

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2188

That the House recede from its amendments as printed on pages 997-1001 of the Senate Journal and pages 929-933 and page 1060 of the House Journal and that Engrossed Senate Bill No. 2188 be amended as follows:

Page 1, line 8, after "council" insert "; to provide for development of a statewide water development program"

Page 1, line 13, replace "is committed to" with "will support to the extent funds are available from the water development trust fund"

Page 1, line 17, replace "is committed to" with "will support"

Page 2, line 2, after "repayment" insert "of the total principal, interest, and cost of issuance of the bonds"

Page 2, line 10, replace "will" with "or so much of the total cost-share that is required may" and replace "local" with "loan"

Page 2, line 13, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 2, line 18, after the underscored period insert "Before bonds may be issued for a Devils Lake outlet, construction of the outlet must be approved by the state water commission and the federal government must have agreed to participate in construction of the outlet."

Page 2, remove lines 19 through 21

Page 3, line 15, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 3, line 17, replace "Twenty-four" with "Thirty-one", after the first "million" insert "seven hundred thousand", and replace "eighteen" with "twenty-five"

Page 3, line 18, replace "four" with "nine", replace the first "five" with "thirty-nine", and replace the second "five" with "eight"

Page 4, line 6, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 4, line 28, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 5, line 17, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 6, line 6, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 6, line 24, replace "payments" with "repayments"

Page 6, line 25, after "outlet" insert "to Sheyenne River and to west Stump Lake"

Page 6, line 26, replace "One hundred ninety-six" with "Two hundred twenty"

Page 6, line 27, replace "thirty-eight" with "fifty-six" and after "million" insert "four hundred thousand"

Page 6, line 28, replace "twenty-five" with "thirty-four" and replace "eight" with "three"

Page 8, line 16, after "floods" insert "and to repay the line of credit extended to the state water commission under section 4 of this Act"

Page 8, line 28, remove "and"

Page 8, after line 30, insert:

- "(5) A project cooperation agreement, which contains provisions acceptable to the state engineer and is approved by the governor, is entered by the state of Minnesota or one of its political subdivisions in which the flood control or reduction project is to be constructed;
- (6) A project cooperation agreement, which contains provisions acceptable to the state engineer and is approved by the governor, is entered by the state or one of its political subdivisions in which the flood control or reduction project is to be constructed;
- (7) The governing body of the city has approved a financing plan for all amounts of the nonfederal share of a flood control or reduction project in excess of the amounts to be paid by the state;
- (8) That no order for injunctive relief has been issued by a court of competent jurisdiction enjoining construction of the flood control or reduction project; and
- (9) That the flood control or reduction project is designed to be cost-effective and that any impact on residential neighborhoods is minimized in an amount reasonably practicable as determined by the state engineer and approved by the governor;"

Page 9, line 14, after "project" insert "and to repay the line of credit extended to the state water commission under section 4 of this Act"

Page 9, line 22, after the underscored period insert "If the Perkins County water system does not make payment to the state water commission, no benefits may accrue to the Perkins County water system."

Page 9, line 26, after the underscored period insert "(1)"

Page 9, line 31, replace the underscored period with ";

- (2) The state water commission or the project sponsor must sign a project cooperation agreement with the United States army corps of engineers;
- (3) The outlet from Devils Lake to west Stump Lake must comply with any environmental impact statement or National Environmental Policy Act provisions required under federal law; and
- (4) Bonds may not be issued if an order for injunctive relief has been issued by a court of competent jurisdiction enjoining construction of an outlet from Devils Lake to the Sheyenne River or to west Stump Lake."

Page 10, line 13, after "bonds" insert "authorized"

Page 10, line 14, after "unless" insert "federal funds have been appropriated for"

Page 10, line 15, remove "has received federal funds"

Page 10, after line 15, insert:

- "10. Notwithstanding this section, if bonds are issued under this chapter, any bonds subsequently issued after the first issuance must meet the same conditions as the bonds initially issued.
11. Notwithstanding this section, except for a project listed in subdivision a of subsection 7 the state water commission may not issue bonds under this chapter unless the local project sponsor has agreed to repay the local project sponsor's share of any bonds issued for the entire nonfederal share of the cost of a project."

Page 11, line 3, replace "under" with "as provided in"

Page 11, line 7, replace "under" with "as provided in"

Page 11, line 8, replace "the" with "a" and after "outlet" insert "to the Sheyenne River and to west Stump Lake"

Page 11, line 15, after "61-02.1-01" insert "and to repay the line of credit extended to the state water commission under section 4 of this Act"

Page 11, line 17, after "Lake" insert "to the Sheyenne River and to west Stump Lake"

Page 11, after line 23, insert:

- "4. For any project that requires federal participation, the state water commission may issue bonds equal to the estimated project costs less any local participation. Except for a project listed in subdivision a of subsection 7 of section 61-02.1-01, if the state water commission issues bonds for both the state and local cost-share, an agreement for the local repayment of the local cost-share must be a part of an agreement between the state water commission and the local project sponsor to issue bonds for the nonfederal share."

