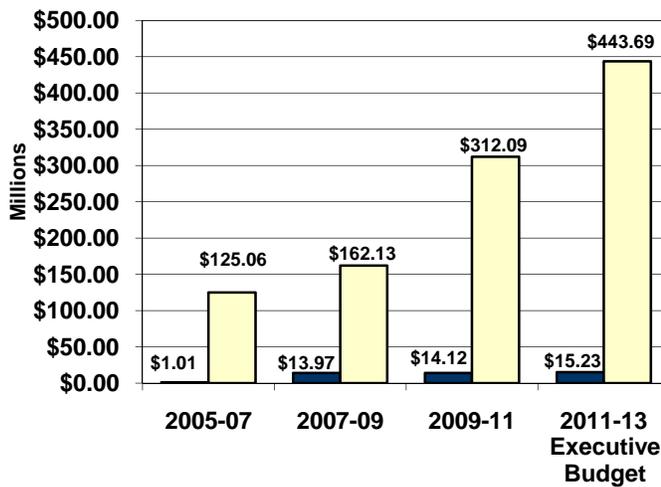


Department 770 - State Water Commission
Senate Bill No. 2020

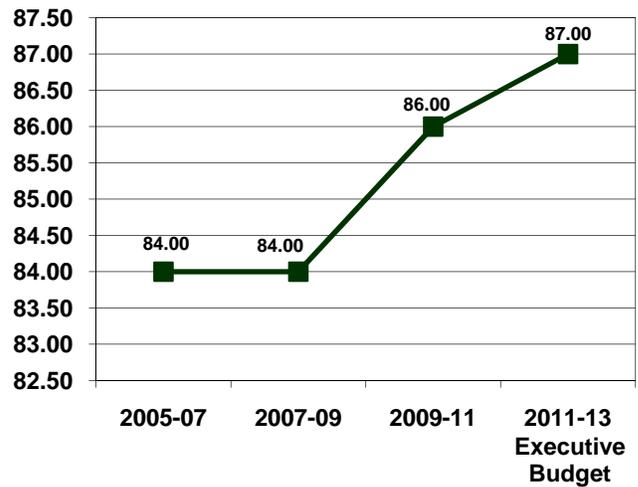
| | FTE Positions | General Fund | Other Funds | Total |
|------------------------------------|---------------|--------------|---------------|--------------------------|
| 2011-13 Executive Budget | 87.00 | \$15,227,098 | \$443,688,322 | \$458,915,420 |
| 2009-11 Legislative Appropriations | 86.00 | 14,123,899 | 312,085,809 | 326,209,708 ¹ |
| Increase (Decrease) | 1.00 | \$1,103,199 | \$131,602,513 | \$132,705,712 |

¹The 2009-11 appropriation amounts include \$330,000, \$300,000 of which is from the general fund, for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees. The 2009-11 appropriation amounts do not include \$325 from the general fund for the agency's share of an internship program and have not been reduced by \$265,555 of special funds authority resulting from the expenditure of federal fiscal stimulus funds appropriated for the 2009-11 biennium with an emergency clause and spent in the 2007-09 biennium.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

| | Ongoing General Fund Appropriation | One-Time General Fund Appropriation | Total General Fund Appropriation |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2011-13 Executive Budget | \$15,227,098 | \$0 | \$15,227,098 |
| 2009-11 Legislative Appropriations | 14,123,899 | 0 | 14,123,899 |
| Increase (Decrease) | \$1,103,199 | \$0 | \$1,103,199 |

First House Action

Attached is a summary of first house changes.

Executive Budget Highlights
(With First House Changes in Bold)

| | General Fund | Other Funds | Total |
|---|--------------|----------------|----------------|
| 1. Adds 1 FTE Water Development Division director position to address the increase in statewide water issues. The Senate changed the funding source of the director position to provide funding from the resources trust fund. | \$231,899 | | \$231,899 |
| 2. Increases various operating expenses, including utilities by \$4.5 million and professional services by \$3.9 million | \$175,283 | \$8,371,539 | \$8,546,822 |
| 3. Removes federal fiscal stimulus funding provided in the 2009-11 biennium relating to the Southwest Pipeline Project's water treatment plant | | (\$12,000,000) | (\$12,000,000) |

