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Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for Senate Appropriations -
Education and Environment Division
Committee

April 10, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1020

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 water resources; ~~to provide an appropriation to the parks and recreation department;~~ to create
3 and enact a new section to chapter 61-24.6 of the North Dakota Century Code, relating to the
4 northwest area water supply biota water treatment plant operating fund; to amend and reenact
5 ~~section~~ sections 54-35-02.7 and 61-02-79 of the North Dakota Century Code, relating to the
6 powers and duties of the water topics overview committee and a Bank of North Dakota line of
7 credit; ~~to authorize the state water commission to issue and sell bonds for water projects;~~ to
8 provide legislative intent; to provide for a report; to provide for a study; to provide a continuing
9 appropriation; to provide for a transfer; to provide an exemption; and to declare an emergency.

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

11 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
12 as may be necessary, are appropriated from other funds, derived from special funds and federal
13 funds, to the department of water resources for the purpose of defraying the expenses of the
14 department of water resources, for the period beginning with the effective date of this Act, and
15 ending June 30, 2027, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
16			
17			
18 Salaries and wages	\$22,998,148	\$2,358,350	\$25,356,498
19 New and vacant FTE pool	0	2,428,615	2,428,615

Sixty-ninth
Legislative Assembly

1	Operating expenses	56,625,923	(22,686,142)	33,939,781
2	Capital assets	124,136,712	(120,932,762)	3,203,950
3	Southwest pipeline project	0	131,713,336	131,713,336
4	Northwest area water supply	0	106,857,325	106,857,325
5	Water supply - grants	316,200,000	(316,200,000)	0
6	Rural water supply - grants	52,000,000	(52,000,000)	0
7	Water supply	0	105,000,000	105,000,000
8	Regional water supply	0	306,500,000	306,500,000
9	General water - grants	12,000,000	(12,000,000)	0
10	General water	0	29,000,000	29,000,000
11	Flood control grants	115,700,000	(115,700,000)	0
12	Flood control	0	168,500,000	168,500,000
13	Discretionary funding	0	10,000,000	10,000,000
14	Total other funds	\$699,660,783	\$222,838,722	\$922,499,505
15	Full-time equivalent positions	93.00	6.00	99.00
16	Salaries and wages	\$22,998,148	2,299,304	\$25,297,452
17	New and vacant FTE pool	0	2,019,682	2,019,682
18	Operating expenses	56,625,923	(26,114,790)	30,511,133
19	Capital assets	124,136,712	(121,582,762)	2,553,950
20	Southwest pipeline project	0	101,000,000	101,000,000
21	Northwest area water supply	0	106,857,325	106,857,325
22	Water supply - grants	316,200,000	(316,200,000)	0
23	Rural water supply - grants	52,000,000	(52,000,000)	0
24	Water supply	0	90,000,000	90,000,000
25	Regional water supply	0	185,000,000	185,000,000
26	General water - grants	12,000,000	(12,000,000)	0
27	General water	0	19,750,000	19,750,000
28	Flood control grants	115,700,000	(115,700,000)	0
29	Flood control	0	85,500,000	85,500,000
30	Discretionary funding	0	8,000,000	8,000,000

1	<u>Total other funds</u>	<u>\$699,660,783</u>	<u>(\$43,171,241)</u>	<u>\$656,489,542</u>
2	<u>Full-time equivalent positions</u>	<u>93.00</u>	<u>4.00</u>	<u>97.00</u>

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**
4 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
5 items included in the appropriation in section 1 of this Act which are not included in the entity's
6 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
7 committees of the seventieth legislative assembly regarding the use of this funding:

8	<u>One-Time Funding Description</u>	<u>Other Funds</u>
9	New FTE costs	\$42,500
10	<u>New FTE costs</u>	<u>\$29,500</u>
11	<u>Board of water well contractors costs</u>	<u>30,000</u>
12	Emergency pumps replacement	480,000
13	Excavator replacement	400,000
14	Data logger replacement	60,000
15	Missouri River intake sites field investigation	600,000
16	Bank of North Dakota line of credit	200,000,000
17	Total other funds	\$201,582,500
18	<u>Bank of North Dakota line of credit</u>	<u>150,000,000</u>
19	<u>Total other funds</u>	<u>\$150,999,500</u>

20 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
21 department of water resources may not spend funds appropriated in the new and vacant FTE
22 pool line item in section 1 of this Act, but may request the office of management and budget to
23 transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in
24 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
25 approved by the sixty-ninth legislative assembly.

