



Department of Water Resources
Department No. 770
2025 House Bill No. 1020

EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Executive budget recommendation	102.00	\$0	\$750,965,046	\$750,965,046
Base level	93.00	0	699,660,783	699,660,783
Increase (decrease)	9.00	\$0	\$51,304,263	\$51,304,263
Percentage increase (decrease)	9.7%	0.0%	7.3%	7.3%

NOTE:

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Health insurance increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893, per employee
- Adds \$2.8 million of ongoing funding for 9 new FTE positions
- Adds \$6.9 million of ongoing funding for Biota water treatment plant operations
- Reduces ongoing funding by \$127.5 million for water supply grants to provide total funding of \$238.7 million, including \$50 million of one-time funding from a Bank of North Dakota line of credit

Deficiency Appropriations

House Bill No. 1024, as recommended in the executive budget, would appropriate \$10 million from the water infrastructure revolving loan fund to the Department of Water Resources.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management pursuant to North Dakota Century Code Section 54-35-27, this agency has four fees. The agency did not recommend any changes to the fees.

Major Related Legislation

As of the date of this report, there is no major related legislation for this agency.

Legislative Council

Department of Water Resources - Budget No. 770
Agency Worksheet - House Bill No. 1020

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	93.00	\$0	\$699,660,783	\$699,660,783
2025-27 Ongoing Funding Changes				
Base payroll changes			\$416,661	\$416,661
Salary increase			1,224,966	1,224,966
Health insurance increase			630,554	630,554
Adds funding to replace the 2023-25 new FTE pool			703,398	703,398
Adds funding to replace the 2023-25 vacant FTE pool			912,231	912,231
Adds team development coordinator position	1.00		246,806	246,806
Adds accountant position	1.00		289,442	289,442
Adds outreach and education division director position	1.00		352,434	352,434
Adds deputy director position	1.00		427,980	427,980
Adds northwest area water supply (NAWS) operator position	1.00		349,154	349,154
Adds general counsel position	1.00		452,162	452,162
Adds assistant national flood insurance program coordinator position	1.00		312,624	312,624
Adds RiskMAP program specialist position	1.00		350,706	350,706
Converts temporary "Silver Jacket" flood risk position to an FTE position	1.00			0
Adds funding for State Water Commissioner salaries and operating expenses			138,960	138,960
Adds funding for overtime and temporary salaries			60,000	60,000
Adds funding for NAWS on-call pay			106,954	106,954
Adds funding for Board of Water Well Contractors administrative services			66,023	66,023
Adds funding for internship program			100,000	100,000
Adds funding for NAWS Biota water treatment plant operations			6,900,000	6,900,000
Increases funding from federal funds for travel and professional services			2,051,788	2,051,788
Increases funding for operating expenses, including professional fees and services			1,509,270	1,509,270
Decreases funding for capital assets, including state-owned water projects			(9,467,114)	(9,467,114)
Reduces funding for water supply grants			(127,467,199)	(127,467,199)
Reduces funding for rural water supply grants			(6,200,000)	(6,200,000)
Increases funding for flood control grants			13,400,000	13,400,000
Adds funding for discretionary funding			5,000,000	5,000,000
Increases funding for general water grants			4,972,500	4,972,500
Total ongoing funding changes	9.00	\$0	(\$102,159,700)	(\$102,159,700)
One-Time Funding Items				
Adds new FTE one-time funding			\$62,000	\$62,000
Adds funding for emergency pumps replacement			480,000	480,000
Adds funding for an excavator replacement			400,000	400,000
Adds funding for a data logger replacement			60,000	60,000
Adds funding for a permanent office location			3,000,000	3,000,000
Adds funding for a Missouri River intake sites field investigation			600,000	600,000

Sixty-ninth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1020
(Governor's Recommendation)

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an Act to provide an appropriation for defraying the expenses of the department of water resources; to provide for a transfer; to provide an exemption; to amend and reenact section 61-02-79 of the North Dakota Century Code relating to a Bank of North Dakota line of credit; to amend and reenact section 54-12-08 of the North Dakota Century Code relating to state agency employment of attorneys; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the department of water resources for the purpose of defraying the expenses of the department of water resources, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$22,998,148	\$6,666,165	\$29,664,313
Operating expenses	56,625,923	19,987,948	76,613,871
Capital assets	124,136,712	84,944,849	209,081,561
Water supply - grants	316,200,000	(77,467,199)	238,732,801
Rural water supply - grants	52,000,000	(6,200,000)	45,800,000
Flood control projects	115,700,000	13,400,000	129,100,000
General water - grants	12,000,000	4,972,500	16,972,500
Discretionary fund for water projects	0	5,000,000	5,000,000
Total special funds	\$699,660,783	\$51,304,263	\$750,965,046
Full-time equivalent positions	93.00	9.00	102.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the grand total appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Line of credit – Bank Of North Dakota	\$100,000,000	\$50,000,000
Northwest area water supply	47,847,238	40,211,963
Discretionary fund	9,000,000	0
Equipment for new employees	19,320	62,000
Information technology unification	1,532,980	0
Increased motor pool rates	118,180	0
Drilling supplies inflation	180,000	0
Navigability study	180,000	0
Airborne electromagnetic survey	750,000	0
Ground water modeling and hydrologic analysis software	72,665	0
Equipment	3,600,000	940,000
Potential agency relocation	200,000	3,000,000
Southwest pipeline projects – includes line of credit	0	58,650,000
Missouri river intake sites field investigation	0	600,000
Total special funds	\$163,500,383	\$153,463,963

attorney general pursuant to this section. Absent good cause, the attorney general shall appoint as special assistant attorneys general licensed attorneys selected by these entities. The attorney general may revoke the appointment only for good cause or upon the request of the entity. Good cause means an inadequate level of experience, competence, or ethical standards.

SECTION 10. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the department of water resources may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The department of water resources shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.

SECTION 11. EMERGENCY. This Act is declared to be an emergency measure.