

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1020 - Funding Summary

	Base Budget	House Changes	House Version
Parks and Recreation Department			
Sovereign lands recreation use grants		\$2,500,000	\$2,500,000
Total all funds	\$0	\$2,500,000	\$2,500,000
Less estimated income	0	2,500,000	2,500,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
Department of Water			
Resources			
Salaries and wages	\$22,998,148	\$2,358,350	\$25,356,498
New and vacant FTE pool		2,428,615	2,428,615
Operating expenses	56,625,923	(22,686,142)	33,939,781
Capital assets	124,136,712	(120,932,762)	3,203,950
Southwest pipeline project		131,713,336	131,713,336
Northwest area water supply		106,857,325	106,857,325
Water supply - Grants	316,200,000	(316,200,000)	
Rural water supply - Grants	52,000,000	(52,000,000)	
Water supply		105,000,000	105,000,000
Regional water supply		306,500,000	306,500,000
General water - Grants	12,000,000	(12,000,000)	
General water		29,000,000	29,000,000
Flood control - Grants	115,700,000	(115,700,000)	
Flood control		168,500,000	168,500,000
Discretionary funding		10,000,000	10,000,000
Total all funds	\$699,660,783	\$222,838,722	\$922,499,505
Less estimated income	699,660,783	222,838,722	922,499,505
General fund	\$0	\$0	\$0
FTE	93.00	6.00	99.00
Bill total			
Total all funds	\$699,660,783	\$225,338,722	\$924,999,505
Less estimated income	699,660,783	225,338,722	924,999,505
General fund	\$0	\$0	\$0
FTE	93.00	6.00	99.00

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

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

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

	Adds Funding for Sovereign Lands Grants ¹	Total House 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 One-time funding of \$2.5 million from a resources trust fund grant is appropriated to the Parks and Recreation Department to provide grants for developing recreation opportunities on sovereign lands in the state.

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

	Base Budget	House Changes	House Version
Salaries and wages	\$22,998,148	\$2,358,350	\$25,356,498
New and vacant FTE pool		2,428,615	2,428,615
Operating expenses	56,625,923	(22,686,142)	33,939,781
Capital assets	124,136,712	(120,932,762)	3,203,950
Southwest pipeline project		131,713,336	131,713,336
Northwest area water supply		106,857,325	106,857,325
Water supply - Grants	316,200,000	(316,200,000)	
Rural water supply - Grants	52,000,000	(52,000,000)	
Water supply		105,000,000	105,000,000
Regional water supply		306,500,000	306,500,000
General water - Grants	12,000,000	(12,000,000)	
General water		29,000,000	29,000,000
Flood control - Grants	115,700,000	(115,700,000)	
Flood control		168,500,000	168,500,000
Discretionary funding		10,000,000	10,000,000
Total all funds	\$699,660,783	\$222,838,722	\$922,499,505
Less estimated income	699,660,783	222,838,722	922,499,505
General fund	\$0	\$0	\$0
FTE	93.00	6.00	99.00

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

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ³	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁴	Adds FTE Positions ⁵	Adds Funding for Other Salaries and Wages ⁶
Salaries and wages	\$416,661	\$1,575,423	\$1,615,629	(\$3,062,038)	\$1,425,938	\$386,737
New and vacant FTE pool				2,428,615		
Operating expenses						
Capital assets						
Southwest pipeline project						
Northwest area water supply						
Water supply - Grants						
Rural water supply - Grants						
Water supply						
Regional water supply						
General water - Grants						
General water						
Flood control - Grants						
Flood control						
Discretionary funding						
Total all funds	\$416,661	\$1,575,423	\$1,615,629	(\$633,423)	\$1,425,938	\$386,737
Less estimated income	416,661	1,575,423	1,615,629	(633,423)	1,425,938	386,737
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	6.00	0.00

	Adjusts Funding for Ongoing Operating Expenses ⁷	Reduces Funding for Capital Assets ⁸	Adjusts Funding for Water Projects and Grants ⁹	Adds One- Time Funding ¹⁰	Total House Changes
Salaries and wages					\$2,358,350
New and vacant FTE pool					2,428,615
Operating expenses	\$1,200,317		(\$24,518,959)	\$632,500	(22,686,142)
Capital assets		(\$330,000)	(121,552,762)	950,000	(120,932,762)
Southwest pipeline project			131,713,336		131,713,336
Northwest area water supply			106,857,325		106,857,325
Water supply - Grants			(316,200,000)		(316,200,000)
Rural water supply - Grants			(52,000,000)		(52,000,000)
Water supply			105,000,000		105,000,000
Regional water supply			306,500,000		306,500,000
General water - Grants			(12,000,000)		(12,000,000)
General water			29,000,000		29,000,000
Flood control - Grants			(115,700,000)		(115,700,000)
Flood control			168,500,000		168,500,000
Discretionary funding			10,000,000		10,000,000
Total all funds	\$1,200,317	(\$330,000)	\$215,598,940	\$1,582,500	\$222,838,722
Less estimated income	1,200,317	(330,000)	215,598,940	1,582,500	222,838,722
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	6.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	Federal Funds	Special Funds	Total Other Funds
Salary increase	\$36,791	\$926,093	\$962,884
Health insurance increase	24,922	587,617	612,539
Total	\$61,713	\$1,513,710	\$1,575,423

³ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	Federal Funds	Special Funds	Total Other Funds
Vacant FTE positions	\$20,552	\$891,679	\$912,231
New FTE positions	<u>0</u>	<u>703,398</u>	<u>703,398</u>
Total	\$20,552	\$1,595,077	\$1,615,629