26 **SECTION 4. ADDITIONAL INCOME - APPROPRIATION - REPORT.** In addition to the
27 amounts appropriated in section 1 of this Act, any additional federal funds and other amounts in
28 the resources trust fund and water commission fund which become available are appropriated
29 to the department of water resources for the purpose of ~~providing funding for water projects and~~
30 ~~grants~~ defraying the expenses of the department of water resources, for the period beginning
31 with the effective date of this Act, and ending June 30, 2027. Any additional amounts in the

resources trust fund, excluding oil extraction tax revenues deposited in the fund that exceed the amount included in the March 2025 legislative revenue forecast, must be allocated equally between municipal water supply grants and rural water supply grants. Any additional amounts in the water commission fund must be allocated to the project for which the funding was intended. Any additional federal funds which become available to the department of water resources must be allocated for the purpose for which the funds were received. The director of the department of water resources shall report to the legislative management on the use of any additional appropriation authority pursuant to this section.

~~—SECTION 5. APPROPRIATION - 2023-25 BIENNIUM - DEPARTMENT OF WATER RESOURCES - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.~~

~~There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the department of water resources for the purpose of repaying a Bank of North Dakota line of credit for the water infrastructure revolving loan fund, for the period beginning with the effective date of this Act, and ending June 30, 2025.~~

~~—SECTION 6. APPROPRIATION - PARKS AND RECREATION DEPARTMENT - SOVEREIGN LANDS RECREATION USE GRANTS - ONE-TIME FUNDING.~~

~~There is appropriated from special funds derived from a grant from the state water commission, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of providing grants for developing recreation opportunities on sovereign lands in the state, for the period beginning with the effective date of this Act, and ending June 30, 2027. An eligible grant recipient must identify \$1 of matching funds for each \$1 awarded pursuant to this section. This funding is considered to be a one-time funding item.~~

~~—SECTION 7. SOVEREIGN LANDS RECREATION USE GRANT. The general water line item in section 1 of this Act includes \$2,500,000 from the resources trust fund which the state water commission shall provide as a grant to the parks and recreation department for developing recreation opportunities on sovereign lands in the state, for the period beginning with the effective date of this Act, and ending June 30, 2027.~~

SECTION 5. OTHER FUNDS - WATER PROJECTS STABILIZATION FUND. The total other funds line item in section 1 of this Act includes \$42,500,000 from the water projects

1 stabilization fund for water supply grants for the period beginning with the effective date of this
2 Act, and ending June 30, 2027.

3 **SECTION 6. DEPARTMENT OF WATER RESOURCES DISCRETIONARY FUNDING.** The
4 discretionary funding appropriated to the department of water resources in section 1 of this Act
5 or continued in section 22 of this Act may be used as necessary, except for salaries and wages,
6 for the period beginning with the effective date of this Act, and ending June 30, 2027.

7 ~~**SECTION 10. BOND ISSUANCE AUTHORIZATION - SOUTHWEST PIPELINE PROJECT.**~~
8 ~~The state water commission, in accordance with chapter 61-02, may arrange for up to~~
9 ~~one hundred million dollars for southwest pipeline projects, declared to be in the public interest,~~
10 ~~through the issuance of evidences of indebtedness under chapter 61-02, beginning with the~~
11 ~~effective date of this Act, and ending June 30, 2027.~~

12 **SECTION 7. TRANSFERS - WATER PROJECT STABILIZATION FUND.** Notwithstanding
13 subsections 1 and 2 of section 57-51.1-07, any oil extraction tax revenues deposited in the
14 resources trust fund that exceed the amount included in the March 2025 legislative revenue
15 forecast during the period beginning July 1, 2025, and ending June 30, 2027, must be
16 transferred at least quarterly by the office of management and budget from the resources trust
17 fund to the water projects stabilization fund for the period beginning with the effective date of
18 this Act, and ending June 30, 2027.

19 **SECTION 8. TRANSFER - RESOURCES TRUST FUND - WATER INFRASTRUCTURE**
20 **REVOLVING LOAN FUND.** The state treasurer shall transfer ~~\$45,000,000~~ \$35,000,000 from the
21 resources trust fund to the water infrastructure revolving loan fund at the Bank of North Dakota
22 for providing loans for water projects, as requested by the director of the department of water
23 resources.

24 **SECTION 9. BANK OF NORTH DAKOTA LINE OF CREDIT - WATER**
25 **INFRASTRUCTURE REVOLVING LOAN FUND - TRANSFER.** The ~~Bank of North Dakota shall~~
26 ~~extend~~ department of water resources may request a line of credit from the Bank of North
27 Dakota not to exceed \$100,000,000 ~~to the department of water resources~~ to be transferred to
28 the water infrastructure revolving loan fund as requested by the director of the department of
29 water resources to provide local cost-share loans for projects approved by the state water
30 commission pursuant to section 6-09-49.2 for the period beginning with the effective date of this
31 Act and ending June 30, 2027. The interest rate associated with the line of credit must be the

1 prevailing interest rate charged to North Dakota government entities. The department of water
2 resources shall request a deficiency appropriation from the seventieth legislative assembly to
3 repay the line of credit.

4 **SECTION 10. AMENDMENT.** Section 54-35-02.7 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **54-35-02.7. Water topics overview committee - ~~Duties~~Powers and duties.**

7 1. The legislative management, during each ~~interim~~biennium, shall appoint a water topics
8 overview committee in the same manner as the legislative management appoints
9 other interim committees. The committee must meet quarterly ~~during the interim~~ and is
10 responsible for legislative overview of water topics and related matters, the Garrison
11 diversion project, and for any necessary discussions with adjacent states on water
12 topics. ~~The legislative management shall designate the chairman of the committee.~~
13 ~~The committee shall operate according to the statutes and procedure governing the~~
14 ~~operation of other legislative management interim committees.~~

15 2. Any request anticipated to be submitted to the state water commission or to the next
16 legislative assembly for which the state cost share is estimated to be ten million dollars
17 or more must be reported to the water topics overview committee before May
18 thirty-first of each even-numbered year. The committee shall review the request and
19 make a recommendation on the prioritization of the project for consideration by the
20 next legislative assembly. A copy of the committee's report concerning a new water
21 project request must be provided to the appropriations committees of the legislative
22 assembly.

23 3. The committee may solicit draft measures and proposals from interested persons
24 during the interim between legislative sessions, and also may study measures and
25 proposals referred to the committee by the legislative assembly or the legislative
26 management.

27 4. If a water project requesting state funds of ten million dollars or more is introduced in
28 either house without a report from the committee, the committee shall consider and
29 report its recommendation regarding the project. A copy of the committee's report
30 concerning the new water project request must be provided to the appropriations
31 committees of the legislative assembly.

1 5. The committee shall work collaboratively with the state water commission and may
2 meet with the state water commission.

3 6. The committee shall report on the committee's project prioritization process, provide
4 updates on allocated program expenditures, and report on the fund balances of
5 projects, grants, and contracts. ~~The legislative management shall designate the~~
6 ~~chairman of the committee. The committee shall operate according to the statutes and~~
7 ~~procedure governing the operation of other legislative management interim~~
8 ~~committees.~~

9 7. The committee shall report the findings and recommendations of the committee, along
10 with any necessary legislation, to the legislative management and to the legislative
11 assembly.

12 **SECTION 11. AMENDMENT.** Section 61-02-79 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **61-02-79. Bank of North Dakota - Line of credit.**

15 The ~~Bank of North Dakota shall extend~~ department of water resources may request a line of
16 credit from the Bank of North Dakota not to exceed one hundred million ~~two hundred million one~~
17 hundred fifty million dollars at the prevailing interest rate charged to North Dakota government
18 entities. The department of water resources shall repay the line of credit from funds available in
19 the resources trust fund or other funds, as appropriated by the legislative assembly. If the
20 moneys available at the end of each biennium are not sufficient to repay the line of credit, the
21 department of water resources shall request from the legislative assembly a deficiency
22 appropriation to repay the line of credit. The department of water resources may access the line
23 of credit, as necessary, to provide up to fifty million dollars for the northwest area water supply
24 project and up to fifty million dollars for the southwest pipeline project ~~two hundred million and~~
25 one hundred million dollars for water projects ~~during the biennium beginning July 1, 2023 2025,~~
26 ~~and ending June 30, 2025 2027.~~

