

FISCAL NOTE

Requested by Legislative Council

02/13/2001

Bill/Resolution No.:

Amendment to: HB 1023

1A. 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.*

| 1999-2001 Biennium | | 2001-2003 Biennium | | 2003-2005 Biennium | |
|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | |
| Expenditures | | | | | |
| Appropriations | | | | | |

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

| 1999-2001 Biennium | | | 2001-2003 Biennium | | | 2003-2005 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

HB 1023, as amended, is the State Water Commission's appropriation bill. The bill eliminates all funding from the general fund for the agency and replaces it with funding from the Water Development Trust Fund. The Water Development Trust Fund revenue is provided from a 45% share of the Tobacco Settlement Trust Fund. HB 1023, as amended, authorizes the State Water Commission to issue an additional \$36.3 million for statewide water projects as well as extending previously authorized bonding authority. HB 1023, as amended, also authorizes the State Water Commission to replace the existing shop building and land, using the proceeds from the sale of the old facility to fund the replacement.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

HB 1023, as amended, in section 11, provides authorization to the Water Commission to issue bonds up to the amount of \$36.3 million for statewide water development projects. HB 1023, as amended, also extends the Water Commission's authority to issue bonds as provided in chapter 61-02.1 to 6/30/2003. This authority was originally \$84.8 million of which \$27.5 million has been issued leaving a balance of \$57.3 million.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

HB 1023, as amended, funds \$10,109,773 of Water Commission operations and activities that were previously funded from the general fund, out of the Water Development Trust Fund. Other changes from the previous biennium include the \$36.3 million of statewide water development projects authorized in Section 11, and the estimated expenditure of \$31.5 million for projects authorized in chapter 61-02.1. Included in the \$36.3 million is \$5.5 million for a flood control project to protect a portion of the city of Fargo. The water development projects may be funded from bond proceeds, water development trust fund revenues, resource trust fund revenues, or any combination of the three. The actual funding mix is to be determined by the Water Commission. HB 1023, as amended, adds two FTE's, one for a Geographical Information System Specialist to support the expanding needs of the increasingly important GIS function, and one, as provided in Section 10, to coordinate and prepare a water supplementation study for eastern North Dakota.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Section 13 of HB 1023, as amended, limits the expenditures of the statewide water development projects line item for the 2001-2003 biennium to \$67.8 million. This amount consists of \$36.3 million of new water projects as provided in Section 11, and \$31.5 million of projects of projects authorized under chapter 61-02.1. The \$67.8 million limitation does not apply to water projects appropriated under the Capital Improvements or the Grants line items.

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Agency: State Water Commission
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Prepared: