

## **SECTION 20. EXEMPTION - STATE WATER COMMISSION STUDY - REGIONAL WATER SYSTEMS GOVERNANCE AND FINANCE - REPORT.**

During the 2025-26 interim, the state water commission shall study the long-term governance and finance models of select regional water systems in the state. The study must include the operational and organizational aspects of the southwest pipeline project, northwest area water supply project, and Red River valley water supply project. The state water commission is not subject to procurement requirements under chapter 54-44 for the purpose of contracting with a consultant for this study and may contract for the study only with an entity that does not receive direct or indirect benefits from any regional, municipal, or rural water system within the state. Funding for the study is included in the appropriation in the discretionary funding line item in section 1 of this Act. The state water commission shall present a draft report to the legislative management and to the appropriations committees of the seventieth legislative assembly by April 30, 2026, and shall present a final report by June 30, 2026. ~~report to the legislative management during the 2025-26 interim and to the appropriations committees of the seventieth legislative assembly regarding the status of and any recommendations from the regional water systems governance and finance study.~~

## **SECTION 21. EXEMPTION - STATE WATER COMMISSION STUDY - COST-SHARE POLICY AND FINANCIAL PLANNING - REPORT TO LEGISLATIVE MANAGEMENT.**

During the 2025-26 interim, the state water commission shall study its cost-share policy, including an evaluation of whether projected funding for water projects, in conjunction with the existing cost-share policy, will adequately address anticipated funding needs for water projects through July 1, 2039. The study must also evaluate the schedules and overall workplans of water projects, the state's financial roll in deferred maintenance or replacement projects, and must recommend strategies to address any funding shortfalls identified. The state water commission is not subject to procurement requirements under chapter 54-44 for the purpose of contracting for this study and may contract for the study only with an entity that does not receive direct or indirect benefits from the cost-share program. Funding for the study is included in the appropriation in the discretionary funding line item in section 1 of this Act. The state water commission shall present a draft report to the legislative management by April 30, 2026, and shall present a final report by June 30, 2026. ~~report annually to the legislative management during the 2025-26 interim regarding the status of and any recommendations from the cost-share policy study.~~

## **SECTION X. INTERIM WATER TOPICS COMMITTEE STUDY – DIRECT APPROPRIATION POLICY - REPORT TO LEGISLATIVE MANAGEMENT.**

During the 2025-26 interim, the interim water topics committee shall study direct appropriations for water projects. The study must evaluate the process of direct appropriations, legislative intent for multi-phase and multi-biennial funding, and shall recommend a threshold amount for project costs which must be presented to the water topics committee prior to those projects requesting direct appropriations from the legislature.

[Appropriation Needed for Study?]

## **SECTION X. EXEMPTION – DEPARTMENT OF WATER RESOURCES STUDY – MISSOURI RIVER INTAKE SITES STUDY PHASE TWO – REPORT.**

During the 2025-26 interim, the department of water resources shall study or conduct a field investigation as phase two of the department's study of Missouri River intakes study of select intake sites identified in phase one of the Missouri River intakes study conducted during the 2023-25 biennium. The state water commission is not subject to procurement requirements under chapter 54-44 for the purpose of contracting with a consultant for this study. Funding for the study is included in the appropriation in the discretionary funding line item in section 1 of this act. The department of water resources shall report to the legislative management during the 2025-26 interim and to the appropriations committees of the seventieth legislative assembly regarding the status of and any recommendations from phase two of the Missouri River intakes study.