27 **SECTION 12.** A new section to chapter 61-24.6 of the North Dakota Century Code is
28 created and enacted as follows:

29 **Biota water treatment plant operating fund - Continuing appropriation.**

30 The biota water treatment plant operating fund is a special fund in the state treasury into
31 which all federal funds received for the operation of the northwest area water supply's biota

water treatment plant must be deposited. All moneys in the fund are appropriated to the department of water resources on a continuing basis for operations of the biota water treatment plant.

SECTION 13. STATE WATER COMMISSION - RED RIVER VALLEY WATER SUPPLY

PROJECT FUNDING - LEGISLATIVE INTENT. Excluding the funding provided for Red River valley water supply projects prior to the 2023-25 biennium, the state water commission may not approve state funding for the Red River valley water supply project in excess of a total of \$953,000,000 without legislative approval. It is the intent of the sixty-ninth legislative assembly that of the \$773,000,000 yet to be designated, ~~\$260,000,000~~ \$150,000,000 is provided from funds appropriated to the department of water resources for regional water supply in section 1 of this Act.

SECTION 14. STATE WATER COMMISSION - MOUSE RIVER FLOOD CONTROL

PROJECT FUNDING - LEGISLATIVE INTENT. Excluding the funding provided for Mouse River flood control projects prior to the 2023-25 biennium, the state water commission may not approve state funding for the Mouse River flood control project in excess of a total of \$380,500,000 without legislative approval. It is the intent of the sixty-ninth legislative assembly that of the \$304,400,000 yet to be designated, ~~\$125,000,000~~ \$65,000,000 is provided from funds appropriated to the department of water resources for flood control in section 1 of this Act.

~~**SECTION 17. STATE WATER COMMISSION - SOUTH BISMARCK STORM WATER AND FLOOD CONTROL PROJECT FUNDING - LEGISLATIVE INTENT.** The state water commission may not approve state funding for the south Bismarck storm water and flood control project in excess of a total of \$73,000,000 without legislative approval. It is the intent of the sixty-ninth legislative assembly that the state water commission provide funding for a storm water and flood control project in south Bismarck that is largely ineligible for its cost share program and that of the \$73,000,000, \$20,000,000 is provided from funds appropriated to the department of water resources for flood control in section 1 of this Act.~~

SECTION 15. STATE WATER COMMISSION - GRANTS AND WATER PROJECTS -

2025-27 BIENNIUM - LEGISLATIVE INTENT. It is the intent of the sixty-ninth legislative assembly that the funds appropriated in the water supply, regional water supply, flood control, and general water line items in section 1 of this Act be designated as follows, although funding may be reallocated between designations in each line item:

1. ~~\$105,000,000~~ \$90,000,000 for water supply, including:
 - a. ~~\$25,000,000~~ \$35,000,000 for municipal water supply; and
 - b. ~~\$80,000,000~~ \$55,000,000 for rural water supply.
2. ~~\$306,500,000~~ \$185,000,000 for regional water supply, including:
 - a. ~~\$260,000,000~~ \$150,000,000 for Red River valley water supply project; and
 - b. ~~\$46,500,000~~ \$35,000,000 for western area water supply project.
3. ~~\$168,500,000~~ \$85,500,000 for flood control, including:
 - a. ~~\$125,000,000~~ \$65,000,000 for Mouse River flood control;
 - b. ~~\$16,000,000~~ \$13,000,000 for Valley City flood control; and
 - c. ~~\$20,000,000 for south Bismarck storm water and flood control; and~~
 - d. ~~\$7,500,000 for other flood control projects.~~
4. ~~\$29,000,000~~ \$19,750,000 for general water, including:
 - a. \$15,000,000 for water conveyance; and
 - b. ~~\$2,500,000 for sovereign lands; and~~
 - c. ~~\$11,500,000~~ \$4,750,000 for other general water projects.