⁴ Funding of \$3,062,038 for new FTE positions and estimated savings from vacant FTE positions is removed and funding of \$2,428,615 is added for a 2025-27 new and vacant FTE pool line item as follows:

	Federal Funds	Special Funds	Total Other Funds
New FTE positions	(\$399,084)	(\$1,026,854)	(\$1,425,938)
Vacant FTE positions	<u>(62,176)</u>	<u>(1,573,924)</u>	<u>(1,636,100)</u>
Total	(\$461,260)	(\$2,600,778)	(\$3,062,038)
Funding pool line item	<u>402,699</u>	<u>2,025,916</u>	<u>2,428,615</u>
Net savings	(\$58,561)	(\$574,862)	(\$633,423)

⁵ The following FTE positions and related funding are added:

	FTE Positions	Federal Funds	Other Funds	Total Other Funds
Accountant	1.00	\$0	\$277,962	\$277,962
Deputy director or other position	1.00	0	426,682	426,682
Northwest area water supply operator	1.00	0	266,924	266,924
National flood insurance program coordinator	1.00	165,856	55,288	221,144
RiskMAP program specialist	1.00	233,226	0	233,226
Convert Silver Jacket flood risk temporary position	<u>1.00</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	6.00	\$399,082	\$1,026,854	\$1,425,938

⁶ Funding is added for other salaries and wages as follows:

	Other Funds
State water commissioner salaries	\$53,760
Overtime and temporary salaries	60,000
Northwest area water supply temporary salaries	106,954
Board of Water Well Contractors administrative services	66,023
Internship program	<u>100,000</u>
Total	\$386,737

⁷ Adds funding for ongoing operating expenses as follows:

	Federal Funds	Special Funds	Total Other Funds
State water commissioner operating expenses	\$0	\$85,200	\$85,200
New FTE operating expenses	186,090	142,060	328,150
Travel and professional services	2,051,788	0	2,051,788
Other operating expenses	<u>0</u>	<u>(1,264,821)</u>	<u>(1,264,821)</u>
Total	\$2,237,878	(\$1,037,561)	\$1,200,317

⁸ Funding for capital assets is reduced by \$330,000 from special funds.

⁹ Base funding is adjusted for water projects, grants, and discretionary funding as follows:

	Other Funds
Operating expenses, including for state-owned water projects	(\$24,518,959)
Capital assets, including for state-owned water projects	(121,552,762)
Southwest pipeline project, including \$100 million from revenue bond proceeds	131,713,336
Northwest area water supply	106,857,325
Water supply - grants	(316,200,000)
Rural water supply - grants	(52,000,000)
Water supply	105,000,000
Regional water supply	306,500,000
Flood control - grants	(115,700,000)
Flood control	168,500,000
General water - grants	(12,000,000)
General water	29,000,000
Discretionary funding	<u>10,000,000</u>
Total, including \$200 million from a Bank of North Dakota line of credit	\$215,598,940

¹⁰ One-time funding is added as follows:

	Federal Funds	Special Funds	Total Other Funds
New FTE one-time costs	\$11,375	\$31,125	\$42,500
Emergency pumps replacement	0	480,000	480,000
Excavator replacement	0	400,000	400,000
Data logger replacement	0	60,000	60,000
Missouri River intake sites field investigation	<u>0</u>	<u>600,000</u>	<u>600,000</u>
Total	\$11,375	\$1,571,125	\$1,582,500

This amendment also adds sections to:

- Provide language regarding the use of funding in the new and vacant FTE pool line item.
- Appropriate any additional funds available in the resources trust fund to the Department of Water Resources for municipal water supply grants and rural water supply grants.
- Provide a deficiency appropriation from the strategic investment and improvements fund to the Department of Water Resources to repay a line of credit associated with the water infrastructure revolving loan fund.
- Identify \$2.5 million of the amount appropriated from the resources trust fund in the general water line item for a grant to the Parks and Recreation Department for sovereign lands recreation use grants.
- Identify \$42.5 million of the amount appropriated in Section 1 is from the water projects stabilization fund.
- Provide that funding in the discretionary funding line item may be used as necessary, except for salaries and wages.
- Provide revenue bond authorization of \$100 million for the Southwest Pipeline Project.
- Provide for a transfer of \$45 million from the resources trust fund to the water infrastructure revolving loan fund.
- Provide for a Bank of North Dakota line of credit of \$100 million to be transferred to the water infrastructure revolving loan fund as necessary.
- Provide for a Bank of North Dakota line of credit of \$200 million for water projects.
- Provide continuing appropriation authority for federal funds received for the operations of the NAWS Biota water treatment plant.
- Provide legislative intent regarding funding to be granted for the Red River Valley Water Supply Project during the 2025-27 biennium.
- Provide legislative intent regarding funding to be granted for the Mouse River flood control project during the 2025-27 biennium.
- Provide legislative intent regarding funding to be granted for the south Bismarck storm water and flood control project during the 2025-27 biennium.
- Provide legislative intent regarding allocations within line items for water projects.
- Provide legislative intent for the Department of Water Resources to support efforts to protect and develop beneficial use of Missouri River system water.
- Provide for a State Water Commission study of regional water systems governance and finance.
- Provide for a State Water Commission study of its cost-share policy.
- Provide authority for the Department of Water Resources to transfer up to \$10 million between line items.

- Provide for unexpended appropriation authority for grants and water projects to be continued to the 2025-27 biennium, estimated to be \$522.5 million, including \$123.4 million from the water projects stabilization fund and \$399.1 million from the resources trust fund.
- Declare the bill to be an emergency measure.