WATER TOPICS OVERVIEW COMMITTEE - BACKGROUND MEMORANDUM

North Dakota Century Code Section 54-35-02.7 directs the Legislative Management during each interim to appoint a Water Topics Overview Committee in the same manner as the Legislative Management appoints other interim committees and to designate a Chairman. The committee must meet quarterly and is to operate according to the statutes and procedure governing the operation of other Legislative Management interim committees. This section was first enacted in 2009, and the committee was named the Water-Related Topics Overview Committee. The name was changed in 2013.

Section 54-35-02.7 provides the committee is responsible for:

1. Legislative overview of water topics and related matters;
2. The Garrison Diversion Project; and
3. Any necessary discussions with adjacent states on water topics.

In addition, the committee must:

1. Work collaboratively with the State Water Commission to develop policies to further define the state role in major flood control projects.
2. Develop a schedule of priorities with respect to water projects with the required assistance of the State Water Commission and State Engineer and assistance from other stakeholders as deemed appropriate.
3. Study policies regarding the development and financing of municipal projects, including:
   a. Water treatment plants; and
   b. Pipelines, including:
      (1) Pipeline expansion;
      (2) Public and industrial use of water;
      (3) Cost analysis of future projects; and
      (4) Technology, including:
         (a) Technology for permitting; and
         (b) Technology for electronic metering.
4. Review water supply routes and alternatives for the Red River Valley Water Supply Project.

The committee was assigned two studies in addition to its statutory responsibilities. Section 26 of 2013 Senate Bill No. 2233 requires the Independent Water Providers and the Western Area Water Supply Authority to report to this committee and collaborate with this committee and the State Water Commission to monitor water usage, rates, and market share. The committee must report on the state's ability to maintain its payment schedule.

The committee was assigned a study on water project prioritization in Section 2 of 2013 House Bill No. 1206. The study is to evaluate current water project prioritization processes for effectiveness in determining high-priority water projects for State Water Commission funding. Section 1 of the bill requires the commission to develop and maintain a comprehensive water development plan organized on a river basin perspective, including an inventory of future water projects for budgeting and planning purposes. As part of the commission's planning process, the commission is required to develop a policy that outlines procedures for Commissioner-hosted meetings within the following drainage basins:

1. Red River.
2. James River.
3. Mouse River.
4. Upper Missouri River.
5. Lower Missouri River.
6. Devils Lake.

These meetings are to facilitate local project sponsor participation and project prioritization and to assist in project cost-benefit analysis for projects expected to cost more than $500,000.

The legislative history reveals the bill was meant to:

- Develop and maintain a state water management plan organized on a river basin perspective instead of a use perspective.
- Establish a cost-benefit analysis.
- Require State Water Commission meetings in the six major water basins to facilitate local project sponsors.
- Require a study to prioritize the funding of water projects to refine the present process to make it more effective and efficient.

The committee was assigned the responsibility to receive two reports, in addition to the reports from the independent water producers and the Western Area Water Supply Authority as part of the monitoring of water usage, rates, and market share in the previously mentioned study required by Senate Bill No. 2233. House Bill No. 1338 (2013) requires the Board of University and School Lands to report the results of a study of land adjacent to Lake Sakakawea and Lake Oahe. In particular, the board must study concerns of landowners adjacent to land under the control of the Corps of Engineers. As a historical note, the interim Natural Resources Committee studied the weed control programs of the corps on federal land as part of a bill that urged Congress to transfer lands around Lake Oahe, excluding tribal lands, to North Dakota during the 2009-10 interim. The study must include:

1. Consideration of control of noxious weeds;
2. Protecting public access for hunting and fishing;
3. The costs of possible transfer of land from the Corps of Engineers; and
4. The costs associated with maintaining any property transferred to the state.

Section 13 of 2013 Senate Bill No. 2020 requires the State Water Commission to report the findings of a study on the Mouse River and its tributaries to the committee. As a historical note, this committee studied the Mouse River flooding in the 2011-12 interim. The study done this interim by the State Water Commission must include a study of:

1. Causes of flooding; and
2. Measures that could be taken to:
   a. Improve waterflows.
   b. Reduce flooding.
   c. Reduce the amount of time flooded land is affected.

WATER IN NORTH DAKOTA

North Dakota is located in a region of central North America that bridges the divide between "too wet" and "too dry." The 100th meridian line of longitude roughly splits the state in half. East of this line, there is generally more precipitation in the form of snow and rain than west of the 100th meridian. North Dakota's extreme climate is largely driven by air masses from three areas--the Rocky Mountains, where the mountains block much of the Pacific moisture; the polar region, which brings much of the state's cold weather; and the Gulf of Mexico, which brings much of the state's precipitation. Several studies of lake sediment in North Dakota have demonstrated the state is subject to long-term climatic variation, alternating between extended wet and dry cycles.

Surface Water Resources

North Dakota is separated into two major drainage basins by a continental divide running from the northwest to the southeast corners of the state. The northeastern portion of the state falls generally within the Hudson Bay drainage, while the southwestern part is drained by the Missouri River to the Gulf of Mexico. For planning purposes, the State Water Commission has divided the state into five major watersheds--the Missouri River Basin, James River Basin, Souris River Basin, Red River Basin, and Devils Lake Basin.

The Missouri River drainage system includes the major subbasins of the Missouri and James Rivers. The tributaries on the south and west sides of the Missouri River typically occupy small but sharply defined valleys. This area is well-drained with few natural lakes. The topography is characterized by rolling, hilly plains with

numerous flat-topped, steep-sided buttes. The most prominent are located in the Badlands along the Little Missouri River. Areas east of the Missouri River include glaciated areas that are characterized by many small lakes and wetlands.

The James River, which is a major tributary of the Missouri River, begins in the drift prairie of central North Dakota but does not join the Missouri River until it reaches Yankton, South Dakota. The James River system is poorly to moderately drained with a large number of wetlands.

The Hudson Bay drainage includes the Souris River and Red River systems and the Devils Lake Basin. The Souris River (officially designated the Mouse River by Section 61-01-24) originates in Saskatchewan and then loops through North Dakota before it reenters Canada west of the Turtle Mountains. The topography is varied within the basin with hilly terrain in the southwest, a flat glacial Souris Lake plain in the east, and forested hills of the Turtle Mountains in the northeast.