| | | | |
|---|------------|----------------|----------------|
| 4. Provides one-time funding for federal fiscal stimulus funds anticipated to be continued from the 2009-11 biennium for the Southwest Pipeline Project's water treatment plant | | \$7,271,773 | \$7,271,773 |
| 5. Removes funding for capital assets for the 2009-11 biennium | (\$95,198) | (\$95,100,944) | (\$95,196,142) |
| 6. Provides funding for capital payments, including equipment (\$95,000), bond payments (\$16,881,750), and water projects (\$81,440,055) | \$85,000 | \$98,331,805 | \$98,416,805 |
| 7. Removes funding from the resources trust fund for a Beaver Bay embankment feasibility study | | (\$342,000) | (\$342,000) |
| 8. Decreases one-time funding for local cost-share grants to provide \$500,000 for the Ray/Tioga, Burke/Divide/Williams, Wildrose, and Stanley water projects | | (\$2,292,000) | (\$2,292,000) |
| 9. Increases grants due to increase in funds available in the resources trust fund to provide a total of \$314 million | | \$127,026,445 | \$127,026,445 |

Other Sections in Bill

Sovereign lands enforcement grant - Section 3 directs the State Water Commission to provide a grant of \$200,000 from the general fund to the Game and Fish Department for law enforcement activities on sovereign lands in the state.

Resources trust fund and water development trust fund - Section 4 provides that in addition to the amounts appropriated to the State Water Commission from the resources trust fund and the water development trust fund any additional amounts that become available in those funds are appropriated to the State Water Commission for the purpose of defraying the expenses of the State Water Commission for the 2011-13 biennium.

Grant and water project carryover authority - Section 5 authorizes the State Water Commission to continue any unexpended 2011-13 appropriation authority for grants or water-related projects in the 2013-15 biennium.

Fargo flood control project funding - Section 6 provides that of the funds appropriated to the State Water Commission for grants and projects for the 2011-13 biennium, \$30 million is for Fargo flood control projects. The section also provides that any funds not spent by June 30, 2013, are not subject to North Dakota Century Code Section 54-44.1-11 and must be continued into the next or subsequent bienniums and may be expended only for Fargo flood control projects. These funds may be used only for land purchases and construction; may not be used for administration, engineering, legal, planning, or other similar purposes. This funding is in addition to \$45 million provided for Fargo flood control by the 2009 Legislative Assembly for a total of \$75 million. **The Senate amended this section to remove land purchases, revise spending limitations, and provide for expenditure approval.**

Emergency - Section 7 provides that funds appropriated to the State Water Commission in the water and atmospheric resources line item are declared to be an emergency measure. **The Senate amended this section to make the entire bill an emergency measure.**

The Senate also added the following sections:

Fargo flood control project - Sections were added to amend 2009 Session Laws Chapter 20, Section 7, relating to Fargo flood control project funding and to provide for retroactive application.

Grand Forks Corporate Center - A section was added to repeal 1999 Session Laws Chapter 535, Section 5, relating to the pledge of revenues from the Grand Forks Corporate Center. The State Water Commission reported on the fiscal note for this bill that an analysis prepared when 1999 Senate Bill No. 2188 was enacted estimated \$12.2 million in corporate center revenues would be available to partially repay the water development trust fund over 21 years beginning in 2018.

Legislative intent - Sections were added to provide legislative intent regarding a grant to Wildlife Services for animal control (\$250,000), flood-related water projects in the Nelson County Water Resource District (\$250,000), and the allocation of funding to the Garrison Diversion Conservancy District.

Continuing Appropriations

No continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1107 - Relates to informational and adjudicative proceedings on water permit applications.

House Bill No. 1206 - Establishes a western area water supply authority to provide for the supply and distribution of water to western North Dakota for domestic, rural water, municipal, livestock, industrial, oil and gas development, and other uses. In addition, the bill provides for funds to be deposited in a debt service reserve fund and for the repayment of any State Water Commission grant made to the western area water authority.

House Bill No. 1318 - Relates to the creation of special assessment districts for irrigation works by the Garrison Diversion Conservancy District.

House Bill No. 1335 - Relates to exemptions from enforcement actions for water transfers used to control flooding.

Senate Bill No. 2068 - Authorizes the State Engineer to execute contracts on behalf of the State Water Commission.

Senate Bill No. 2101 - Provides an increase in testing, certification, and renewal fees for water well contractors, pump and pitless installers, and geothermal drilling contractors.

Senate Bill No. 2282 - Relates to compensation of members of the State Water Commission and members of the North Dakota Atmospheric Resource Board.

ATTACH:1