

State Water Commission - Budget No. 770
House Bill No. 1020
Base Level Funding Changes

	Executive Budget Recommendation				House Version				FTE Positions
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	
2021-23 Biennium Base Level	90.00	\$0	\$867,254,091	\$867,254,091	90.00	\$0	\$867,254,091	\$867,254,091	0.00
2021-23 Ongoing Funding Changes									
Base payroll changes		\$0	\$230,410	\$230,410				\$0	
Salary increase			488,936	488,936				0	
Health insurance increase			4,415	4,415				0	
Retirement contribution increase			99,685	99,685				0	
Removes 1 FTE risk mapping position	(1.00)		(183,884)	(183,884)				0	1.00
Adds 1 FTE regulatory position	1.00		211,596	211,596				0	(1.00)
Reduce funding for state projects in capital assets			(11,264,226)	(11,264,226)				0	
Reduce funding for project carryover			(12,970,635)	(12,970,635)				0	
Reduce funding available for water supply grants			(73,834,123)	(73,834,123)				0	
Reduce funding available for rural water supply grants			(16,974,087)	(16,974,087)				0	
Remove funding for Fargo area flood control			(66,500,000)	(66,500,000)				0	
Remove funding for Mouse River flood control			(82,500,000)	(82,500,000)				0	
Increase funding for flood control projects			46,630,512	46,630,512				0	
Reduce funding for general water grants			(11,766,501)	(11,766,501)				0	
Increase funding for professional services			1,817,420	1,817,420				0	
Increase funding for utility expenses			4,398,015	4,398,015				0	
Increase funding for repairs			497,250	497,250				0	
Increase funding for IT and equipment over \$5,000			14,009	14,009				0	
Adds funding for Microsoft Office 365 license expenses			10,245	10,245				0	
Reduce funding for other operating expenses			(4,379,147)	(4,379,147)				0	
Removes base level funding for debt payments			(7,236,750)	(7,236,750)				0	
Total ongoing funding changes	0.00	\$0	(\$233,206,860)	(\$233,206,860)	0.00	\$0	\$0	\$0	0.00
One-time funding items									
Adds funding from Bank of North Dakota line of credit		\$0	\$75,000,000	\$75,000,000			\$75,000,000	\$75,000,000	
Total one-time funding changes	0.00	\$0	\$75,000,000	\$75,000,000	0.00	\$0	\$75,000,000	\$75,000,000	0.00
Total Changes to Base Level Funding	0.00	\$0	(\$158,206,860)	(\$158,206,860)	0.00	\$0	\$75,000,000	\$75,000,000	0.00
2021-23 Total Funding	90.00	\$0	\$709,047,231	\$709,047,231	90.00	\$0	\$942,254,091	\$942,254,091	0.00
<i>Total ongoing changes as a percentage of base level</i>	<i>0.0%</i>		<i>(26.9%)</i>	<i>(26.9%)</i>	<i>0.0%</i>		<i>0.0%</i>	<i>0.0%</i>	
<i>Total changes as a percentage of base level</i>	<i>0.0%</i>		<i>(18.2%)</i>	<i>(18.2%)</i>	<i>0.0%</i>		<i>8.6%</i>	<i>8.6%</i>	

Other Sections in State Water Commission - Budget No. 770

	Executive Budget Recommendation	House Version
Additional income	Section 3 would appropriate any additional income from the resources trust fund or water development trust fund that becomes available to the State Water Commission during the 2021-23 biennium.	

Other Sections in State Water Commission - Budget No. 770

Executive Budget Recommendation

House Version

Exemption - Water-related projects

Section 4 would provide that funds appropriated for grants or water-related projects in Section 1 are exempt from North Dakota Century Code Section 54-44.1-11 for 2 years after June 30, 2023. Any unexpended funds appropriated from the resources trust fund or the water development trust fund after that period has expired must be transferred to the originating fund.

Section 3 would provide that funds appropriated for grants or water-related projects in Section 1 are exempt from North Dakota Century Code Section 54-44.1-11 for 2 years after June 30, 2023. Any unexpended funds appropriated from the resources trust fund or the water development trust fund after that period has expired must be transferred to the originating fund.

Line item transfers

Section 5 would authorize the State Water Commission to transfer funds between line items in Section 1 of the bill, when it is cost-effective for the construction of water projects. The department must report transfers to the Office of Management and Budget.

