FIRST ENGROSSMENT

Fifty-ninth Legislative Assembly of North Dakota

ENGROSSED HOUSE BILL NO. 1021

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state water

2 commission; to provide a line of credit and an appropriation for repayment; to amend and

3 reenact section 61-02-23.3 of the North Dakota Century Code, relating to the operation of the

4 Devils Lake outlet; and to transfer funds from the water development trust fund to the general

5 fund.

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

SECTION 1. BASE LEVEL FUNDING INFORMATION. The amounts identified in this
 section represent the base level funding component appropriated to the state water

9 commission in section 3 of this Act as follows:

Administrative and support services	\$2,076,235
Water and atmospheric resources	<u>157,782,619</u>
Total all funds - Base level	\$159,858,854
Less estimated income - Base level	<u>150,473,458</u>
Total general fund - Base level	\$9,385,396
	Water and atmospheric resources Total all funds - Base level Less estimated income - Base level

15 SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION. The

16 amounts identified in this section represent the funding adjustments or enhancements to the

17 base funding level for the state water commission which are included in the appropriation in

18 section 3 of this Act as follows:

19	Administrative and support services	\$94,276
20	Water and atmospheric resources	<u>(47,204,774)</u>
21	Total all funds - Adjustments/enhancements	(\$47,110,498)
22	Less estimated income - Adjustments/enhancements	<u>(47,544,575)</u>
23	Total general fund - Adjustments/enhancements	\$434,077

1 **SECTION 3.** APPROPRIATION. The funds provided in this section, or so much of the 2 funds as may be necessary, are appropriated out of any moneys in the general fund in the state 3 treasury, not otherwise appropriated, and from special funds derived from federal funds and 4 other income, to the state water commission for the purpose of defraying the expenses of that 5 agency, for the biennium beginning July 1, 2005, and ending June 30, 2007, as follows: 6 Administrative and support services \$2,170,511 7 Water and atmospheric resources 110,577,845 8 Total all funds \$112,748,356 9 Less estimated income 102,928,883 10 \$9,819,473 Total general fund appropriation 11 SECTION 4. RESOURCES TRUST FUND - APPROPRIATION. The sum of 12 \$52,863,116, or so much of the sum as may be necessary, included in the estimated income

line item in section 3 of this Act is from the resources trust fund and must be used by the state water commission for purposes authorized by the legislative assembly, for the biennium beginning July 1, 2005, and ending June 30, 2007. Any additional amount in the resources trust fund that becomes available is appropriated to the state water commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2005, and ending June 30, 2007.

19 SECTION 5. WATER DEVELOPMENT TRUST FUND - APPROPRIATION. The sum 20 of \$15,044,400, or so much of the sum as may be necessary, included in the estimated income 21 line item in section 3 of this Act is from the water development trust fund and must be used by 22 the state water commission for purposes authorized by the legislative assembly, for the 23 biennium beginning July 1, 2005, and ending June 30, 2007. Any additional amount in the 24 water development trust fund that becomes available is appropriated to the state water 25 commission for the purpose of defraying the expenses of that agency, for the biennium 26 beginning July 1, 2005, and ending June 30, 2007.

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SECTION 6. SALE AND PURCHASE OF LAND AND BUILDING - AUTHORITY -CONTINUING APPROPRIATION.

291. The state water commission, on behalf of the state of North Dakota, may sell in30one or more parcels the land and building known as the "state water commission"

- maintenance shop" located at 2603 East Broadway Avenue, Bismarck, North
 Dakota, and legally described as follows:
- A tract of land lying in the Northwest Quarter (NW 1/4) of Section
 Two (2), Township One Hundred Thirty-Eight (138) North, Range Eighty (80)
 West of the Fifth (5) Principal Meridian, in the County of Burleigh and State of
 North Dakota, and described as follows:
- 7 Commencing at the northwest corner of said section two; thence 8 traveling in a southerly direction along the west boundary of said section two 9 for a distance of seven hundred seventy-four and six-tenths feet (774.60); 10 thence turning a right angle to the left in an easterly direction along a line 11 which is parallel to the north boundary of said section two for a distance of 12 forty-seven feet (47.00), which shall be called the true point of beginning; 13 thence continuing due east along said line for a distance of eight hundred 14 forty-two and nine-tenths feet (842.90); thence turning a deflection angle of 15 ninety degrees and twenty-two minutes (90 degrees 22') to the right and 16 traveling in a southerly direction to a point of intersection with the north fifty 17 foot railroad right-of-way line; thence traveling in a westerly direction along 18 said north fifty foot railroad right-of-way line to a point of intersection with the 19 west boundary of said section two; thence traveling in a northerly direction 20 along the west boundary of said section two for a distance of four hundred 21 seventy-two and one-tenth feet (472.10); thence turning a right angle to the 22 right in an easterly direction along a line which is parallel to the north 23 boundary of said section two for a distance of forty-seven feet (47.00); thence 24 traveling in a northerly direction along a line which is parallel to the west 25 boundary of said section two for a distance of one hundred fifty feet (150.00) 26 to the point of beginning. Including all of the property bounded by the above 27 described line, subject to existing rights-of-way and easements.
- The above described tract of land contains 11.77 acres, more or less. 29 2. The conveyance authorized by this section is exempt from sections 54-01-05.2 30 and 54-01-05.5. The conveyance may only be made after the property has been 31 appraised and the property must be sold at public auction unless no bid equals or