The Red River winds northward almost 400 miles, forming the border between North Dakota and Minnesota. From the international boundary with Canada, the Red River flows another 155 river miles to Lake Winnipeg in Manitoba. The valley through which the river flows is the former bed of glacial Lake Agassiz. The ancient lakebed is extremely flat and is home to some of the most productive farmland in the world.

The Devils Lake Basin is currently a noncontributing subbasin of the Red River Basin. The drainage system is formed by chains of waterways and connecting lakes, many of which ultimately terminate in Devils Lake itself.

The flow in all North Dakota streams and rivers is seasonably variable. Runoff is greatest in early spring as a result of snowmelt water and spring rainfall. Many smaller streams experience little or no flow for extended periods during summer months, although dramatic flow variations in river discharges can be caused by changes in weather patterns, isolated storm events, evaporation rates, and snowpack conditions.

According to information in North Dakota's assessment database provided by the State Department of Health to the Environmental Protection Agency (EPA), there are 138 manmade reservoirs and 109 natural lakes in North Dakota.

There is an estimated 59,607 miles of rivers and streams in the state. These estimates are based on rivers and streams entered in the assessment database.

Although this memorandum focuses on state involvement in water management and projects, one area in which there is bottom-up control is the draining of surface water. The Legislative Assembly enacted authority to establish legal drain boards in 1895. In 1935 the Legislative Assembly established water control and conservation districts separate from legal drain boards. In 1973 the Legislative Assembly determined each county should have a water conservation and resource district and also changed the name of these districts to water management districts. In 1977 the Legislative Assembly authorized joint boards under which authority two or more water management districts could do what one board could do alone. The first joint board was the Red River Joint Board, which was created in 1979.

During the 1979-80 interim, the Legislative Council studied water organizations. At that time, there were drain boards, water management districts, and joint boards, all of which were designed to manage water. The Legislative Council reviewed the Nebraska system under which one district does all of the functions done by separate water organizations and which are organized on watershed boundaries as opposed to political boundaries. The result of this study was to change the name of water management districts to water resource districts and to change the name of legal drains to assessment drains. Also, legal drain boards were abolished, and authority for drainage was placed with water resource districts.

Ground Water Resources

Ground water underlies the land surface throughout the state. Ground water generally occurs in two major types of rock--unconsolidated deposits and bedrock. Unconsolidated deposits are loose beds of gravel, sand, silt, or clay of glacial origin. Bedrock consists primarily of shale and sandstone.

Aquifers of glacial origin are generally more productive to wells than aquifers found in the underlying bedrock. Bedrock aquifers underlie the entire state and tend to be more continuous and widespread than aquifers in the unconsolidated deposits. It is estimated 60 million acre-feet of water is stored in the major unconsolidated aquifers in the state. The amount of water available in the major bedrock aquifers is estimated to be approximately 435 million acre-feet.

Water Permitting

The State Engineer's office was created in 1905 to regulate and administer matters concerning the allocation of North Dakota's water resources. The State Water Commission was created in 1937 in response to the 1930s drought and for the specific purpose of fostering and promoting water resource development throughout the state. The State Engineer's office is a regulatory agency that regulates drainage, water rights, and the appropriation of water while water development is promoted by the commission.

North Dakota follows the prior appropriation doctrine for water appropriation. Prior appropriation also is known as the "first in time, first in right" appropriation system with the first entity to put water to a beneficial use acquiring the right to use the water over later or junior water appropriators.

Water permits are required for all uses of water, except in cases when both the amount of water to be impounded, diverted, or withdrawn is less than 12.5 acre-feet, and the contemplated use is domestic; livestock; or fish, wildlife, and other recreational uses. Although no permit is required for these uses, the State Engineer's office must be notified of the location and the acre-feet capacity, stored or utilized, once the facilities are constructed. A permit may be applied for in order to establish a priority date for these uses.

When there are multiple water permit applications for water from the same source and that source is insufficient to supply all the applications received by the State Engineer within a 90-day time period, the following order is used to determine priority, from first to last: domestic; municipal; livestock; irrigation; industrial; and fish, wildlife, and recreation.

Due to increasing oil production in western North Dakota, industrial water use has grown in recent years. A permit from the State Engineer's office must be granted before any water can be used or sold for industrial purposes. These permits specify the source of water and how much can be pumped each year. All industrial water use is tracked by the State Engineer's office, and water use is reported to the state on a monthly basis.

As of August 2013, there were a total of 4,361 water use permits in North Dakota, an increase from 3,628 water use permits in 2008. Irrigation represents the largest proportion, 60 percent; followed distantly by industrial, 14 percent; fish and wildlife, 8 percent; municipal, 7 percent; recreation, 4 percent; rural water, 3 percent; stock, 2 percent; and flood control, 1 percent; with the remaining comprising less than 1 percent each. Of the listed percentages, the only increasing percentage from 2008 is industrial--from 9 to 14 percent.

Water Project Management and Funding

The State Water Commission was created in response to the drought of the 1930s and was charged with developing irrigation in the state. From 1937 to 1981, the Legislative Assembly funded the commission on a biennium-to-biennium basis with approximately $500,000 to $2,000,000 being appropriated per biennium. This changed with creation of the resources trust fund in 1981. When the resources trust fund was first created, the proceeds of the fund were dedicated to financing the Southwest Pipeline Project--the first state water project. During this period, the scope of projects increased dramatically as the Southwest Pipeline Project was a $100 million project. At present, there are three projects owned by the state of North Dakota--the Northwest Area Water Supply Project, the Southwest Pipeline Project, and the Devils Lake Outlet Project.

The State Water Commission is required by Sections 61-01-26 and 61-02-14 to develop and maintain a comprehensive water plan for the sound management of North Dakota's water resources. Over the years, the commission has developed numerous state water management plans to identify statewide water resource management and development project needs and funding required for implementation. The most recent comprehensive plan prior to 2009 was completed in 1999.

Since 1999, the state water management plan has been updated with supplements every biennium with water development reports published prior to legislative sessions. Reports serve to assist the Legislative Assembly in the decisionmaking process in appropriating funds for water management and development.

The purpose of the *2009 State Water Management Plan* is to:

- Provide information regarding current and projected water use;
- Identify areas where water is generally available for new beneficial uses;
- Identify goals and objectives for water resource management and development;
- Identify potential water resource management and development projects and programs;

- Provide current information regarding North Dakota's revenue sources for water resource management and development;
- Serve as a formal request for funding from the resources trust fund; and
- Broadly identify water resource management and development opportunities and challenges as well as recommendations to address them.