Bank of North Dakota - Line of credit

Section 6 would extend authorization of a line of credit at the Bank of North Dakota, not to exceed \$75 million, at an annual percentage rate of 1.5 percent over the 3-month LIBOR rate, but may not exceed 3 percent to the State Water Commission. The State Water Commission must repay the line of credit from funds available in the resources trust fund, water development trust fund, or other funds, as appropriated by the Legislative Assembly. The State Water Commission may access the line of credit, as necessary, to provide funding as authorized by the Legislative Assembly for water supply and flood control projects approved for funding before June 30, 2023.

Bank of North Dakota - Line of credit - Transfer

Section 7 authorizes the transfer of \$75 million of proceeds from a Bank of North Dakota line of credit to the State Water Commission during the 2021–23 biennium.



North Dakota Legislative Council

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ANALYSIS OF BONDING PROPOSALS

The schedule below provides a comparison of the Governor's recommendation, House Bill No. 1132 (2021), Senate Bill No. 2040 (2021), and House Bill No. 1431 (2021) relating to the issuance of bonds for various purposes.

Governor's Recommendation	House Bill No. 1132	Senate Bill No. 2040	House Bill No. 1431
Bonding Limits The Public Finance Authority may issue up to \$1,250 million of bonds for transfer to the infrastructure revolving loan fund and for transportation and other state improvement projects. The term of any bonds issued may not exceed 30 years.	Bonding Limits The Public Finance Authority may issue up to \$1,114,525,000 of bonds, but not in an amount that would cause the repayments to exceed \$145 million per biennium, for transfer to the Bank of North Dakota for allocations to infrastructure projects and programs. The term of any bonds issued may not exceed 20 years. The Public Finance Authority shall make available up to 5 percent of the bonds for sale directly to North Dakota residents and financial institutions.	Bonding Limits The Public Finance Authority may issue up to \$2,000 million of bonds for transfer to infrastructure and other state improvement projects. The term of bonds issued may not exceed 25 years.	Bonding Limits The Public Finance Authority may issue up to \$798.5 million of bonds. The term of the bonds issued may not exceed 20 years. The Public Finance Authority shall make available up to 10 percent of the bonds for sale directly to North Dakota residents and financial institutions.
Road and Bridge Projects \$302.4 million to the Department of Transportation, including \$15 million for bridge improvements, \$237.4 million for department infrastructure improvement plan, and \$50 million for US Highway 85 improvements	Road and Bridge Projects \$60 million to the Department of Transportation for bridge projects \$100 million to the Department of Transportation for highway corridor projects \$10 million to the Department of Transportation for township road projects associated with roads inundated by water	Road and Bridge Projects \$770 million to the State Treasurer for road and bridge infrastructure project grants	Road and Bridge Projects \$70 million to the highway fund for state highway bridge projects (\$35 million), and for matching additional federal highway construction funds (\$35 million)
Political Subdivision Grants	Political Subdivision Grants \$60,525,000 to the municipal infrastructure fund, of which \$55,525,000 is designated for distributions to non-oil-producing cities with a population of at least 500 based on	Political Subdivision Grants \$115 million to the municipal infrastructure fund	Political Subdivision Grants

