

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
 2 environmental quality; ~~and~~ to amend and reenact sections 23.1-10-02 and 23.1-10-05 of the
 3 North Dakota Century Code, relating to the environmental quality restoration fund and revenue
 4 to the fund and to provide for an exemption.

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 funds
 7 as may be necessary, are appropriated out of any moneys in the general fund in the state
 8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 9 other income, to the department of environmental quality for the purpose of defraying the
 10 expenses of the department of environmental quality, for the biennium beginning July 1, 2023,
 11 and ending June 30, 2025, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$32,551,817	\$4,381,840	\$36,933,657
15 Operating expenses	10,771,898	5,405,796	16,177,694
16 Capital assets	1,247,172	(78,672)	1,168,500
17 Grants	15,060,118	21,778,000	36,838,118
18 Total all funds	\$59,631,005	\$31,486,964	\$91,117,969
19 Less estimated income	46,969,930	29,858,605	76,828,535
20 Total general fund	\$12,661,075	\$1,628,359	\$14,289,434
21 Full-time equivalent positions	166.00	5.00	171.00
22 <u>Salaries and wages</u>	<u>\$32,551,817</u>	<u>\$4,553,049</u>	<u>\$37,104,866</u>
23 <u>Operating expenses</u>	<u>10,771,898</u>	<u>6,475,528</u>	<u>17,247,426</u>
24 <u>Capital assets</u>	<u>1,247,172</u>	<u>(78,672)</u>	<u>1,168,500</u>

1	<u>Grants</u>	15,060,118	22,138,000	37,198,118
2	<u>Total all funds</u>	\$59,631,005	\$33,087,905	\$92,718,910
3	<u>Less estimated income</u>	46,969,930	29,966,956	76,936,886
4	<u>Total general fund</u>	\$12,661,075	\$3,120,949	\$15,782,024
5	<u>Full-time equivalent positions</u>	166.00	7.00	173.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-NINTH LEGISLATIVE ASSEMBLY.

The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

10	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
11	Laboratory information management system	\$1,000,000	\$0
12	Chemistry laboratory inflation	0	116,800
13	Loan fund administration	0	177,350
14	Drinking water program portal	0	325,000
15	Environmental data systems upgrade	0	1,365,444
16	Total all funds	\$1,000,000	\$1,984,594
17	Less estimated income	0	1,796,794
18	Total general fund	\$1,000,000	\$187,800

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The department of environmental quality shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 3. APPROPRIATION - FEDERAL FUNDS - LEAD PIPE REMOVAL AND CLEAN WATER PROJECT GRANTS - ONE-TIME FUNDING. There is appropriated from federal funds, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of environmental quality for the purpose of providing grants to political subdivisions with a population of ten thousand or less for lead pipe removal and other projects eligible for funding from the clean water state revolving loan fund for the biennium beginning July 1, 2023, and ending June 30, 2025. The department shall require a political subdivision grant recipient to provide twenty-five percent matching funds and the

1 department may not award grants in excess of \$5,000,000 to a political subdivision. The funding
2 provided in this section is considered a one-time funding item.

3 **SECTION 4. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION**

4 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$250,000
5 from the environment and rangeland protection fund. This amount includes \$50,000 for a grant
6 to the North Dakota stockmen's association environmental services program.

7 **SECTION 5. ESTIMATED INCOME - PETROLEUM TANK RELEASE COMPENSATION**

8 **FUND.** The estimated income line item in section 1 of this Act includes the sum of
9 ~~\$742,080~~ \$723,595 from the petroleum tank release compensation fund for expenses related to
10 the petroleum tank release program.

11 **SECTION 6. AMENDMENT.** Section 23.1-10-02 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **23.1-10-02. Environmental quality restoration fund - Continuing appropriation.**

14 There is established an environmental quality restoration fund into which the funds
15 recovered in this chapter may be deposited. The fund is to be administered by the department
16 of environmental quality and may be used by the department for costs of environmental
17 assessment, removal, corrective action, or monitoring as determined on a case-by-case basis.
18 All moneys placed in the fund under this section and section 23.1-10-05 are appropriated to the
19 department on a continuing basis. If, on the first day of July in any year, the amount of
20 uncommitted or unrestricted money in the environmental quality restoration fund is more than
21 five million dollars, the amount in excess of five million dollars must be transferred to the
22 general fund.

23 **SECTION 7. AMENDMENT.** Section 23.1-10-05 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **23.1-10-05. Revenue to the fund.**

26 Revenue from the following sources must be deposited in the state treasury and credited to
27 the fund:

- 28 1. ~~If the balance of the fund is less than five million dollars, moneys~~ Moneys recovered by
29 the department in an action or administrative proceeding based on violation of the
30 state's environmental statutes, including actions for administrative expense recoveries,
31 civil penalties, compensatory damages; and money paid pursuant to any agreement,

1 stipulation, or settlement. This section does not limit the department's ability to agree
2 to a supplemental environmental project as part of a settlement.

3 2. Moneys donated to the department for the purposes of this chapter.

4 3. Transfers from the abandoned oil and gas well plugging and site reclamation fund
5 under subdivision f of subsection 2 of section 38-08-04.5.

6 4. Moneys received from a federal agency for the purpose of this section.

7 5. Any other moneys as may be deposited in the fund for use in carrying out the
8 purposes of this chapter.

9 **SECTION 8. EXEMPTION - LABORATORY INFORMATION MANAGEMENT SYSTEM.**

10 The sum of \$1,000,000, appropriated from the general fund for the laboratory information
11 management system in section 1 of chapter 52 of the 2021 Session Laws, is not subject to the
12 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for
13 the laboratory information management system during the biennium beginning July 1, 2023,
14 and ending June 30, 2025.