One of the most important components of this plan is to identify where water may be available for new development and use. The State Engineer appropriates water for beneficial use in North Dakota. Some aquifers and streams in North Dakota are on the brink of becoming fully appropriated, meaning much of the state's available water resources have been permitted for municipal, agricultural, industrial, and recreational purposes. The *2009 State Water Management Plan* provides general information and assists development interests in identifying potential water uses when locating facilities. The plan also assists development interests in the very early planning stages of project development, thus avoiding unnecessary expense and delay in project implementation.

The *2009 State Water Management Plan* identifies six goals to more clearly define where North Dakota's long-term water management and development efforts will be directed in the future. These goals are to:

- Regulate the use of water resources for the future welfare and prosperity of the people of North Dakota;
- Develop water resources for the future welfare and prosperity of the people of North Dakota;
- Manage water resources for the future welfare and prosperity of the people of North Dakota;
- Educate the public regarding the nature and occurrence of North Dakota's water resources;
- Collect, manage, and distribute information to facilitate improved management of North Dakota's water resources; and
- Conduct research into the processes affecting the hydrologic cycle to improve the management of North Dakota's water resources.

The plan identifies North Dakota's water resources, contains a vision for the 21st century, and reviews special water topics. The plan identifies several recommendations for future study intended to serve as a starting point in addressing long-term water management issues. These water management recommendations include:

- Funds must be secured to address dam safety issues and dam repairs.
- Drought planning, including monitoring, impact assessment, and mitigation planning efforts, must be implemented.
- Reliable quality water to eastern North Dakota must be provided during drought conditions.
- Conservation measures must be evaluated and implemented so water requirements for all water users and interests can be met.
- The State Engineer should continue to study and collect water resource data that is essential in identifying available water sources for agricultural and industrial users, for meeting municipal demands, and for fish and wildlife and recreation purposes.
- The state must continue to protect and preserve North Dakota's right to Missouri River water now and for future generations.
- Climate change and the possible effect on the state's water resources is an unknown factor that should be monitored and assessed closely in the future.
- The state must continue to work to address the flooding crisis involving the rise of Devils Lake.
- Several counties do not have the revenue or capability of raising revenue to meet their local cost-share requirements in funding much-needed water development projects, and the commission should study the ability-to-pay concept to determine if a more equitable cost-share policy may be developed and implemented for local entities that have difficulty in complying with their cost-share requirement based upon current policy.
- New partnerships involving cooperative and collaborative efforts should be sought to resolve water management problems and issues.

- Water resource managers at all levels should be encouraged to partner in efforts not only to educate the public about the potential problems involving aquatic nuisance species but to monitor and mitigate for the occurrence of aquatic nuisance species in North Dakota's waters.
- The State Water Commission should continue to educate potential future industrial water users about the quality and availability of North Dakota's surface and ground water resources.
- In response to declining water levels in the Fox Hills aquifer, the State Engineer should continue to direct large-scale ground water diversions to other sources.
- The summer advanced watershed applications workshop should be designed through Project WET to provide up to 20 secondary educators per year the tools they would need to connect their classroom students with practicing watershed scientists and scientific methods and techniques.
- A youth technology and career exploration program should be designed through Project WET for a select group of grades 9 through 12 students whose teachers have been involved in the summer advanced watershed applications workshop.
- Project WET, with a cooperative effort of many organizations, associations, and government agencies, should develop water and natural resource education programs that involve individuals in their own communities.

North Dakota funds the majority of its water projects through the State Water Commission. Funding funneled through the commission for water development has come from several sources, including the state's general fund; the Dakota Water Resources Act; the federal municipal, rural, and industrial water supply program; the resources trust fund; and the water development trust fund. In addition to these sources, the commission is authorized to issue revenue bonds for water projects, and the commission has shared control of the drinking water state revolving loan fund. The commission's budget information for the 2013-15 biennium is attached as Appendix A.

Although this memorandum focuses on state involvement in water management and projects, the provision on drinking water throughout the state has been constructed in a large part by rural water systems with local, state, and federal funding support. Rural water systems are patterned after the rural electrification movement in the 1930s and began to be established in the 1970s. These systems were developed to supply water to underserved rural areas. Today there are 33 rural water systems in North Dakota. The Legislative Assembly next authorized water districts with additional powers, and most rural water systems have converted to water districts. North Dakota has a water management system that is nonduplicative, effective, and serves the people with an emphasis on local governance.

Municipal, Rural, and Industrial Water Supply Program

A major source of grant funding for water supply development in North Dakota is the municipal, rural, and industrial water supply program. This program's funding was authorized by Congress through the Garrison Diversion Unit Reformulation Act of 1986. Federal funding is channeled through the Bureau of Reclamation to the state's federal fiscal agent--the Garrison Diversion Conservancy District. This program is administered jointly by the conservancy district and the State Water Commission. The Rural Development Agency provides funding through the United States Department of Agriculture for a majority of loans to cover the local share for municipal, rural, and industrial water supply projects.

The 1986 Garrison Diversion Unit Reformulation Act authorized a federal municipal, rural, and industrial water supply grant program of $200 million. This funding has been exhausted. Additional federal funding was authorized for the municipal, rural, and industrial water supply program with passage of the Dakota Water Resources Act of 2000. That Act provided resources for general municipal, rural, and industrial water supply projects, the Northwest Area Water Supply Project, the Southwest Pipeline Project, and a project to address water supply issues in the Red River Valley. An additional $600 million, indexed for inflation, was authorized which includes a $200 million grant for state municipal, rural, and industrial water supply programs; $200 million for North Dakota tribal municipal, rural, and industrial water supply programs; and a $200 million loan for the Red River Valley Water Supply Project.

Annual municipal, rural, and industrial water supply funding is dependent upon congressional appropriations. As of October 2012, $270 million in federal funds had been approved for North Dakota's municipal, rural, and industrial water supply program with $19.3 million for federal fiscal years 2011 and 2012. This is a decrease from federal funds in fiscal years 2007 and 2008 of $30 million.

