

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1021 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Water Commission			
Administrative and support services	\$2,176,060	\$2,169,138	(\$6,922)
Water and atmospheric resources	110,611,774	123,818,860	13,207,086
Total all funds	<u>\$112,787,834</u>	<u>\$125,987,998</u>	<u>\$13,200,164</u>
Less estimated income	110,724,477	124,987,998	14,263,521
General fund	<u>\$2,063,357</u>	<u>\$1,000,000</u>	<u>(\$1,063,357)</u>
FTE	84.00	84.00	0.00
Bill Total			
Total all funds	\$112,787,834	\$125,987,998	\$13,200,164
Less estimated income	<u>110,724,477</u>	<u>124,987,998</u>	<u>14,263,521</u>
General fund	<u>\$2,063,357</u>	<u>\$1,000,000</u>	<u>(\$1,063,357)</u>
FTE	84.00	84.00	0.00

House Bill No. 1021 - Water Commission - House Action

	Executive Budget	House Changes	House Version
Administrative and support services	\$2,176,060	(\$5,549)	\$2,170,511
Water and atmospheric resources	110,611,774	(33,929)	110,577,845
Total all funds	<u>\$112,787,834</u>	<u>(\$39,478)</u>	<u>\$112,748,356</u>
Less estimated income	110,724,477	(7,795,594)	102,928,883
General fund	<u>\$2,063,357</u>	<u>\$7,756,116</u>	<u>\$9,819,473</u>
FTE	84.00	0.00	84.00

Department No. 770 - Water Commission - Detail of House Changes

	Changes Funding for Administrative Expenses¹	Reduces Compensation Package to 3/4	Total House Changes
Administrative and support services		(\$5,549)	(\$5,549)
Water and atmospheric resources		(33,929)	(33,929)
Total all funds	\$0	(\$39,478)	(\$39,478)
Less estimated income	<u>(7,795,594)</u>	<u>0</u>	<u>(7,795,594)</u>
General fund	\$7,795,594	(\$39,478)	\$7,756,116
FTE	0.00	0.00	0.00

¹ This amendment changes the funding for administrative expenses in the water and atmospheric resources line item from the water development trust fund to the general fund.

Section 12 provides for a transfer of \$9,819,473 from the water development trust fund to the general fund. This amount represents administrative expenses of the State Water Commission.

House Bill No. 1021 - Water Commission - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Administrative and support services	\$2,176,060	\$2,170,511	(\$1,373)	\$2,169,138
Water and atmospheric resources	110,611,774	110,577,845	20,241,015	130,818,860
Total all funds	\$112,787,834	\$112,748,356	\$20,239,642	\$132,987,998
Less estimated income	110,724,477	102,928,883	20,003,688	122,932,571
General fund	\$2,063,357	\$9,819,473	\$235,954	\$10,055,427
FTE	84.00	84.00	0.00	84.00

Department No. 770 - Water Commission - Detail of Senate Changes

	Reduces Recommended Funding for Health Insurance ¹	Increases Funding From Resources Trust Fund ²	Increases Funding From Water Development Trust Fund ³	Adjusts Funding for Administrative Expenses ⁴	Adds Spending Authority for Water Projects From Bond Proceeds ⁵	Total Senate Changes
Administrative and support services	(\$1,373)					(\$1,373)
Water and atmospheric resources	(8,985)	1,150,000	5,100,000		14,000,000	20,241,015
Total all funds	(\$10,358)	\$1,150,000	\$5,100,000	\$0	\$14,000,000	\$20,239,642
Less estimated income	0	1,150,000	5,100,000	(246,312)	14,000,000	20,003,688
General fund	(\$10,358)	\$0	\$0	\$246,312	\$0	\$235,954
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² The Senate increased the spending authority from the resources trust fund, based on total anticipated available funding, for water projects from \$52,863,116 to \$54,013,116.

³ The House version provided for funding of \$15,044,400 from the water development trust fund. The Senate increased funding for water projects by \$5,100,000 from anticipated available funding from the water development trust fund. Additional funding was also made available from a reduction in the transfer to the general fund from the water development trust fund of \$2 million, net of an increase in administrative expenses of \$246,312 and a decrease in health insurance of \$10,358. The amount available from the water development trust fund net of adjustments is \$21,908,446.

⁴ The House version provided for a transfer of \$9,819,473, the amount equal to administrative expenses of the State Water Commission, from the water development trust fund to the general fund. The Senate increased the total administrative expenses of the State Water Commission by \$246,312 per State Water Commission adjustment and decreased administrative expenses \$10,358 for health insurance. The total administrative expenses net of the adjustments is \$10,055,427. This amount is to be funded from the general fund rather than the water development trust fund. In addition, the Senate reduced the transfer from the water development trust fund to the general fund by \$2 million, based on administrative expenses of \$10,055,427, or a net transfer of \$8,055,427.