SECTION 16. SOUTHWEST PIPELINE PROJECT LINE OF CREDIT - LEGISLATIVE

INTENT. It is the intent of the sixty-ninth legislative assembly that the department of water resources utilize capital repayments from the southwest pipeline project deposited in the resources trust fund for the repayment of any principal and interest associated with the \$50,000,000 Bank of North Dakota line of credit provided for the southwest pipeline project in section 61-02-79 of the North Dakota Century Code.

SECTION 17. MISSOURI RIVER AND OTHER WATER SYSTEMS - LEGISLATIVE

INTENT. It is the intent of the sixty-ninth legislative assembly that the department of water resources continue to support efforts that protect and develop beneficial use of Missouri River system water and other available water supply sources.

SECTION 18. LEGISLATIVE MANAGEMENT STUDY - DESIGNATED APPROPRIATIONS

FOR WATER PROJECTS. During the 2025-26 interim, the legislative management shall consider studying designated appropriations for water projects. The study must include an evaluation of the impact of designating appropriations for water projects and of providing legislative intent for funding to be provided over multiple bienniums for water projects. The study must also consider the appropriate involvement of the legislative management's water topics

overview committee in the prioritization of funding for water projects. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

SECTION 19. 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 select intake sites identified in phase one of the Missouri River intake sites study conducted during the biennium beginning July 1, 2023, and ending June 30, 2025. 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 necessary 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 intake sites study.

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 provide a draft report to the legislative management ~~during the 2025-26 interim and to the appropriations committees of the seventieth legislative assembly~~ by March 31, 2026, regarding the ~~status~~ results 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

1 the 2025-26 interim, the state water commission shall study its cost-share policy, including an
2 evaluation of whether projected funding for water projects, in conjunction with the existing cost-
3 share policy, will adequately address anticipated funding needs for water projects through
4 July 1, 2039. The study must also evaluate the schedules and overall work plans of water
5 projects and the state's financial ~~role~~ in deferred maintenance or replacement projects and
6 must recommend strategies to address any funding shortfalls identified. The state water
7 commission is not subject to procurement requirements under chapter 54-44 for the purpose of
8 contracting for this study and may contract for the study only with an entity that does not receive
9 direct or indirect benefits from the cost-share program. Funding for the study is included in the
10 appropriation in the discretionary funding line item in section 1 of this Act. The state water
11 commission shall provide a draft report ~~annually~~ to the legislative management ~~during the~~
12 ~~2025-26 interim~~ by March 31, 2026 regarding the ~~status~~ results of and any recommendations
13 from the cost-share policy study.

14 **SECTION 22. EXEMPTION - LINE ITEM TRANSFERS - REPORT.** Notwithstanding section
15 54-16-04, the office of management and budget shall transfer up to ~~\$10,000,000~~ \$5,000,000
16 between the operating expenses and capital assets line items, ~~excluding the salaries and~~
17 ~~wages line item and the new and vacant FTE pool line item,~~ in section 1 of this Act, during the
18 period beginning with the effective date of this Act, and ending June 30, 2027, as requested by
19 the director of the department of water resources. The director of the department of water
20 resources shall report to the legislative management any transfers made pursuant to this
21 section.

22 **SECTION 23. EXEMPTION - GRANTS - WATER-RELATED PROJECTS - UNEXPENDED**
23 **FUNDS - REPORT.** Section 54-44.1-11 does not apply to funding appropriated or continued for
24 grants or water-related projects included in the capital assets, water supply - grants, rural water
25 supply - grants, flood control projects, discretionary funding, and general water - grants line
26 items in sections 1, 3, and 21 of chapter 52 of the 2023 Session Laws. Any unexpended
27 obligated and unobligated funds from these appropriations may be continued into the 2025-27
28 biennium. Any funds continued, estimated by the department of water resources to be
29 ~~\$522,500,000~~ \$600,000,000, may be expended only for the purpose for which it was originally
30 appropriated. The director of the department of water resources shall report to the legislative
31 management any funding continued pursuant to this section.