Resources Trust Fund

The resources trust fund was created pursuant to passage of measure No. 6 in the November 1980 general election. Measure No. 6 created a 6.5 percent oil extraction tax, 10 percent of which was to be allocated to the resources trust fund. In June 1990 the Constitution of North Dakota was amended to establish the resources trust fund as a constitutional trust fund and provide the principal and income of the fund could be spent only upon legislative appropriations for constructing water-related projects, including rural water systems, and energy conservation programs. In November 1994 the voters of North Dakota approved a constitutional amendment, which is now Article X, Section 24, of the Constitution of North Dakota, to provide 20 percent of oil extraction taxes be allocated as follows: 50 percent to the common schools trust fund and 50 percent to the foundation aid stabilization fund. Section 57-51.1-07 provides oil extraction tax revenues be distributed as follows: 20 percent to the resources trust fund; 20 percent allocated as provided in Article X, Section 24, of the Constitution of North Dakota; 30 percent to the legacy fund; and 30 percent to the general fund. An analysis of the resources trust fund is attached as Appendix B.

Water Development Trust Fund

Section 54-27-25 establishes a water development trust fund to be used for the long-term water development and management needs of the state. This section creates a tobacco settlement trust fund for the deposit of all tobacco settlement money obtained by the state. Money in the fund must be transferred within 30 days of its deposit in the fund with 10 percent going to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. In the November 2008 general election, voters approved initiated measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure provides for a portion of tobacco settlement funds received by the state to be deposited in this new fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement, which continues in perpetuity, will continue to be deposited into the tobacco settlement trust fund and allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Beginning in 2009, tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement relating to strategic contribution payments will be deposited in the newly created tobacco prevention and control trust fund. The measure also provides if in any biennium the tobacco prevention and control trust fund does not have adequate funding for the comprehensive plan, money may be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the Tobacco Prevention and Control Executive Committee to adequately provide for the comprehensive plan. In 2009 the Legislative Assembly provided any money deposited in the water development trust fund under Section 54-27-25 may be spent only pursuant to legislative appropriation.

Section 61-02.1-04 provides the principal and interest on bonds issued for flood control projects, the Southwest Pipeline Project, and an outlet to Devils Lake must be repaid with money appropriated from the water development trust fund. An analysis of the water development trust fund is attached as Appendix C.

Bonding

Section 61-02-46 authorizes the State Water Commission to issue revenue bonds of up to $2 million per project. The Legislative Assembly must authorize revenue bond authority beyond $2 million per project. In 1991 the Legislative Assembly authorized full revenue bond authority for the Northwest Area Water Supply Project. In 1997 the Legislative Assembly authorized $15 million of revenue bonds for the Southwest Pipeline Project. In 2001 the Legislative Assembly raised the Southwest Pipeline Project bonding authority to $25 million. As of June 30, 2012, the commission had outstanding bonds totaling $19.8 million for the Southwest Pipeline Project. There are no outstanding bonds for the Northwest Area Water Supply Project. This is an increase from the same date in 2008 of $900,000.

In 1999 the State Water Commission was authorized to issue up to $84.8 million in appropriation bonds under the provisions of Senate Bill No. 2188. The Legislative Assembly's intent was to partially fund flood control projects at Grand Forks, Devils Lake, Wahpeton, and Grafton and to continue funding for the Southwest Pipeline Project. In March 2000 the commission issued bonds generating $27.5 million, thus reducing available bonding authority to $57.3 million. Recognizing the need for water development projects in addition to those identified in Senate Bill No. 2188, the 2003 Legislative Assembly allowed authority for the unissued $57.3 million to expire but then authorized $60 million of bonding authority for statewide water development projects. In June 2005 the commission issued bonds generating $60 million. As of June 30, 2012, the commission has outstanding bonds totaling $68.9 million for other statewide water projects. This is a decrease from the same date in 2008 of $18.8 million.

Because tobacco settlement dollars are not projected to remain uniform each year, the State Water Commission has established a repayment schedule to correspond with the projected tobacco receipts. Although repayment amounts are based on the projected receipts, the scheduled repayments must be made regardless of the actual receipts.

House Bill No. 1020 (2013) provides funding for the purpose of paying off or defeasing all of the State Water Commission's eight outstanding bond issues during the 2013-15 biennium. The bond issues are related to major water projects, such as Grand Forks, Wahpeton, and Devils Lake flood control, Southwest Pipeline, and several other rural and regional water supply projects.

Drinking Water State Revolving Loan Fund

An additional source of funding for water supply development projects is the drinking water state revolving loan fund. Under this program, funding is distributed in the form of a loan program through the EPA and administered by the State Department of Health. The fund provides below market rate interest loans of 2.5 percent to public water systems for capital improvements aimed at increasing public health protection and compliance under the federal Safe Drinking Water Act.

The State Water Commission's involvement with the fund is twofold. The State Department of Health must administer and disburse funds with the approval of the State Water Commission. The department must establish assistance priorities and expend grant funds pursuant to the priority list for the drinking water treatment revolving loan fund after consulting with and obtaining the commission's approval. The process of prioritizing newer modified projects is completed on an annual basis. Each year the department provides an intended use plan, which contains a comprehensive project priority list and a fundable project list. Available funding for the program for 2013 is anticipated to be approximately $20 million.

Garrison Diversion Conservancy District

The Pick-Sloan Missouri Basin Program

On December 22, 1944, the United States Congress authorized the Flood Control Act of 1944, later renamed the Pick-Sloan Missouri Basin program. The primary purpose of the Pick-Sloan Missouri Basin program was for flood control, navigation, irrigation, and hydropower which would be facilitated by the construction of dams on the main stem of the Missouri River. These dams include Fort Peck, Garrison, Oahe, Big Bend, Fort Randall, and Gavins Point.

Under the plan, North Dakota was originally to receive its irrigation from water diverted from the Fort Peck Dam in eastern Montana. Originally known as the "Missouri-Souris Project," the project included 1.275 million acres of irrigation.

Between 1944 and 1965, soil surveys and studies were conducted to assess the feasibility of irrigating the 1.275 million acres originally planned for North Dakota. The studies indicated the soil in northwestern North Dakota was not suitable for irrigation according to federal irrigation standards. Drainage problems caused by the unusual high density of glacial subsoil were a primary factor. As a result, the Bureau of Reclamation revised the diversion plan proposing instead to take water from the Garrison Dam and Reservoir and irrigate other lands to the east. With the new name "Garrison Diversion," the Bureau of Reclamation 1957 feasibility study on the redesigned project recommended irrigation of 1.007 million acres and other water development in central and eastern North Dakota.