- exceeds the minimum appraised value. The appraisal must be dated no earlier
 than eighteen months before the auction. If at the public auction no bid equals or
 exceeds the minimum appraised value, the state water commission may negotiate
 a price for the land with a purchaser.
- 5 3. All proceeds from the sale or so much of the sale proceeds as may be necessary, 6 not otherwise appropriated, are appropriated on a continuing basis to the state 7 water commission for the purchase or lease of land and the construction of a 8 building and associated appurtenances to be used as a new maintenance facility. 9 The purchase authorized by this subsection may proceed only after completion of 10 a certified appraisal of the property to be purchased and completion of a physical 11 inspection of any building to be purchased demonstrating that the building is 12 structurally sound and suitable for the state water commission's purposes.
- The attorney general shall review and approve the form and legality of all legal
 documents required for the conveyance and purchase authorized by this section,
 including title opinions.

16 SECTION 7. BUILDING SALE PROCEEDS. Proceeds of the sale of the state water 17 commission maintenance shop located in east Bismarck, as provided in section 6 of this Act, 18 must be used to purchase or lease land and construct a new maintenance shop building. If the 19 proceeds from the sale are less than \$977,100, the state water commission may use other 20 funds appropriated to the state water commission for the purpose of purchasing or leasing land 21 and constructing a new maintenance shop building. If the proceeds from the sale are not 22 available at the time the state water commission needs to purchase or lease land and construct 23 the new building and associated appurtenances, the state water commission may use other 24 funds appropriated to the commission provided that, upon receipt of the proceeds of the sale. 25 the state water commission shall transfer to the funds from which money was taken an amount 26 equal to any funds utilized for the purchase or lease of land and construction of the new 27 maintenance building. If the state water commission uses other funds appropriated to the 28 commission because the funds from the sale of the land and building are insufficient, the state 29 water commission need not make a transfer of sale proceeds. No more than a total of 30 \$977,100 may be expended from the amounts appropriated under this Act to purchase land 31 and construct the new maintenance building and associated appurtenances.

1 SECTION 8. GRANTS - WATER-RELATED PROJECTS - CARRYOVER

AUTHORITY. Section 54-44.1-11 does not apply to funding for grants or water-related projects included in the water and atmospheric resources line item in section 3 of this Act. However, this exclusion is only in effect for two years after June 30, 2007. Any unexpended funds appropriated from the resources trust fund after that period has expired must be transferred to the resources trust fund and any unexpended funds appropriated from the water development trust fund after that period has expired must be transferred to the water development trust fund.

8 SECTION 9. LINE OF CREDIT - CONTINGENT APPROPRIATION. If determined 9 necessary by the state water commission, the Bank of North Dakota shall extend a line of 10 credit, not to exceed \$25,000,000, which is appropriated to the state water commission, for the 11 biennium beginning July 1, 2005, and ending June 30, 2007.

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SECTION 10. REPAYMENT OF LINE OF CREDIT - CONTINGENT

APPROPRIATION. If the line of credit authorized in section 9 of this Act is extended to the
state water commission by the Bank of North Dakota, there is appropriated out of any moneys
in the water development trust fund, the resources trust fund, bond proceeds, or other sources,
the sum of \$25,000,000, or so much of the sum as may be necessary, to the state water
commission for the purpose of repaying the line of credit, for the biennium beginning July 1,
2005, and ending June 30, 2007.

SECTION 11. AMENDMENT. Section 61-02-23.3 of the North Dakota Century Code is
 amended and reenacted as follows:

21 61-02-23.3. Construction and operation of the Devils Lake outlet - Authorization -22 **Agreement.** The state water commission may do all things reasonably necessary to construct 23 an outlet from Devils Lake, including executing an agreement with the federal government 24 wherein the state water commission agrees to hold the United States harmless and free from 25 damages, except for damages due to the fault or negligence of the United States or its 26 contractors. The state engineer may employ full-time personnel and may employ such other 27 personnel as are necessary for the operation and maintenance of the Devils Lake outlet within 28 the limits of legislative appropriations for that purpose. Notwithstanding section 61-02-64.1, 29 funds disbursed from the contract fund and appropriated for the purposes of this section may 30 be used for salaries, equipment, operations, and maintenance costs relating to the Devils Lake 31 outlet.

- 1 SECTION 12. TRANSFER. Notwithstanding section 54-27-25, during the biennium
- 2 beginning July 1, 2005, and ending June 30, 2007, the director of the office of management
- 3 and budget shall transfer \$9,819,473 from the water development trust fund to the general
- 4 fund.