Governor's Recommendation	House Bill No. 1132	Senate Bill No. 2040	House Bill No. 1431
	<p>the formula under North Dakota Century Code Section 57-51.1-07.7(3) and \$5 million is designated for grants to non-oil-producing cities with a population of less than 500 based on applications submitted to the State Treasurer in a competitive grants process</p> <p>\$80.4 million to the county and township infrastructure fund, which is designated for distributions to non-oil-producing counties</p> <p>\$20 million to the airport infrastructure fund</p>	<p>\$115 million to the county and township infrastructure fund</p>	
Water Projects	Water Projects	Water Projects	Water Projects
	<p>\$250 million for the Fargo Area Diversion Project, Red River Valley Water Supply Project, and Mouse River flood control project</p>		<p>\$435.5 million for the Fargo Area Diversion Project</p> <p>\$74.5 million to the resources trust fund to repay Western Area Water Supply Authority loans which were made from the fund</p>
Education	Education	Education	Education
<p>\$19 million to the State Board of Higher Education for Tier II and Tier III infrastructure improvement projects</p> <p>\$14 million to North Dakota State University for construction of the agriculture products development center</p> <p>\$45 million to the Department of Career and Technical Education for cost-share projects to establish career academies</p>	<p>\$10 million for Tier II capital building funds at higher education institutions with the requirement for institutions to provide \$1 of matching funds from operations or other sources, not including extraordinary repair funding or Tier III capital building fund money</p> <p>\$9 million for Tier III capital building funds at higher education institutions with the requirement for institutions to provide \$2 of matching funds from operations or other sources, not including extraordinary repair funding or Tier II capital building fund money</p> <p>\$50 million to North Dakota State University for an agriculture products development center, including a Northern Crops Institute project</p> <p>\$115 million to the Department of Career and Technical Education to provide for buildings and equipment, of which \$35 million is designated for a polytechnic program at Bismarck State College, including multipurpose classrooms and space for an auditorium or theater;</p>		<p>\$10 million to the North Dakota University System capital building funds at higher education institutions with the requirement for institutions to provide \$1 of matching funds from operations or other sources, not including extraordinary repair funding or Tier III capital building fund money</p> <p>\$9 million for Tier III capital building funds at higher education institutions with the requirement for institutions to provide \$2 of matching funds from operations or other sources, not including extraordinary repair funding or Tier II capital building fund money</p> <p>\$50 million to North Dakota State University for an agriculture products development center, including a Northern Crops Institute project</p> <p>\$92.5 million to the Department of Career and Technical Education operating fund</p>

Governor's Recommendation	House Bill No. 1132	Senate Bill No. 2040	House Bill No. 1431
<p>\$2 million to Dakota College at Bottineau for renovation of Old Main</p>	<p>\$20 million is designated to the development of science experiments at a children's science center in Bismarck, including space needed for the experiments; \$15 million for a collaborative career and technical education program involving Dickinson Public Schools and Dickinson State University; \$10 million is designated for a career and technical education program located in Minot; \$10 million is designated to a career and technical education program located in Watford City; \$2 million is designated for a career and technical education program located at Lake Region State College; and the remaining \$23 million is for other career and technical education programs located in the state with a limit of up to \$2.5 million per program, per grant round</p> <p>\$3 million to Dakota College at Bottineau for an Old Main renovation project</p> <p>\$3 million to Dickinson State University for a Pulver Hall project</p> <p>\$4 million for a space command initiative and related technical programs at the University of North Dakota</p>		<p>\$3 million to Dickinson State University for a Pulver Hall project</p> <p>\$4 million for a space command initiative and related technical programs at the University of North Dakota</p>
Revolving Loan Funds	Revolving Loan Funds	Revolving Loan Funds	Revolving Loan Funds
<p>\$700 million to the Bank of North Dakota for capitalization of a revolving loan fund</p>	<p>\$75 million to the infrastructure revolving loan fund</p> <p>\$50 million to the water infrastructure revolving loan fund</p> <p>\$50 million to the legacy development and innovation fund</p>	<p>\$750 million to the school construction assistance revolving loan fund</p>	<p>\$50 million to the infrastructure revolving loan fund</p>
Other	Other	Other	Other
<p>\$137.1 million to the Office of Management and Budget consisting of \$130.5 million for critical state building maintenance and repair projects, \$5.5 million for Capitol complex space utilization improvements, \$600,000 for Capitol complex accessibility improvements, and \$500,000 for renovation of the Brynhild Haugland Room in the Capitol</p>	<p>\$140 million to the Department of Human Services for a State Hospital project</p> <p>\$2 million for a Cavalier County economic development program</p>	<p>\$250 million to the housing incentive fund</p>	<p>The bill appropriates \$74.5 million from the resources trust fund to the State Water Commission for Mouse River flood control</p> <p>If the amount committed by the Department of Transportation to matching federal funds is less than \$35 million by October 1, 2022, then the Office of Management and Budget shall transfer any uncommitted amounts to the infrastructure revolving loan fund</p>

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Governor's Recommendation	House Bill No. 1132	Senate Bill No. 2040	House Bill No. 1431
\$30.5 million to the Parks and Recreation Department consisting of \$20.6 million for infrastructure improvements grants to park districts, and \$9.9 million for state park system infrastructure upgrades	\$22.6 million to the Parks and Recreation Department consisting of \$12.6 million for state park infrastructure, and \$10 million for grants to counties, cities, and park districts for park infrastructure		