

**SECOND ENGROSSMENT  
with House Amendments**

Sixtieth  
Legislative Assembly  
of North Dakota

**REENGROSSED SENATE BILL NO. 2020**

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 create and enact a new section to chapter 61-02.1 of the North Dakota Century  
3 Code, relating to funding for Grand Forks flood control; to provide a line of credit; to provide an  
4 appropriation for repayment of the line of credit; to provide legislative intent; to provide for a  
5 study; and to provide for a report to the legislative assembly.

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

7 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this  
8 section represent the base level funding component appropriated to the state water  
9 commission in section 3 of this Act as follows:

10 Administrative and support services	\$2,180,445
11 Water and atmospheric resources	<u>123,890,493</u>
12 Total all funds - Base level	\$126,070,938
13 Less estimated income - Base level	<u>125,059,718</u>
14 Total general fund - Base level	\$1,011,220

15 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The  
16 amounts identified in this section represent the funding adjustments or enhancements to the  
17 base funding level for the state water commission which are included in the appropriation in  
18 section 3 of this Act as follows:

19 Administrative and support services	\$275,850
20 Water and atmospheric resources	<u>49,263,767</u>
21 Total all funds - Adjustments/enhancements	\$49,539,617
22 Less estimated income - Adjustments/enhancements	<u>36,863,331</u>
23 Total general fund - Adjustments/enhancements	\$12,676,286

1           **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the  
2 funds as may be necessary, are appropriated out of any moneys in the general fund in the state  
3 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
4 other income, to the state water commission for the purpose of defraying the expenses of that  
5 agency, for the biennium beginning July 1, 2007, and ending June 30, 2009, as follows:

6 Administrative and support services	\$2,456,295
7 Water and atmospheric resources	<u>173,154,260</u>
8 Total all funds	\$175,610,555
9 Less estimated income	<u>161,923,049</u>
10 Total general fund appropriation	\$13,687,506

11           **SECTION 4. RESOURCES TRUST FUND - APPROPRIATION.** The sum of  
12 \$69,352,698, or so much of the sum as may be necessary, included in the estimated income  
13 line item in section 3 of this Act is from the resources trust fund and must be used by the state  
14 water commission for purposes authorized by the legislative assembly, for the biennium  
15 beginning July 1, 2007, and ending June 30, 2009. Any additional amount in the resources  
16 trust fund that becomes available is appropriated to the state water commission for the purpose  
17 of defraying the expenses of that agency, for the biennium beginning July 1, 2007, and ending  
18 June 30, 2009.

19           **SECTION 5. WATER DEVELOPMENT TRUST FUND - APPROPRIATION.** The sum  
20 of \$40,055,999, or so much of the sum as may be necessary, included in the estimated income  
21 line item in section 3 of this Act is from the water development trust fund and must be used by  
22 the state water commission for purposes authorized by the legislative assembly, for the  
23 biennium beginning July 1, 2007, and ending June 30, 2009. Any additional amount in the  
24 water development trust fund that becomes available is appropriated to the state water  
25 commission for the purpose of defraying the expenses of that agency, for the biennium  
26 beginning July 1, 2007, and ending June 30, 2009.

27           **SECTION 6. GRANTS - WATER-RELATED PROJECTS - CARRYOVER**  
28 **AUTHORITY.** Section 54-44.1-11 does not apply to funding for grants or water-related projects  
29 included in the water and atmospheric resources line item in section 3 of this Act. However,  
30 this exclusion is only in effect for two years after June 30, 2009. Any unexpended funds  
31 appropriated from the resources trust fund after that period has expired must be transferred to

1 the resources trust fund and any unexpended funds appropriated from the water development  
2 trust fund after that period has expired must be transferred to the water development trust fund.

3 **SECTION 7. LINE OF CREDIT - CONTINGENT APPROPRIATION.** If determined  
4 necessary by the state water commission, the Bank of North Dakota shall extend a line of  
5 credit, not to exceed \$25,000,000, which is appropriated to the state water commission, for the  
6 biennium beginning July 1, 2007, and ending June 30, 2009.

7 **SECTION 8. REPAYMENT OF LINE OF CREDIT - CONTINGENT APPROPRIATION.**  
8 If the line of credit authorized in section 7 of this Act is extended to the state water commission  
9 by the Bank of North Dakota, there is appropriated out of any moneys in the water development  
10 trust fund, the resources trust fund, bond proceeds, or other sources, the sum of \$25,000,000,  
11 or so much of the sum as may be necessary, to the state water commission for the purpose of  
12 repaying the line of credit, for the biennium beginning July 1, 2007, and ending June 30, 2009.

13 **SECTION 9.** A new section to chapter 61-02.1 of the North Dakota Century Code is  
14 created and enacted as follows:

15 **Grand Forks flood control project.** Notwithstanding any other provision of law or  
16 policy, any existing caps may not be construed to limit access to total state funding of up to  
17 fifty-two million dollars for the Grand Forks flood control project.

18 **SECTION 10. TILE DRAINAGE EFFECTS ON WATER USE STUDY.** The state water  
19 commission shall study, develop, and recommend policies and procedures for assessing the  
20 impact of tile drainage on the beneficial use of water by prior water appropriators. The state  
21 water commission shall report its findings and recommendations to the legislative council by  
22 July 1, 2008.

23 **SECTION 11. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**  
24 **SIXTY-FIRST LEGISLATIVE ASSEMBLY.** The total general fund appropriation line item in  
25 section 3 of this Act includes \$3,000,000 for the one-time funding items identified in this  
26 section. This amount is not a part of the agency's base budget to be used in preparing the  
27 2009-11 executive budget. The state water commission shall report to the appropriations  
28 committees of the sixty-first legislative assembly on the use of this one-time funding for the  
29 biennium beginning July 1, 2007, and ending June 30, 2009.

30 Red River water supply project \$3,000,000

1           **SECTION 12. LEGISLATIVE INTENT- SWEETBRIAR DAM PROJECT.** It is the intent  
2 of the sixtieth legislative assembly that the state water commission provide funding for the  
3 sweetbriar dam project. In addition, Morton County shall contribute \$15,000 toward the  
4 sweetbriar dam project and \$1,000,000 must be made available from the game and fish fund  
5 for the project which is appropriated in section 3 of this Act. The funding from the game and  
6 fish fund and Morton County is contingent upon funding being made available for the project by  
7 the state water commission during the biennium beginning July 1, 2007, and ending June 30,  
8 2009.