

PROPOSED AMENDMENTS TO SENATE BILL NO. 2022

Page 1, line 2, remove the second "and"

Page 1, line 4, after "projects" insert "; to amend and reenact section 54-27-25 of the North Dakota Century Code, relating to allocation of the tobacco settlement trust fund; and to repeal chapter 61-38 of the North Dakota Century Code, relating to assumption of the section 404 program"

Page 1, line 12, replace "2,639,225" with "2,077,370"

Page 1, line 13, replace "147,746,765" with "147,367,303"

Page 1, line 14, replace "special funds appropriation" with "all funds" and replace "150,385,990" with "149,444,673"

Page 1, after line 14, insert:

"Less estimated income	<u>140,004,556</u>
Total general fund appropriation	\$9,440,117"

Page 4, line 29, replace "\$60,000,000" with "\$49,523,771"

Page 4, after line 31, insert:

"SECTION 10. RESOURCES TRUST FUND APPROPRIATION - ADJUSTMENT. If the resources trust fund 2003-05 revenues are in excess of \$13,650,000, any excess is appropriated, subject to emergency commission approval, from the resources trust fund to the state water commission for the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 11. AMENDMENT. Section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund - Interest on fund - Uses. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under sections IX (payments) and XI (calculation and disbursement of payments) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778]. All moneys received by the state pursuant to the judgment and all moneys received by the state for enforcement of the judgment must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund must be allocated as follows:

1. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund.

2. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.
3. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

~~Notwithstanding the provisions of this section, during each biennium transfers that would be made to the common schools trust fund under subsection 2 must instead be transferred to the water development trust fund until the state water commission certifies to the state treasurer that deposits in the water development trust fund during that biennium are sufficient to pay the principal and interest for that biennium on bonds authorized under section 61-02.1-01. When that certification is received, the state treasurer shall determine the amount deposited in the water development trust fund during that biennium and transfers that would be made to the water development trust fund under subsection 3 must instead be transferred to the common schools trust fund until deposits in the common schools trust fund during that biennium are equal to the amount deposited in the water development trust fund during that biennium or until the end of the biennium, whichever occurs first.~~

Transfers to the funds under this section must be made within thirty days of receipt by the tobacco settlement trust fund.

SECTION 12. REPEAL. Chapter 61-38 of the North Dakota Century Code is repealed."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Water Commission - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Administrative and support services	\$2,639,225	(\$561,855)	\$2,077,370
Water and atmospheric resources	147,746,765	(379,462)	147,367,303
Total all funds	\$150,385,990	(\$941,317)	\$149,444,673
Less estimated income	<u>150,385,990</u>	<u>(10,381,434)</u>	<u>140,004,556</u>
General fund	\$0	\$9,440,117	\$9,440,117
FTE	85.00	(3.00)	82.00

Dept. 770 - State Water Commission - Detail of Senate Changes

	REMOVES RECOMMENDED SALARY INCREASE 1	CHANGES FUNDING FOR ADMINISTRATIVE EXPENSES 2	REMOVES FUNDING FOR RENT, AUDIT, AND LEGAL FEES 3	REMOVES FUNDING FOR SECTION 404 PROGRAM 4	ADDS FUNDING FOR 1 FTE POSITION 5	TOTAL SENATE CHANGES
Administrative and support services	(\$13,881)		(\$547,974)			(\$561,855)
Water and atmospheric resources	(85,748)			(\$393,714)	\$100,000	(379,462)
Total all funds	(\$99,629)	\$0	(\$547,974)	(\$393,714)	\$100,000	(\$941,317)
Less estimated income	<u>(17,347)</u>	<u>(9,522,399)</u>	<u>(547,974)</u>	<u>(393,714)</u>	<u>100,000</u>	<u>(10,381,434)</u>
General fund	(\$82,282)	\$9,522,399	\$0	\$0	\$0	\$9,440,117
FTE	0.00	0.00	0.00	(4.00)	1.00	(3.00)

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

- ² This amendment transfers funding for administrative expenses of the State Water Commission from the water development trust fund to the general fund.
- ³ This amendment removes funding from the water development trust fund for rent (\$257,974), audit fees (\$25,000), and Attorney General fees (\$265,000). These are additional costs the State Water Commission would have incurred as a special fund agency.
- ⁴ This amendment removes funding for the Section 404 program, including four FTE positions.
- ⁵ This amendment adds one FTE floodplain mapping coordinator position under the community assistance program from Federal Emergency Management Agency funding.

The total authorized in Section 9 for bonding is reduced from \$60,000,000 to \$49,523,771.

A section is added providing that revenues in excess of the \$13,650,000 from the resources trust fund are appropriated to the State Water Commission subject to Emergency Commission approval.

North Dakota Century Code (NDCC) Chapter 61-38 relating to the assumption of the Section 404 program of the Clean Water Act by the State Water Commission is repealed.

A section is added amending NDCC Section 54-27-25, relating to the uses of the tobacco settlement collections. This change removes the tobacco settlement collection funding priority provided to the water development trust fund based on need for interest and principal on bond payments. Previously the statute provided that distributions were to be made based on the water development trust fund's needs before funding is made available to the common schools trust fund.