Garrison Diversion Unit

Because of changes to the original plan and the language in the 1964 appropriations Act requiring specific reauthorization for all units of the Pick-Sloan Missouri Basin program, the Bureau of Reclamation returned to Congress for reauthorization. During the process of reauthorization, supporters of the project pointed to the many benefits for North Dakota and the need to compensate the state for land inundated by the construction of the Garrison Dam and Reservoir. Others in Congress criticized the large cost of even the scaled-down project, the conflict with federal farm policies, and the relatively small amount of money to be repaid by water users.

On August 5, 1965, Congress addressed these concerns by enacting legislation for the Garrison Diversion Unit. The primary focus of the plan was to include in the initial stage municipal and industrial water, fish and wildlife development, recreation, and flood control along with irrigation of 250,000 acres. Between 1968 and 1984, construction and preparatory activities progressed on many features.

Garrison Diversion Unit Commission

Even as construction advanced on Garrison Diversion throughout the 1970s and 1980s, it became increasingly apparent major issues, such as the environment, acquisition of land, economics of irrigation, and Canadian concerns about water flowing from the Missouri River Basin into the Hudson Bay Basin, would require reformulation of the project if it was to be completed. In 1984 construction was halted and a high-level commission was appointed by the Secretary of the Interior to study and recommend a change in direction.

The Garrison Diversion Unit Commission, in its final report issued December 20, 1984, recommended development of a Garrison Diversion Unit significantly different from the project described in the 1957 feasibility report and the project authorized in 1965.

The major recommendations were:

- Irrigation of 130,940 acres of land, none of which drains to the Hudson Bay. Of these, 17,580 acres would be located on the Fort Berthold and Standing Rock Indian Reservations.
- A grant program of $200 million to facilitate municipal, rural, and industrial water service for as many as 130 towns and cities, rural areas, and three Indian reservations.
- A water treatment facility to treat Missouri River water that would be transferred into the Hudson Bay drainage via the Sheyenne River and then the Red River. This would provide municipal, rural, and industrial water for Fargo, Grand Forks, and other cities and rural systems. The cost of building and operating the treatment plant was declared nonreimbursable.
- Mitigation of wildlife impacts on a new basin with specific wildlife features authorized beyond the mitigation requirements.
- Recreation development on a 50-50 cost-share basis.
- The cost of the commission plan was estimated at a total of $1.12 billion in capital costs, including expenditures to date, and $15.8 million in annual operation, maintenance, and replacement costs.

Of major concern to North Dakota and the Garrison Diversion Conservancy District was the proposed elimination of the Lonetree Dam and Reservoir and replacement with the Sykeston Canal. The Lonetree Reservoir was to be the project's principal regulating reservoir; without it, future expansion was limited. The Lonetree Dam and Reservoir remained an authorized feature of the commission plan, but construction funds may only be requested after a finding of need by the Secretary of the Interior and satisfactory consultation with the government of Canada.

Garrison Diversion Unit Reformulation Act

As a provision of the fiscal year 1986 appropriation, Congress stipulated that new construction contracts not be awarded or additional land acquired unless the project was reauthorized by March 31, 1986. The state and the Garrison Diversion Conservancy District subsequently elected to support reauthorization of the project. The Garrison Diversion Unit Reformulation Act of 1986 was signed into law May 12, 1986, to authorize the recommendations of the Garrison Diversion Unit Commission's final report. In conjunction with the new Act, a "statement of principles" was signed by all the primary stakeholders in the previous project conflicts.

Following the 1986 Act, activities began on municipal, rural, and industrial water supply projects and mitigation of wildlife habitat. Construction continued on some of the water delivery features. The continuing evaluation of a smaller Lonetree Reservoir as a project feature and further analysis of the recommended Sykeston Canal deferred progress with construction of the principal water delivery facilities. In 1990 the President failed to include any funding for the Garrison Diversion Project in his submitted fiscal year 1991 budget.

In connection with the administration's decision to terminate Garrison Diversion funding in fiscal year 1991, the Secretary of the Interior established a task group to develop a policy on support for future funding of the authorized project. The task group's decision was to continue funding only those features of the reformulated project which are consistent with the contemporary water needs, national priorities, and the history of Garrison Diversion but not to fund features which would be used for mitigation. The recommendations also included continuation of the municipal, rural, and industrial water supply grant program; Indian municipal, rural, and industrial water supply programs; irrigation development on 17,580 acres to include two Indian reservations; continued operation of the Oakes Test Area research activities; recreation, fish, wildlife mitigation, and enhancement initiatives; and a minimum level of operation and maintenance on the already constructed main

supply system facilities. Funding for these features would be considered by the administration within the context of national priorities.

Collaborative Process

In November 1993 the North Dakota Congressional Delegation and the Governor requested the Bureau of Reclamation initiate a collaborative process to find a consensus plan that would meet the contemporary water development and stewardship needs of the state. The collaborative process included representatives of the Standing Rock Sioux, Devils Lake Sioux, Three Affiliated Tribes, the Congressional Delegation offices, and the Governor's office. The bureau provided technical and administrative support. Under the guidance of the collaborative group, the bureau began a series of studies for the water supply needs of the state. In 1995 the North Dakota Legislative Assembly repealed a portion of the state laws dealing with the preservation of wetlands. The National Wildlife Federation interpreted this action as withdrawal of state support for the statement of principles and withdrew from the collaborative process.

Red River Valley Water Supply Project

Garrison Diversion has turned part of its focus toward supplying the Red River Valley with a reliable supply of quality drinking water. Research suggests a strong possibility for a drought, such as the one that occurred in the 1930s, could hit the Red River Valley at some point in the next five decades. This drought could be of the same magnitude as the 1930s drought or maybe worse. With the rising population of cities such as Fargo and Moorhead, the water demand during a drought would be even greater than in previous decades.

The Dakota Water Resources Act calls for $200 million of federal appropriations for the Red River Valley Water Supply Project. A study began in 2000 with a memorandum of understanding signed between the state, represented by the Garrison Diversion Conservancy District, and the federal government, represented by the Bureau of Reclamation.

Also included in the Dakota Water Resources Act were appropriations for a $200 million increase in a municipal, industrial, and rural water supply fund; $200 million to meet Indian water needs; and $32.5 million for environmental and recreational needs.