⁵ The Senate authorized the State Water Commission to issue up to \$14 million in bonds, in addition to the \$60 million of authority included in House Bill No. 1153, for statewide water development projects.

The Senate added an intent section that the administrative expenses of the State Water Commission be funded in the future from general fund moneys.

The Senate added an intent section that up to \$500,000 be made available for water-related damages to infrastructure in Nelson County.

The House provided for an amount equal to the administrative expenses of the State Water Commission be transferred from the water development trust fund to the general fund. The Senate reduced that transfer by \$2 million.

House Bill No. 1021 - Water Commission - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Administrative and support services	\$2,176,060	\$2,170,511	(\$1,373)	\$2,169,138	\$2,169,138	
Water and atmospheric resources	110,611,774	110,577,845	13,241,015	123,818,860	130,818,860	(7,000,000)
Total all funds	\$112,787,834	\$112,748,356	\$13,239,642	\$125,987,998	\$132,987,998	(\$7,000,000)
Less estimated income	110,724,477	102,928,883	22,059,115	124,987,998	122,932,571	2,055,427
General fund	\$2,063,357	\$9,819,473	(\$8,819,473)	\$1,000,000	\$10,055,427	(\$9,055,427)
FTE	84.00	84.00	0.00	84.00	84.00	0.00

Department No. 770 - Water Commission - Detail of Conference Committee Changes

	Reduces Recommended Funding for Health Insurance ¹	Increases Funding From Resources Trust Fund ²	Increases Funding From Water Development Trust Fund ³	Adjusts Funding for Administrative Expenses ⁴	Adds Spending Authority for Water Projects From Bond Proceeds ⁵	Changes Funding Source for Administrative Expenses ⁶
Administrative and support services	(\$1,373)					
Water and atmospheric resources	(8,985)	1,150,000	5,100,000		7,000,000	
Total all funds	(\$10,358)	\$1,150,000	\$5,100,000	\$0	\$7,000,000	\$0
Less estimated income	0	1,150,000	5,100,000	(246,312)	7,000,000	9,055,427
General fund	(\$10,358)	\$0	\$0	\$246,312	\$0	(\$9,055,427)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Administrative and support services	(\$1,373)
Water and atmospheric resources	13,241,015
Total all funds	\$13,239,642
Less estimated income	22,059,115
General fund	(\$8,819,473)
FTE	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² The conference committee agreed with the Senate amendment to increase the spending authority from the resources trust fund, based on total anticipated available funding, for water projects from \$52,863,116 to \$54,013,116.

³ The conference committee agreed with the Senate amendment to increase spending authority by \$5,100,000 from the water development trust fund based on the anticipated amount available in the fund. The Senate version authorized a total of \$21,908,446 from the water development trust fund for water projects and bond payments. The conference committee version provided for \$1 million of the administrative expenses to be funded directly from the general fund and the remaining amount to be funded directly

from the water development trust fund, thus increasing the total amount available to the State Water Commission for water projects, bond payments, and administrative expenses to \$29,963,873.

⁴ This amendment adjusts total administrative expenses to reflect the total amount included in the executive budget recommendation. The total administrative expenses of the State Water Commission is \$10,055,427. The conference committee provided for \$1 million of these expenses to be funded from the general fund and the remaining amount from the water development trust fund. The Senate version provided for a transfer of \$8,055,427 from the water development trust fund to the general fund and the total amount of administrative expenses to be funded from the general fund.

⁵ The conference committee authorized the State Water Commission to issue up to \$7 million in bonds, in addition to the \$60 million of authority included in House Bill No. 1153, for statewide water development projects. The Senate version authorized \$14 million in additional bonding authority.

⁶ The conference committee removed the section providing for a transfer of \$8,055,427 from the water development trust fund to the general fund and provided that \$1 million of administrative expenses be funded directly from the general fund and the remaining amount of \$9,055,427 be funded directly from the water development trust fund.

The conference committee agreed with the Senate amendment adding an intent section that the administrative expenses of the State Water Commission be funded in the future from general fund moneys.

The conference committee agreed with the Senate amendment adding an intent section that up to \$500,000 be made available for water-related damages to infrastructure in Nelson County.

The conference committee provided for a direct appropriation from the general fund of \$1 million and the remaining administrative expenses of \$9,055,427 to be funded directly from the water development trust fund. The House amendment provided for an amount equal to the administrative expenses of the State Water Commission be transferred from the water development trust fund to the general fund. The Senate version reduced the transfer by \$2 million.

The conference committee added a section providing an exemption for the State Water Commission during the 2005-07 biennium from rent, legal, and audit fees.

The conference committee added a section providing that the State Water Commission may receive a cash advance of up to \$5 million from the general fund to pay for administrative expenses. The cash advance must be repaid by the end of the 2005-07 biennium.