

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state water
2 commission; to provide a line of credit and an appropriation for repayment; and to authorize the
3 state water commission to issue and sell evidences of indebtedness for the construction of
4 water-related projects.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
7 funds as may be necessary, are appropriated out of any moneys in the water development trust
8 fund in the state treasury, not otherwise appropriated, and from special funds derived from
9 federal funds and other income, to the state water commission for the purpose of defraying the
10 expenses of the state water commission, for the biennium beginning July 1, 2003, and ending
11 June 30, 2005, as follows:

12	Administrative and support services	\$2,639,225
13	Water and atmospheric resources	<u>147,746,765</u>
14	Total special funds appropriation	\$150,385,990

15 **SECTION 2. RESOURCES TRUST FUND.** The sum of \$13,650,000, or so much of
16 the sum as may be necessary, included in the total special funds appropriation line item in
17 section 1 of this Act is from the resources trust fund and must be used by the state water
18 commission for purposes authorized by the legislative assembly, for the biennium beginning
19 July 1, 2003, and ending June 30, 2005.

20 **SECTION 3. WATER DEVELOPMENT TRUST FUND.** The sum of \$32,946,225, or so
21 much of the sum as may be necessary, included in the total special funds appropriation line
22 item in section 1 of this Act is from the water development trust fund and must be used by the
23 state water commission for purposes authorized by the legislative assembly, for the biennium
24 beginning July 1, 2003, and ending June 30, 2005.

1 **SECTION 4. GRANTS - WATER-RELATED PROJECTS - CARRYOVER**

2 **AUTHORITY.** Section 54-44.1-11 does not apply to funding for grants or water-related
3 projects, included in the water and atmospheric resources line item in section 1 of this Act.
4 However, this exclusion is only in effect for two years after June 30, 2005. Any unexpended
5 funds appropriated from the resources trust fund after that period has expired must be
6 transferred to the resources trust fund and any unexpended funds appropriated from the water
7 development trust fund after that period has expired must be transferred to the water
8 development trust fund.

9 **SECTION 5. SALE AND PURCHASE OF LAND AND BUILDING - AUTHORITY -**
10 **CONTINUING APPROPRIATION.**

11 1. The state water commission, on behalf of the state of North Dakota, may sell in
12 one or more parcels the land and building known as the "state water commission
13 maintenance shop" located at 2603 East Broadway Avenue, Bismarck, North
14 Dakota, and legally described as follows:

15 A tract of land lying in the Northwest Quarter (NW 1/4) of Section Two (2),
16 Township One Hundred Thirty-Eight (138) North, Range Eighty (80) West of the
17 Fifth (5) Principal Meridian, in the County of Burleigh and State of North Dakota,
18 and described as follows:

19 Commencing at the northwest corner of said section two; thence traveling
20 in a southerly direction along the west boundary of said section two for a distance
21 of seven hundred seventy-four and six-tenths feet (744.60); thence turning a right
22 angle to the left in an easterly direction along a line which is parallel to the north
23 boundary of said section two for a distance of forty-seven feet (47.00), which shall
24 be called the true point of beginning; thence continuing due east along said line for
25 a distance of eight hundred forty-two and nine-tenths feet (842.90); thence turning
26 a deflection angle of ninety degrees and twenty-two minutes (90 degrees 22') to
27 the right and traveling in a southerly direction to a point of intersection with the
28 north fifty foot railroad right-of-way line; thence traveling in a westerly direction
29 along said north fifty foot railroad right-of-way line to a point of intersection with the
30 west boundary of said section two; thence traveling in a northerly direction along
31 the west boundary of said section two for a distance of four hundred seventy-two

1 and one-tenth feet (472.10); thence turning a right angle to the right in an easterly
2 direction along a line which is parallel to the north boundary of said section two for
3 a distance of forty-seven feet (47.00); thence traveling in a northerly direction along
4 a line which is parallel to the west boundary of said section two for a distance of
5 one hundred fifty feet (150.00) to the point of beginning. Including all of the
6 property bounded by the above described line, subject to existing rights-of-way and
7 easements.