Page 11, line 25, replace "under" with "as provided in"

Page 12, line 2, replace "under" with "as provided in"

Page 12, line 4, replace "resources" with "water development" and replace "5 of this" with "61-02.1-05"

Page 12, line 5, remove "Act", after the underscored comma insert "then", and after the second "from" insert "revenues in the resources trust fund other than revenues from state taxes, then"

Page 12, remove lines 6 through 9

Page 12, line 10, remove "principal and interest on the bonds under a trust indenture, or"

Page 12, line 11, after "and" insert "then from"

Page 12, line 15, after the underscored period insert "If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture."

Page 12, line 18, replace "resources" with "water development" and replace "5 of this" with "61-02.1-05"

Page 12, line 19, remove "Act", after the underscored comma insert "then", and after the second "from" insert "revenues in the resources trust fund other than revenues from state taxes, then"

Page 12, remove lines 20 through 23

Page 12, line 24, remove "principal and interest on the bonds under a trust indenture."

Page 12, line 26, after "and" insert "then from"

Page 12, line 29, after the underscored period insert "If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture."

Page 13, line 1, replace "resources" with "water development", replace "5 of this Act" with "61-02.1-05", and after the underscored comma insert "then"

Page 13, line 2, replace "the first" with "revenues in the resources trust fund other than revenues from state taxes"

Page 13, remove lines 3 through 6

Page 13, line 7, replace "and interest on the bonds pursuant to a trust indenture, or" with "then"

Page 13, line 8, after "and" insert "then from"

Page 13, line 12, after the underscored period insert "If sufficient funds from these sources are not available, then from transfers to be made and appropriated by the legislative assembly from the first available current biennial earnings of the Bank of North Dakota not to exceed six million five hundred thousand dollars per biennium prorated with any other bonds payable from transfers to be made and appropriated by the legislative assembly from the available current biennial earnings of the Bank of North Dakota, to be credited by the trustee to the fund established for paying principal and interest on the bonds under a trust indenture."

Page 13, line 13, replace "under" with "as provided in"

Page 13, line 18, replace "under" with "as provided in"

Page 13, after line 24, insert:

"61-02.1-05. Water development trust fund. Moneys received by the state pursuant to the 1998 settlement agreement with tobacco product manufacturers, or any successor agreement, and any earnings on these moneys, must be deposited in the water development trust fund in the state treasury for use in paying for bonds issued as provided in this chapter and for other water projects as provided in 1999 House Bill No. 1475.

SECTION 4. LINE OF CREDIT - APPROPRIATION. The Bank of North Dakota shall extend a line of credit not to exceed \$84,800,000, which is hereby appropriated for the biennium beginning July 1, 1999, and ending June 30, 2001, to the state water commission for the purpose of interim financing until bonds are issued under chapter 61-02.1. Advances on the line of credit may be made only when a source of repayment has been identified and determined to be available."

Page 13, line 27, replace "under" with "as provided in"

Page 13, line 31, replace "resources" with "water development"

Page 14, line 3, after "is" insert "voluntarily" and after "sale" insert ", subject to the rights of bondholders and all applicable federal requirements,"

Page 14, line 4, replace "resources" with "water development"

Page 14, line 5, after "be" insert "voluntarily"

Page 14, remove lines 16 through 20

Page 14, after line 25, insert:

"SECTION 7. APPROPRIATION. There is hereby appropriated out of any moneys in the water development trust fund, not otherwise appropriated or from bond proceeds, the sum of \$84,800,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of repaying the line of credit extended to the state water commission under section 4 of this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001. It is the intent of the legislative assembly that the funds appropriated in this section are from transfers to be made and appropriated by the legislative assembly from the water development trust fund as provided in section 61-02.1-05."

Page 14, line 27, replace "under" with "as provided in"

Page 15, line 1, after "**COUNCIL**" insert "**AND STANDING COMMITTEES**"

Page 15, line 4, replace "and to" with a comma and after "council" insert ", and to the house of representatives and the senate standing committees on natural resources and appropriations"

Page 15, line 8, after the period insert "The report must include information on the funding sources used to repay any bonds issued under chapter 61-02.1."

SECTION 10. STATEWIDE WATER DEVELOPMENT PROGRAM - LEGISLATIVE INTENT. The state water commission shall develop a new comprehensive statewide water development program with priorities based upon expected funds available from the water development trust fund for water development projects. It is the intent of the legislative assembly that the state water commission consider the delivery of water for usable purposes a priority for water development projects after the projects authorized in section 3 of this Act are completed."

Page 15, line 10, replace "under" with "as provided in" and after "ineffective" insert "provided, however, that the commission may continue to exercise all other powers granted to it under this Act and to comply with any covenants entered into pursuant to this Act"

Re-number accordingly