwithstanding, any 24 person who wishes to join a water delivery project after a petition has been filed with the 25 water development district board of directors, pursuant to § 46A-3E-4, may contractually 26 agree to join the project. However, a A person contractually joining a water delivery 27 project late after the petition has been filed may be required to make special payments, 28 in addition to the special assessments-in order to bear the person's fair share of project 29 costs.

30 Section 55. That § 46A-3E-4 be AMENDED:

1072

46A-3E-4. Upon receipt of a petition requesting a special assessment, a water 1 2 development district board of directors-shall must hold a hearing on the question.-Notice 3 of the time and place The board must publish notice of the hearing shall be published in 4 the official newspaper of the district, at least once each week, for two consecutive weeks, 5 before the hearing-in the official newspapers of the water development district. The last 6 publication-shall be must occur at least ten days prior to the hearing. If the board, after 7 the hearing, the board of directors determines that the project is consistent with the best 8 interests interest of the water development district, it may the board must adopt a 9 resolution of intent to specially assess.

10 Section 56. That § 46A-3E-5 be AMENDED:

46A-3E-5. Within twenty days after adoption of a resolution of intent to specially assess, a water development district board of directors shall give written notice to the owners of real property described in the resolution. Owners Persons who are entitled to notice in accordance with this section are those listed as the owners of the real property to be assessed in the records in the office of the register of deeds of for the county where in which the real property is located.

17 If real property is sold under a contract for deed which is of record-that is recorded 18 in the office of the register of deeds, both the landowner and the purchaser of the land, 19 as named in the contract for deed, shall be treated as owners are entitled to notice.

- Notice shall must be by registered or certified mail, shall be effective upon the date
 mailed, and shall must contain the following:
- 22 (1) A description of the contract under which the assessment is to be made;
- 23 (2) A legal description of the <u>owner's</u> real property-of the affected owner to be specially
 24 assessed;
- 25 (3) A description of the nature of the benefit to be returned to the property; and
- 26 (4) Notice of Information regarding the right to protest by petition.

27 Section 57. That § 46A-3E-6 be AMENDED:

46A-3E-6. Special assessments by <u>A special assessment by a</u> water development districts are <u>district is</u> effective thirty days after adoption of the resolution of intent to specially assess, unless a written protest is filed with the <u>office of the water development</u> district within thirty days<u>of_after</u> adoption of the resolution, excluding the date of adoption. The written protest<u>shall_must</u> be in the form of a petition, signed by<u>not less</u> than at least sixty percent of the owners of real property described in the resolution of
 intent to specially assess.

3 Section 58. That § 46A-3E-7 be AMENDED:

4 46A-3E-7. A water development district may assist, sponsor, or construct a water
 resources project. Each project shall conform to the provisions of § 46A-2-3, which
 provides that specific provided:

- 7 (1) Specific areas shall finance those phases of water resources development that
 8 provide general benefits to the people in such the areas, that direct;
- 9 (2) Direct beneficiaries shall finance those phases of water resources development that
 10 provide water for their use or that protect or enhance the value of their property₇;
 11 and that administrative
- 12 <u>(3)</u> Administrative jurisdiction and responsibility for the various phases of water 13 resources development are related to such the variable degrees of benefits.

14 Section 59. That § 46A-3E-8 be AMENDED:

- 46A-3E-8. A water development district board of directors may levy taxes and
 special assessments, as provided-and limited in chapters 46A-3A to 46A-3E, inclusive, to
 cover obligations contained in contracts with the United States, or any agency thereof,
 with agencies of the State of South Dakota,:
- 19 (1) The federal government;
- 20 (2) This state; or with any other entity,
- 21 (3) Any other public or private, to accomplish the purposes of chapters 46A-3A to 46A 22 3E, inclusive entity.

Except for<u>With the exception of</u> special assessments, <u>however</u>, <u>a water</u> development district the board may not obligate any <u>funds or revenues monies</u> that are not to be collected or on hand during the fiscal year in which the obligation is <u>to be</u> incurred.

27 Section 60. That § 46A-3E-9 be AMENDED:

46A-3E-9. Pursuant to the provisions of chapters 46A-3A to 46A-3E, inclusive, a
 water development district board of directors may levy a tax-or, a special-assessments
 assessment, or both, against taxable property within the boundaries of the water

23

development district, to be collected by the appropriate tax listing entities in accordance
 with the procedures outlined in chapters 46A-3A to 46A-3E, inclusive.

3 Collections from the tax shall be deposited monthly with the water development 4 district treasurer by the appropriate tax collecting officials. The water development district 5 treasurer shall deposit the funds received from the appropriate tax collecting officials in 6 depositories The amount collected must be forwarded monthly to the treasurer of the 7 district for deposit in an institutional account designated by the water development district 8 board-of directors. Disbursements from the designated depository account shall may be 9 made only upon-orders duly vouchers drawn by the water development district treasurer, 10 pursuant to procedures adopted by the board of directors and are to. Disbursements may be used in performing the duties prescribed for the water development district board of 11 12 directors by the provisions of by chapters 46A-3A to 46A-3E, inclusive. However, any 13 agreement or contract

Any contract_entered into by the water development district board of directors board on behalf of <u>any an</u> irrigation district, <u>a</u> drainage district, <u>a</u> watershed district, <u>a</u> municipality, <u>a</u> county, <u>a</u> township, or <u>other entity of any</u> state <u>government shall agency</u> <u>must</u> be secured by the taxing or assessment power of <u>such public the entity and such</u> agreement or.