The Dakota Water Resources Act of 2000 authorized the Red River Valley Water Supply Project to provide a reliable supply of quality drinking water for the Red River Valley. The Act also mandated the preparation of an environmental impact statement with joint leadership between the federal government and the state. The Governor designated the Garrison Diversion Conservancy District to represent the state in the Red River Valley Water Supply Project. The purpose of the environmental impact statement was to evaluate alternatives to meet the long-term water needs of the Red River Valley in North Dakota and three cities in Minnesota--East Grand Forks, Moorhead, and Breckenridge.

A draft environmental impact statement was released by the Bureau of Reclamation and the state in December 2005. The draft environmental impact statement evaluated eight alternatives to meet the water supply needs of the Red River Valley. Of these alternatives, three utilized existing surface water and ground water sources in North Dakota and Minnesota, four imported water from the Missouri River, and one included the future of the Red River Valley if no project were built. The four import alternatives included water treatment plants to reduce the risk of transferring invasive species. A supplemental draft environmental impact statement was released on January 31, 2007, which contained revisions to the draft environmental impact statement and was written to incorporate responses to substantive comments related to environmental issues received on the draft environmental impact statement. New information became available, and additional analyses relevant to environmental concerns and issues were conducted in response to the comments. After the additional analyses, the supplemental draft environmental impact statement eliminated two of the alternatives contained in the draft environmental impact statement from further consideration and identified the Garrison Diversion Unit import to the Sheyenne River as the state and federal preferred alternative.

The Bureau of Reclamation and the state released the final environmental impact statement on December 21, 2007. This document includes responses to public comments received on the draft and supplemental draft environmental impact statements. The document also contains a final biological assessment prepared in compliance with the Endangered Species Act, an analysis of forecasted depletions and sedimentation on the Missouri River main stem reservoir system, and a review of climate change literature.

After due consideration and evaluation of technical, hydrologic, and design aspects and water permitting and environmental impacts, the state and the Bureau of Reclamation each identified the Garrison Diversion Unit import to the Sheyenne River alternative as the preferred alternative.

Proponents of this alternative note the Garrison Diversion Unit import to the Sheyenne River alternative provides positive benefits to the environment and harbors no significant negative environmental impacts. It meets the water needs of the Red River Valley now and in the future. This option also provides the core infrastructure for all water systems in the Red River Valley, thus offering the flexibility of future expansion. It has no technical constructability issues and is the least costly of the three Missouri River import alternatives. The Garrison Diversion Unit import to the Sheyenne River alternative would transport water through the McClusky Canal, and then utilize a buried pipeline from a biota treatment facility to the Sheyenne River north of Lake Ashtabula. Lake Ashtabula would act as a regulating reservoir. From there, water would be released in the Sheyenne River and flow into the Red River supplying water systems in the Red River Valley with a reliable supply of drinking water.

The Red River Valley Water Supply Project has not received a record of decision from the federal government. In addition, 2013 House Bill No. 1020 requires during the 2013-14 interim the Water Topics Overview Committee shall review water supply routes and alternatives for the project. Under Section 12 of House Bill No. 1020--the State Water Commission's appropriation bill, of the funds appropriated in the water and atmospheric resources line, $11 million was for the Red River Valley Water Supply Project.

PREVIOUS WATER TOPICS OVERVIEW COMMITTEE STUDIES

In the 2009-10 interim, the committee studied the:

- Garrison Diversion Project with a focus on the Red River Valley Water Supply Project.
- Municipal, rural, and industrial water supply program.
- Operation of the State Water Commission.
- *2009 State Water Management Plan*.
- *North Dakota Sovereign Land Management Plan*.
- Southwest Pipeline Project.
- Devils Lake.
- Organization and operation of water resource districts and water districts.
- Red River Basin Mapping Initiative.

In the 2011-12 interim, the committee studied the:

- 2011 Mouse River flood.
- 2011 Missouri River flood and Corps of Engineers Missouri River operations.
- 2011 Devils Lake flood.
- Fargo-Moorhead Metropolitan Area Flood Risk Management Fargo-Moorhead Diversion Project.
- 2011 flood damage assessments.
- Structure of North Dakota water organizations.
- Prioritization and funding of state water projects.
- Red River Valley Water Supply Project.
- Red River Basin Commission.
- North Dakota Water Coalition.
- Irrigation.
- Western Area Water Supply Authority.
- Southwest Water Authority.

In both previous interims, the committee studied the Red River Valley Water Supply Project, and this is part of the study duties of the committee this interim. In addition, the prioritization and funding of state water projects and certain facets of the Western Area Water Supply Authority are to be studied this interim and were studied in the past.

Red River Valley Water Supply Project

In the 2009-10 interim, the committee reviewed the status of the Red River Valley Water Supply Project. The committee learned the Garrison Diversion Conservancy District submitted a comprehensive report to Congress in December 2008. The report identified selected alternatives, summarized the environmental impact statement, outlined effects on Minnesota-Missouri states, and indicated compliance with the Boundary Waters Treaty of 1909. The selected alternative to deliver water to the Red River Valley is the Garrison Diversion import to the Sheyenne River alternative. In the 2009-10 interim, the Garrison Diversion Conservancy District was obtaining right of way for the selected alternative, performing permitting and environmental services, developing an operational plan, and working on the preliminary design. The next steps were to obtain a record of decision and congressional authorization for use of Missouri River water. In the future, a master repayment contract must be developed as well as a Red River Valley Water Supply Project construction contract.

During the 2011-12 interim, the committee was informed the impetus for the project began in 1992 with concern for long-term water supply for the city of Fargo. However, despite intense local efforts, approval for the project has not been forthcoming, and the Lake Agassiz Water Authority is exploring moving forward with a local and state plan without federal participation.

The consulting engineers for the project considered multiple potential alternatives--two of which emerged. The two final alternatives under consideration are a route from Washburn to Baldhill Creek and a route from Bismarck to Lake Ashtabula along the Interstate 94 corridor. The estimated total project cost for the Washburn to Baldhill Creek alternative is $781.4 million, and the Bismarck to Lake Ashtabula estimate is $804.4 million. However, the committee learned there is no significant advantage between the two routes based on cost alone. The Bismarck alternative has slightly lower operating costs due to reduced treatment and less pumping expected and a "higher profile" corridor. The Washburn alternative has equal or slightly lower capital costs, a less-congested corridor, a completed federal environmental impact study for a majority of the route, right-of-way options secured on 76 percent of the required route, completion of 83 percent of the preliminary design, identification of the required permits, and access to the McClusky Canal. In conclusion, the committee learned the Washburn alternative utilizing the previous preferred alternative route is more advantageous and slightly more economical than the Bismarck alternative.

