

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill No. 1493

(List bill or resolution and number, if available, or subject)

Amendment to: _____

(List bill or resolution and number)

Requested by: Legislative Council

Date of receipt: January 26 19 79

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type)

SEE ATTACHED

Signed



Typed Name Director of Legal Services

Date Prepared: February 2, 1979

Department State Water Commission



NORTH DAKOTA

STATE WATER COMMISSION

300 east boulevard
701-224-2750

Bismarck 58505
north dakota

MEMO TO: John Graham
FROM: Vern Fahy, State Engineer
RE: Fiscal Note for HB-1493
DATE: February 2, 1979

This fiscal note shall be in two parts. Part one will address Section 1 of HB-1493, and part two will address Section 2 of HB-1493.

Part 1. Section 1 of HB-1493 proposes to limit the water use fee authority of the State Water Commission to the anticipated cost of filing and processing water use permit applications. The Attorney General, in an opinion dated December 27, 1978, stated that the State Water Commission does not have any authority to establish water use fees for such purposes, but rather, such authority was limited as follows:

The authority of the State Water Commission to provide for the "sale of waters" is limited to those waters which the Commission has itself appropriated and reserved by the construction, operation and control of "works" (project facilities) authorized by Chapter 61-02 of the North Dakota Century Code, and made available for delivery to water users. The amount of monies raised by such "sale" would be limited to the service costs of making water available through storage and delivery "works." (facilities)

In other words, the State Water Commission can provide for the sale of waters for water storage and delivery facilities which it has constructed, and for which it has secured a water permit, to amortize the costs of the project.

Thus, the effect of the proposed amendment to subsection 2 of Section 61-02-14 of the North Dakota Century Code is that the State of North Dakota would be required to pay all costs of any water storage and delivery project constructed by the State Water Commission, and the beneficiaries could not be charged for any of the costs. Since project costs are unknown, cost to the State cannot be determined.

Part 2. Section 2 of HB-1493 proposes to limit the authority of the State Engineer to issue permits subject to fees to the "anticipated cost of filing and processing the permit applications". The Attorney General, in his opinion, stated that the authority of the State Engineer to issue

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MEMO TO John Graham

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water permits subject to fees is limited to those amounts for planning and administration of the regulation of the allocation and appropriation of the waters of the state.

Attached is a summary of water permit application fee revenues, and the "administrative" costs, including salaries, travel, vehicle expense and indirect charges, incurred in the processing of water permit applications. Please keep in mind that this summary sheet does not reflect any costs for planning and research of water sources which are necessary before water permits can be granted.

Vern Fahy
State Engineer

VF:pjw

Description of Type of License, Fee, Inspection, Permit, or Other Service and Where Funds are Deposited	Section of North Dakota Century Code Authorization Charge	Number of Filings, Permits, Licenses, Inspections, Etc., in Fiscal 1978	Collections During Year Ended 6-30-78	Charge Per Item	Estimated Total Cost of Providing Service for Year Ended June 30, 1978		Difference Between Collections and Costs	Charge Per Unit Necessary to Equal Cost of Services	
					Salaries	Other Costs			
Water Permits	61-04-04.1	34 18 123 52 <u>3</u> 230	\$ 680 450 12,300 7,800 1,500 \$ 22,730	\$20/filing fee \$25/filing fee \$100/filing fee fee \$150/filing fee fee \$500/filing fee	\$103,111	project charges taken from cost accounting records. (Include salaries, travel, vehicle expense and indirect charges.)	\$80,381	\$486/ Average Fee Excluding 18 Amendment Fees	
Sales of maps, plans and copies of survey field notes	61-03-05	1,322 sales	\$ 14,772	\$11.17/ Average sale	\$8,600	\$10,400 ↓ \$ 9,500 map purchases and \$900 copy paper	\$19,000	\$ 6,706	\$14.37/Average sale

Note: Deposits are made to State General Fund and expenses are taken from State Water Commission General Fund Appropriation.