8 The above described tract of land contains 11.77 acres, more or less.

- 9 2. The conveyance authorized by this Act is exempt from sections 54-01-05.2 and
10 54-01-05.5. The conveyance may only be made after the property has been
11 appraised and the property must be sold at public auction unless no bid equals or
12 exceeds the minimum appraised value. The appraisal must be dated no earlier
13 than eighteen months before the auction. If at the public auction no bid equals or
14 exceeds the minimum appraised value, the state water commission may negotiate
15 a price for the land with a purchaser.
- 16 3. All proceeds from the sale, or so much of the sale proceeds as may be necessary,
17 not otherwise appropriated, are appropriated on a continuing basis to the state
18 water commission for the purchase or lease of land and the construction of a
19 building and associated appurtenances to be used as a new maintenance facility.
20 The purchase authorized by this subsection may proceed only after completion of a
21 certified appraisal of the property to be purchased and completion of a physical
22 inspection of any building to be purchased demonstrating that the building is
23 structurally sound and suitable for state water commission purposes.
- 24 4. The attorney general shall review and approve the form and legality of all legal
25 documents required for the conveyance and purchase authorized by this Act,
26 including title opinions.

27 **SECTION 6. BUILDING SALE PROCEEDS.** Proceeds of the sale of the state water
28 commission maintenance shop located in east Bismarck, as provided in section 5 of this Act,
29 must be used to purchase or lease land and construct a new maintenance shop building. If the
30 proceeds from the sale are less than \$977,100, the state water commission may use other
31 funds appropriated to the state water commission for the purpose of purchasing or leasing land

1 and constructing a new maintenance shop building. If the proceeds from the sale are not
2 available at the time the state water commission needs to purchase or lease land and construct
3 the new building and associated appurtenances, the state water commission may use other
4 funds appropriated to it provided that, upon receipt of the proceeds of the sale, the state water
5 commission transfers to the funds from which moneys were taken an amount equal to any
6 funds utilized for the purchase or lease of land and construction of the new maintenance
7 building. If the state water commission uses other funds appropriated to it because the funds
8 from the sale of the land and building are insufficient, the state water commission need not
9 make a transfer of sale proceeds. No more than a total of \$977,100 may be expended from the
10 amounts appropriated under this Act to purchase land and construct the new maintenance
11 building and associated appurtenances.

12 **SECTION 7. LINE OF CREDIT - CONTINGENT APPROPRIATION.** If determined
13 necessary by the state water commission, the Bank of North Dakota shall extend a line of
14 credit, not to exceed \$25,000,000, which is appropriated to the state water commission for the
15 purpose of interim financing until bonds are issued under chapters 61-02 and 61-02.1, for the
16 biennium beginning July 1, 2003, and ending June 30, 2005.

17 **SECTION 8. REPAYMENT OF LINE OF CREDIT - CONTINGENT APPROPRIATION.**
18 If the line of credit authorized in section 7 of this Act is extended to the state water commission
19 by the Bank of North Dakota, there is appropriated out of any moneys in the water development
20 trust fund, not otherwise appropriated, or from bond proceeds, the sum of \$25,000,000, or so
21 much of the sum as may be necessary, to the state water commission for the purpose of
22 repaying the line of credit, for the biennium beginning July 1, 2003, and ending June 30, 2005.

23 **SECTION 9. BOND ISSUANCE AUTHORIZATION - PURPOSES.** Notwithstanding
24 the authority of the state water commission to issue evidences of indebtedness under chapters
25 61-24.3 and 61-24.6, the state water commission may arrange for the funding of water-related
26 projects or works in this state, including those identified in the statewide water development
27 plan, which are authorized and declared to be in the public interest, through the issuance of
28 evidences of indebtedness under chapters 61-02 and 61-02.1 in an amount not to exceed
29 \$60,000,000, plus the costs of issuance, capitalized interest, and required reserves, for the
30 biennium beginning July 1, 2003, and ending June 30, 2005. Bonds issued pursuant to this
31 section are not a general obligation of the state of North Dakota.