Western Area Water Supply Authority

During the 2011-12 interim, Section 6 of 2011 House Bill No. 1206 required the State Water Commission to consult and work cooperatively with the committee in setting the priority of a loan of $40 million from the resources trust fund to the Western Area Water Supply Authority for inclusion within the commission's budget.

The Chairman of the Western Area Water Supply Authority updated the committee throughout the interim concerning progress on the project. The Chairman reported the population of northwestern North Dakota is growing exponentially, and pipelines already have been upsized north and south from the city of Williston. Rural water hookup requests have far exceeded original projections, having grown from 500 to over 6,000. The original business plan projected a population peak between 42,000 and 48,000. Currently, it is anticipated the project will serve as many as 75,000 people. Bulk industry water sales are projected to pay for approximately 80 percent of the project's original cost.

The Chairman reported the authority will be seeking $80 million during the 2013-15 biennium for funding Phase II(A) and Phase III. Of this total, $40 million will be loan funds and $40 million will be grant funds.

Representatives of the Independent Water Providers discussed concerns with the Western Area Water Supply Authority. To minimize impacts to private water providers, the Independent Water Providers is proposing any depot constructed by the authority should be limited to operating only two ports, even though each might be constructed with more than a two-port capacity to take advantage of cost efficiencies, and before operating more than two ports at any site, an objective assessment be made by the State Water Commission, or an independent third party approved by the commission, to verify the need for additional capacity and to verify the current need is not being met by the private sector and Western Area Water Supply Authority capacity under a two-port limit. The Independent Water Providers said this policy largely would resolve the main differences between the two organizations and set the stage for a cooperative relationship going into the 2013 legislative session. Additional policy suggestions included a change in governance structure and reconsideration of the project's funding mechanism.

Prioritization and Funding of State Water Projects

During the 2011-12 interim, the committee reviewed the water project prioritization process used by the State Water Commission. The commission first sends out an information letter to each stakeholder in the state requesting information on water needs for the following biennium. This information must be submitted by the end of April. During this period, the Office of Management and Budget issues budget guidelines to the various departments. The commission develops its budget request over the summer based upon the budget guidelines and information received from stakeholders. In the past, all stakeholders from the North Dakota Water Coalition, local project sponsors, State Water Commission, and the Legislative Assembly worked together to prioritize projects.

Last interim, the committee considered a bill draft to update the statewide water development goals through the 2017-19 biennium. Section 61-01-26.2 identifies statewide water development goals through the 2009-11 biennium. The updated goals include Devils Lake flood control; the Fargo flood control project; a Mouse River flood protection project; general water management of flood control projects; water treatment; irrigation; municipal, rural, and industrial projects; the Northwest Area Water Supply Project; the Red River Valley Water Supply Project; the Southwest Pipeline Project; and the Western Area Water Supply Project. In addition, the committee recommended 2013 Senate Bill No. 2048 that required the State Water Commission to develop policies concerning allocation of funds from the resources trust fund. The bill was enacted into law.

WATER-RELATED LEGISLATION ENACTED IN 2013

State Water Commission and State Engineer

House Bill No. 1020 appropriated $827,695,805 to the State Water Commission and $500,000,000 for flood control water supply, irrigation, and other water management projects. In addition, the bill also appropriated any additional amounts in the resources trust fund and water development trust fund that become available, subject to Budget Section approval, to the State Water Commission.

The bill required the Bank of North Dakota to provide a loan of $40 million to the Western Area Water Supply Authority for construction of the Western Area Water Supply Project. House Bill No. 1015 amended Section 5 of House Bill No. 1020 relating to the Western Area Water Supply Authority loan from the Bank to delete the requirement that the terms and conditions of the loan must be negotiated by the Western Area Water Supply Authority and the Bank. The bill required the loan to be added to and merged into loans as agreed by the Industrial Commission and the Bank.

The bill provided, except for construction of ring dikes and levees, construction relating to Fargo flood control project components located south of the city of Fargo's extraterritorial zoning jurisdiction may not begin until after July 1, 2014. The bill provided funds designated by the 61st, 62nd, and 63rd Legislative Assemblies for Fargo flood control are available only for levee and dike protection until the Fargo flood control project receives federal authorization, a project partnership agreement is executed, a federal appropriation is provided for project construction, and a budget for the Fargo flood control project is approved by the State Water Commission. The bill declared the intent of the 63rd Legislative Assembly that the state provide one-half of the local cost-share of constructing a federally authorized Fargo flood control project and that total Fargo flood control project funding to be provided by the state not exceed $450 million. The bill provided $100 million for Fargo flood control projects. The bill provided of the funds appropriated, $11 million is for the Red River Valley Water Supply Project.

The bill provided $60 million is from the resources trust fund for the purposes of paying off or defeasing outstanding bond issues. The $60 million pays off all of the agency's eight outstanding bond issues related to major water projects, including flood control projects in Grand Forks, Wahpeton, and Devils Lake; the Southwest Pipeline; and several other rural and regional water supply projects. The bond payoffs are allowed if the resources trust fund exceeds $287 million in the biennium.

The bill increased the ceiling of the community water facility loan fund from $10 million to $25 million and expands the source of funding for the fund from future undivided profits of the Bank of North Dakota to include other state funds.

Senate Bill No. 2233 (Appendix D) provided a declaration of water policy and goals and objectives for water project development; the Mouse River enhanced flood control project; the lower Heart River Morton County enhanced flood control project; the Southwest Pipeline Project; the Garrison Diversion Unit; and the Fargo-Moorhead flood control project.

The bill established an infrastructure revolving loan fund within the resources trust fund to provide loans for water supply, flood protection, or other water development and water management projects. Ten percent of oil extraction money deposited in the resources trust fund is to be made available on a continuing basis for making loans from the fund.

The bill restructured the Western Area Water Supply Authority system oversight and funding. The bill provided a schedule for how industrial water depot and lateral revenues received by the Western Area Water Supply Authority are to be applied. The bill required the Western Area Water Supply Authority to develop industrial water depot and lateral retail water rates and to present the rates to the Industrial Commission for approval. The bill required the Western Area Water Supply Authority to follow State Water Commission requirements for funding through the resources trust fund or Bank of North Dakota state-guaranteed loans. The bill changed the Western Area Water Supply Authority default provisions to provide the Industrial Commission may review the ability of water depot and lateral sales to meet expenses of the authority and if the Industrial Commission is uncertain of that ability, the commission is required to provide written notification to the State Water Commission and direct the Bank to consider revision of the terms of the loan repayments.