- 1 **SECTION 24. EMERGENCY.** This Act ~~is~~ and House Bill No. 1040, as approved by the
2 sixty-ninth legislative assembly, are declared to be an emergency measure.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1020 - Summary of Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Parks and Recreation				
Department				
Total all funds	\$0	\$2,500,000	(\$2,500,000)	\$0
Less estimated income	0	2,500,000	(2,500,000)	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Water				
Resources				
Total all funds	\$699,660,783	\$922,499,505	(\$266,009,963)	\$656,489,542
Less estimated income	699,660,783	922,499,505	(266,009,963)	656,489,542
General fund	\$0	\$0	\$0	\$0
FTE	93.00	99.00	(2.00)	97.00
Bill total				
Total all funds	\$699,660,783	\$924,999,505	(\$268,509,963)	\$656,489,542
Less estimated income	699,660,783	924,999,505	(268,509,963)	656,489,542
General fund	\$0	\$0	\$0	\$0
FTE	93.00	99.00	(2.00)	97.00

House Bill No. 1020 - Parks and Recreation Department - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Sovereign lands recreation use grants		\$2,500,000	(\$2,500,000)	
Total all funds	\$0	\$2,500,000	(\$2,500,000)	\$0
Less estimated income	0	2,500,000	(2,500,000)	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 750 - Parks and Recreation Department - Detail of Senate Changes

	Removes Funding for Sovereign Lands Grants ¹	Total Senate Changes
Sovereign lands recreation use grants	(\$2,500,000)	(\$2,500,000)
Total all funds	(\$2,500,000)	(\$2,500,000)
Less estimated income	(2,500,000)	(2,500,000)
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding of \$2.5 million from the resources trust fund added by the House for Parks and Recreation Department sovereign lands recreation use grants is removed by the Senate.

House Bill No. 1020 - Department of Water Resources - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$22,998,148	\$25,356,498	(\$59,046)	\$25,297,452
New and vacant FTE pool		2,428,615	(408,933)	2,019,682
Operating expenses	56,625,923	33,939,781	(3,428,648)	30,511,133
Capital assets	124,136,712	3,203,950	(650,000)	2,553,950
Southwest pipeline project		131,713,336	(30,713,336)	101,000,000
Northwest area water supply		106,857,325		106,857,325
Water supply - Grants	316,200,000			
Rural water supply - Grants	52,000,000			
Water supply		105,000,000	(15,000,000)	90,000,000
Regional water supply		306,500,000	(121,500,000)	185,000,000
General water - Grants	12,000,000			
General water		29,000,000	(9,250,000)	19,750,000
Flood control - Grants	115,700,000			
Flood control		168,500,000	(83,000,000)	85,500,000
Discretionary funding		10,000,000	(2,000,000)	8,000,000
Total all funds	\$699,660,783	\$922,499,505	(\$266,009,963)	\$656,489,542
Less estimated income	699,660,783	922,499,505	(266,009,963)	656,489,542
General fund	\$0	\$0	\$0	\$0
FTE	93.00	99.00	(2.00)	97.00

Department 770 - Department of Water Resources - Detail of Senate Changes

	Removes FTE Positions¹	Reduces Funding for Devils Lake Outlet Utilities²	Reduces Funding from Federal Funds³	Adjusts Funding for the Board of Water Well Contractors⁴	Adjusts Funding for Water Projects⁵	Removes Funding for Missouri River Intake Sites Study⁶
Salaries and wages	(\$29,046)			(\$30,000)		
New and vacant FTE pool	(408,933)					
Operating expenses	(221,960)	(\$600,000)	(\$2,051,788)	45,100		(\$600,000)
Capital assets					(\$650,000)	
Southwest pipeline project					(30,713,336)	
Northwest area water supply						
Water supply - Grants						
Rural water supply - Grants						
Water supply					(15,000,000)	
Regional water supply					(121,500,000)	
General water - Grants						
General water					(9,250,000)	
Flood control - Grants						
Flood control					(83,000,000)	
Discretionary funding					(2,000,000)	
Total all funds	(\$659,939)	(\$600,000)	(\$2,051,788)	\$15,100	(\$262,113,336)	(\$600,000)
Less estimated income	(659,939)	(600,000)	(2,051,788)	15,100	(262,113,336)	(600,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	(2.00)	0.00	0.00	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	(\$59,046)
New and vacant FTE pool	(408,933)
Operating expenses	(3,428,648)
Capital assets	(650,000)
Southwest pipeline project	(30,713,336)
Northwest area water supply	
Water supply - Grants	
Rural water supply - Grants	
Water supply	(15,000,000)
Regional water supply	(121,500,000)
General water - Grants	
General water	(9,250,000)
Flood control - Grants	
Flood control	(83,000,000)
Discretionary funding	(2,000,000)
Total all funds	(\$266,009,963)
Less estimated income	(266,009,963)
General fund	\$0
FTE	(2.00)

¹ Funding for salaries and wages and related operating costs for 1 new FTE assistant national flood insurance program coordinator position and 1 new FTE RiskMAP program specialist position added by the House is removed by the Senate.

