

**Sixtieth Legislative Assembly of North Dakota  
In Regular Session Commencing Wednesday, January 3, 2007**

SENATE BILL NO. 2020  
(Appropriations Committee)  
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state water commission; to create and enact a new section to chapter 61-02.1 of the North Dakota Century Code, relating to funding for Grand Forks flood control; to amend and reenact section 61-34-04 of the North Dakota Century Code, relating to eligibility for the drought disaster livestock water assistance program; to provide a line of credit; to provide an appropriation for repayment of the line of credit; to provide legislative intent; to provide for a study; and to declare an emergency.

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

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

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

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

Administrative and support services	\$275,850
Water and atmospheric resources	<u>49,663,767</u>
Total all funds - Adjustments/enhancements	\$49,939,617
Less estimated income - Adjustments/enhancements	<u>37,063,331</u>
Total general fund - Adjustments/enhancements	\$12,876,286

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

Administrative and support services	\$2,456,295
Water and atmospheric resources	<u>173,554,260</u>
Total all funds	\$176,010,555
Less estimated income	<u>162,123,049</u>
Total general fund appropriation	\$13,887,506

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

state water commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2007, and ending June 30, 2009.

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

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

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

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

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

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

**SECTION 10. AMENDMENT.** Section 61-34-04 of the North Dakota Century Code is amended and reenacted as follows:

**61-34-04. Eligibility - Application for assistance.** Applicants with livestock water supply problems caused by drought may apply for assistance from the program. An applicant must first apply for water cost-share assistance from the agriculture stabilization and conservation service. If cost-share assistance is denied by the service, the applicant may forward the application to the commission for consideration. An application forwarded to the commission must include a document from the agriculture stabilization and conservation service stating the reason for denial of cost-share assistance. The state engineer shall review all applications received by the commission. Notwithstanding any other provision of law, a water supply project commenced after application for funding is made but without prior approval of the state engineer is eligible for funding from the program. If the state engineer approves an application, the applicant may receive up to fifty percent of the cost of the project, but in no event more than three thousand five hundred dollars. The state engineer shall provide funds for approved applications in accordance with rules and criteria for eligibility and only to the extent that funding is available.

**SECTION 11. TILE DRAINAGE EFFECTS ON WATER USE STUDY.** The state water commission shall study, develop, and recommend policies and procedures for assessing the impact of

tile drainage on the beneficial use of water by prior water appropriators. The state water commission shall report its findings and recommendations to the legislative council by July 1, 2008.

**SECTION 12. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY.** The total general fund appropriation line item in section 3 of this Act includes \$3,000,000 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The state water commission shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

Red River water supply project	\$3,000,000
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**SECTION 13. LEGISLATIVE INTENT - SWEETBRIAR DAM PROJECT.** It is the intent of the sixtieth legislative assembly that the state water commission provide funding for the sweetbriar dam project. In addition, Morton County shall contribute \$15,000 toward the sweetbriar dam project and \$1,000,000 must be made available from the game and fish fund for the project which is appropriated in section 3 of this Act. The funding from the game and fish fund and Morton County is contingent upon funding being made available for the project by the state water commission during the biennium beginning July 1, 2007, and ending June 30, 2009.

**SECTION 14. EMERGENCY.** Section 10 of this Act is declared to be an emergency measure.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2020 and that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote:      Yeas        46            Nays        0            Absent      1

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Secretary of the Senate

This certifies that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote:      Yeas        88            Nays        4            Absent      2

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2007.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2007.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2007,

at \_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State