House Bill No. 1269 appropriated $10,350,000 from the resources trust fund to the State Water Commission for the purpose of providing grants to advance the Stutsman County Rural Water Project, North Central Rural Water Consortium Project, and the McLean-Sheridan Rural Water Project. The bill also appropriated $21 million from the resources trust fund to the commission to advance construction of the Southwest Pipeline Project. The bill became effective February 19, 2013.

Senate Bill No. 2053 authorized the State Water Commission to sell property acquired for the Northwest Area Water Supply Project that is no longer necessary for project purposes back to the current owner of the surrounding property from which the property was obtained.

House Bill No. 1206 required the State Water Commission to develop and maintain a comprehensive water development plan organized on a river basin perspective, including an inventory of future water projects for budgeting and planning purposes.

House Bill No. 1067 provided the State Water Commission is a state agency rather than a public corporation.

Senate Bill No. 2048 required the State Water Commission to adopt rules for governing the review and recommendation of proposed water projects for which financial assistance by legislative appropriation from the resources trust fund is being sought under this section. The bill required the rules to consider project revenues, local cost-sharing, and ability to pay. The bill allowed the rules to provide for repayment of a portion of funds allocated from the resources trust fund.

Appropriation of Water

House Bill No. 1061 increased the penalty for misappropriation of water, except for irrigation appropriation permits, from $5,000 for each day of violation to $25,000 for each day of violation. The bill required the State Engineer to inform the Tax Commissioner of violations of industrial use permits.

House Bill No. 1063 repealed several sections dealing with water conservation that related to control of water and wildlife conservation projects and the penalty for draining a meandered lake. The changes were for purposes of consistency, redundancy, and enforceability.

Drainage Projects

Senate Bill No. 2199 addressed frivolous complaints against water projects. The bill provided if in the discretion of the water resource board a complaint involving closing a noncompliant drain is frivolous, the board may assess the cost of the frivolous complaint against the complainant. The bill also allowed a water resource board to assess the costs of closing or filling an unauthorized drain against the property of the responsible landowner. The bill increased the allowable levy for cleaning out and repairing a drain from $2 per acre for agricultural land to $4 per acre and increased the allowable assessment on nonagricultural property from $1 to $2 for each $500 of taxable valuation.

House Bill No. 1062 deleted the provision that a person aggrieved by action of a water resource board involving a noncompliant dike, dam, or other device, or noncomplying drain may appeal the decision to the district court of the county in which the land is located and that a hearing is not a prerequisite to an appeal. All appeals are taken to the State Engineer.

Senate Bill No. 2052 provided if a water resource board fails to respond within 45 days after a permit to construct or modify a dam, dike, or other device has been forwarded to the board following initial review by the State Engineer, the board is deemed to have no changes, conditions, or modifications to the permit.

Water Districts

House Bill No. 1440 required cities planning to expand water service through annexation to develop a city water service area plan. A city is required to file the plan with the State Water Commission and upon filing may proceed with water service to the annexed area. The bill provided for the mediation and appeals process if a water service agreement between a water district and city is not executed within 60 days after the city notifies the district that a city water service area plan has been developed.

Miscellaneous

Senate Bill No. 2308 required the State Department of Health to administer and enforce a permitting program for septic system servicers. The bill becomes effective January 1, 2014.

House Bill No. 1060 revised the composition of the Devils Lake Outlets Management Advisory Committee by combining the two Devils Lake Outlet Advisory Committees into a single committee.

Senate Bill No. 2374 revised the filing deadlines for election of directors of the Garrison Diversion Conservancy District, county directors of the Southwest Water Authority, and city directors of the Southwest Water Authority.

House Bill No. 1177 required weather modification authorities to establish the rate of compensation for commissioners and that actual expenses incurred by commissioners may be reimbursed at the official reimbursement rates of the appointing authority.

Water Topics Overview Committee

Senate Bill No. 2049 was recommended by the Water-Related Topics Overview Committee. The bill changed the name of the Water-Related Topics Overview Committee to the Water Topics Overview Committee and made that committee a permanent committee with the responsibility to review the Garrison Diversion Project. The bill removed the membership requirement of 13 members. In addition to House Bill No. 2049, Senate Bill No. 2233 amended Section 54-35-02.7 to require the Water Topics Overview Committee to collaborate with the State Water Commission to develop policies to further define the state role in major flood control projects and in the prioritization of water projects. In addition, the bill required the committee to review water supply routes and alternatives for the Red River Valley Water Supply Project for this biennium.

House Bill No. 1020 amended Senate Bill No. 2233 by removing the duty to develop policies to further define the state role in the prioritization of water projects. However, the bill required the Water Topics Overview Committee to prepare a schedule of priorities with respect to water projects with the assistance of the State Water Commission and the State Engineer. In addition, the bill required the study of the development and financing of municipal projects, including water treatment plants and pipelines.

Irrigation

Senate Bill No. 2049 clarified a majority of the members of an irrigation board constitutes a quorum for the transaction of business and a concurrence of at least a majority of the board is necessary on any question requiring a vote. The bill authorized irrigation districts to enter contracts with the Garrison Diversion Conservancy District and clarified Garrison Diversion irrigation projects must be undertaken under the direction of a registered professional engineer. The bill also extended 2011 legislation authorizing the Board of Directors of the Garrison Diversion Conservancy District to establish special assessment districts for irrigation works through July 31, 2015.

Resolutions

House Concurrent Resolution No. 3010 urged Congress and the Corps of Engineers to ensure access to Lake Sakakawea and Lake Oahe for agriculture, commerce, energy and water development and recreation is not inhibited by unreasonable regulations and to address proper funding for all project purposes and weed control on Lake Sakakawea and Lake Oahe.

House Concurrent Resolution No. 3017 urged the United States Fish and Wildlife Service and the United States Department of Agriculture's Natural Resources Conservation Service to fairly administer water management laws and regulations in a manner that allows landowners and tenants certainty and cooperation in the management of these laws and regulations.

House Concurrent Resolution No. 3021 requested a study, which was not prioritized, of the feasibility and desirability of providing assistance to obtain rural water for households with arsenic and other harmful substances in the well water.

ATTACH:4