² Funding is reduced by \$600,000 from special funds for Devils Lake outlet utilities. The House did not adjust funding specifically for Devils Lake outlet utilities.

³ Federal funding of \$2,051,788 added by the House for travel and professional services is removed by the Senate.

⁴ Funding for administrative services for the Board of Water Well Contractors is adjusted to provide a total of \$81,123 from special funds, of which \$36,023 is for salaries and wages, \$15,100 is for ongoing operating costs, and \$30,000 is for one-time operating costs. The House included \$66,023 from special funds for salaries and wages for administrative services relating to the Board of Water Well Contractors.

⁵ Funding is adjusted for water projects as follows:

Project	House Version	Senate Changes	Senate Version
Devils Lake outlet	\$1,650,000	(\$650,000)	\$1,000,000
Discretionary funding	10,000,000	(2,000,000)	8,000,000
Southwest Pipeline Project	131,713,336	(30,713,336)	101,000,000
Municipal water supply	25,000,000	10,000,000	35,000,000
Rural water supply	80,000,000	(25,000,000)	55,000,000
Red River Valley Water Supply Project	260,000,000	(110,000,000)	150,000,000
Western Area Water Supply	46,500,000	(11,500,000)	35,000,000
Mouse River flood control	125,000,000	(60,000,000)	65,000,000
Valley City flood control	16,000,000	(3,000,000)	13,000,000
South Bismarck storm water and flood control	20,000,000	(20,000,000)	0
Parks and Recreation Department grant	2,500,000	(2,500,000)	0
Other general water projects	<u>11,500,000</u>	<u>(6,750,000)</u>	<u>4,750,000</u>
Total	\$729,863,336	(\$262,113,336)	\$467,750,000

⁶ One-time funding of \$600,000 from special funds added by the House to continue a study of Missouri River intake sites is removed by the Senate.

House Bill No. 1020 - Other Changes - Senate Action

This amendment also:

- Adjusts the additional income appropriation section to appropriate additional federal funds received by the Department of Water Resources for the purpose for which the funds were received.

- Adjusts the additional income appropriation section to exclude oil extraction tax revenue deposited in the resources trust fund in excess of the March 2025 legislative revenue forecast.
- Removes a section providing a deficiency appropriation of \$10 million from the strategic investment and improvements fund to repay a Bank of North Dakota line of credit associated with the water infrastructure revolving loan fund.
- Removes 2 sections relating to sovereign lands recreation use grants.
- Removes a section to authorize the issuance of bonds for the Southwest Pipeline Project.
- Adds a section to transfer oil extraction tax revenue deposited in the resources trust fund in excess of the March 2025 legislative revenue forecast to the water projects stabilization fund.
- Reduces a transfer of \$45 million from the resources trust fund to the water infrastructure revolving loan fund to \$35 million.
- Amends the powers and duties of the Legislative Management's Water Topics Overview Committee to provide for the review of project requests for state funds of \$10 million or more.
- Reduces the authorization for a Bank of North Dakota line of credit for water projects from \$200 million to \$150 million, of which \$50 million is designated for the Southwest Pipeline Project.
- Adds a section to provide for the repayment of a \$50 million Bank of North Dakota line of credit for the Southwest Pipeline Project from capital repayments from the Southwest Pipeline Project deposited in the resources trust fund.
- Adds a section to provide for a Legislative Management study of designated appropriations for water projects.
- Adds a section to provide for the Department of Water Resources to continue its study of Missouri River intake sites.
- Adjusts line item transfer authority for the Department of Water Resources to limit transfers to \$5 million between only the operating expenses and capital assets line items. The House version limited the transfer to \$10 million.
- Increases the estimated water project funding to be continued into the 2025-27 biennium from \$522.5 million to \$600 million.
- Declares House Bill No. 1040, relating to a drought disaster livestock water assistance program, to be an emergency measure.