<u>Any</u> contract, entered into by the district board of directors, with or on behalf of a
 soil conservation district, a water user district, or any other nontaxing-public entity-shall
 <u>must</u> provide for <u>other an</u> assurance of payment <u>that is</u> satisfactory to the <u>water</u>
 development district board of directors.

23 Section 61. That § 46A-3E-10 be AMENDED:

46A-3E-10. The board of directors of a water development district shall, at the time of the organization of the board and annually thereafter on a date established by the district, but before the first of _ and on or before_October_first of each year thereafter, adopt a budget and prepare an operations and budget report. The report_shall_present must_include_estimates and itemizations of all the district's expenses and obligations of the water development district, including expenses of directors, expenses of operating the office, debt service and retirement, and obligations and liabilities to the United States.

Before approval of the board approves the budget by the district board of directors, the board shall hold a public hearing shall be held. Notice. The board shall publish notice of the hearing shall be published once each week, for two successive weeks, in the water development district's official newspapers official newspaper of the district. 1 The notice shall-<u>must</u> state the time and place of the hearing,-<u>its_the_purpose_for</u> 2 <u>the hearing</u>, and that at the hearing all persons interested may appear, either in person 3 or by representative, and be heard and given an opportunity for a full and complete 4 <u>discussion of all items in the budget. With the first notice, the budget shall be published</u> 5 <u>in a form approved by the auditor general the hearing will include an opportunity for public</u> 6 <u>comment</u>.

At the conclusion of the hearing, the water development district board may
 eliminate or amend any portion of modify the budget before adoption.

9 Section 62. That § 46A-3E-11 be AMENDED:

46A-3E-11. Upon-completion and adoption of a budget, a water development district board of directors shall make a tax levy-or, special assessment, or both, in dollars sufficient to fund the budget. Any tax levy made against-the property in-any_a given county in a-water-development district-shall_must be in an amount equal to the total-water development district tax levy in dollars, multiplied by the county's proportional share.

15 The county's proportional share-<u>shall be is determined by dividing the equalized</u> 16 assessed valuation of the area within the <u>water development</u> district for that county by 17 the total-<u>water development</u> district equalized assessed valuation.

18 The provisions of § 10-12-34.1 may not prohibit apportionment of the tax among 19 the counties, as provided <u>for</u> in this section. No water development

<u>A</u> district tax levy may be in excess of not exceed the limitation specified in chapters
 46A-3A to 46A-3E, inclusive, except as provided in § 46A-3E-1. Any tax levy-shall must
 be in the form of a resolution adopted by a majority vote of the members of the board of
 directors of the water development district.

24 Section 63. That § 46A-3E-12 be AMENDED:

46A-3E-12. Immediately after completionUpon the adoption of a budget and
 adoption of the levying of taxes, special assessments and a tax levy by a water
 development district, or both, the board of directors, but not later than the first of shall,
 on or before October, the secretary of the water development district shall send one first,
 forward a certified copy of the levy as adopted and one a certified copy of such the budget
 to the appropriate tax collecting officials of in the affected counties and to the state
 secretary of revenue Department of Revenue.

32 Section 64. That § 46A-3E-13 be AMENDED:

46A-3E-13. Appropriate The tax collecting officials shall extend the levy or special assessments upon the tax list of the county, municipality, or other appropriate tax paying entity for the tax year against each description of taxable property or, in the case of special assessments, against each description of taxable property to be specially assessed within the water development district, in the same manner and with the same effect as other taxes and assessments are extended, including the authority, requirements, and procedures contained in chapter 9-43.

8 Section 65. That § 46A-3E-14 be AMENDED:

9 **46A-3E-14.** The appropriate tax collecting officials shall collect all water 10 development district taxes and assessments, together with any interest and penalty 11 thereon, if any penalties, in the same manner as the general taxes and assessments are 12 collected and shall-pay over on a monthly to the water development basis, forward the 13 amounts collected during the preceding month to the district treasurer all taxes so 14 collected during the preceding month, with interest and penalties. The water development 15 . The district treasurer shall immediately enter these receipts to the credit of the 16 depository accounts designated by the water development district board of directors 17 pursuant to § 46A-3E-9 deposit the amounts in the institutional account designated by 18 the board.

19 Section 66. That § 46A-3B-13 be REPEALED.

20 For any water development district with boundaries affected by §§ 46A-3A-2 to 21 46A-3A-5, inclusive, any director of the district who is in office on January 1, 2009 shall 22 continue to serve as a director if the director remains a resident of the district. At the first 23 general election after January 1, 2009, for any water development district with boundaries 24 affected by §§ 46A-3A-2 to 46A-3A-5, inclusive, directors shall be elected for all director 25 positions in the district, regardless of whether or not any director's term has expired. The 26 directors elected for the district at the general election shall be elected to serve for 27 staggered terms. Thereafter, directors shall be elected to four-year terms at each 28 subsequent general election to succeed those directors whose terms expire at the end of 29 the year in which the election is held.

30 Section 67. That § 46A-3E-15 be REPEALED.

1	All moneys collected pursuant to the tax levies, special assessments and other
2	funds authorized by this chapter accruing to the district shall be deposited either in the
3	accounts of the state treasurer to the credit of the "(name) district fund" to be disbursed
4	only as herein provided, or by the district treasurer in any depository designated and
5	approved by the board of directors of the district at a regular meeting and from which all
6	valid claims against the district shall be paid by order duly drawn by the district treasurer
7	pursuant to procedures adopted by the board of directors.