FISCAL NOTE
SENATE BILL NO. 2196
LC# 23.0658.02000
03/24/2023

1 - State Fiscal Effect

Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			$4,976,713			
Expenditures						
Appropriations						

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

As drafted, the Bill extends the Department of Water Resources line of credit for the 2023-2025 biennium, in the amount of $50 million. The bill continues to have governance changes to the Western Area Water Supply Authority (WAWSA) as well as changes to the debt structure for WAWSA.

4 - Fiscal Impact Sections Detail

Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.

As drafted, the Bill extends the Department of Water Resources line of credit for the 2023-2025 biennium, in the amount of $50 million. The bill continues to have governance changes to the Western Area Water Supply Authority (WAWSA). The Bill directs the transfer of the WAWSA consolidation loan (Authorized in the 2017 session) principal and accrued interest, to the infrastructure revolving loan fund. The Bill also adds additional principal payments on

the infrastructure loan, when WAWSA has debt service coverage in excess of 1.10. In addition, the Bill directs the transfer of the accrued and unpaid interest on the following WAWSA loans: $25 million general fund loan, $10 million dollar resources trust fund (RTF) loan, $20 million RTF loan and the $19.5 million RTF loan.

The consolidation loan is currently held in the loan portfolio of the Bank of North Dakota.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

There is $1,873,287.67 of accrued and unpaid interest on the $25 million general fund loan. There is $1,209,589.13 of accrued and unpaid interest on the $10 million dollar resources trust fund (RTF) loan, $958,904.23 of accrued and unpaid interest on the $20 million RTF loan and $934,931.59 of accrued and unpaid interest on the $19.5 million RTF loan. The Bill transfers a total of $4,976,712.62 of accrued and unpaid interest on the WAWSA loans, to the infrastructure revolving loan fund. The interest on the above loans will be deposited to the resources trust fund. There is not outstanding principal balances of these loans.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

As drafted, there is no expenditure impact.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

As drafted, there is no impact to appropriations.

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