

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2020 - Funding Summary**

	<b>Base Budget</b>	<b>Final Legislative Action</b>	<b>Comparison to Base Budget</b>
Parks and Recreation Department			
Sovereign lands recreation use grants		\$2,000,000	\$2,000,000
Total all funds	\$0	\$2,000,000	\$2,000,000
Less estimated income	0	2,000,000	2,000,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
State Water Commission			
Salaries and wages	\$20,537,867	\$22,194,249	\$1,656,382
Operating expenses	43,366,550	59,479,068	16,112,518
Capital assets	98,467,437	275,783,950	177,316,513
Water supply - Grants	125,000,000	316,200,000	191,200,000
Rural water supply - Grants	59,600,000	52,000,000	(7,600,000)
Flood control projects	48,000,000	115,700,000	67,700,000
General water - Grants	14,227,275	12,000,000	(2,227,275)
Basinwide plan implementation			
Discretionary funding		9,000,000	9,000,000
Loan repayment		30,000,000	30,000,000
Total all funds	\$409,199,129	\$892,357,267	\$483,158,138
Less estimated income	409,199,129	892,357,267	483,158,138
General fund	\$0	\$0	\$0
FTE	90.00	93.00	3.00
Bill total			
Total all funds	\$409,199,129	\$894,357,267	\$485,158,138
Less estimated income	409,199,129	894,357,267	485,158,138
General fund	\$0	\$0	\$0
FTE	90.00	93.00	3.00

**Senate Bill No. 2020 - Parks and Recreation Department - House Action**

	<b>Base Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Sovereign lands recreation use grants			\$3,000,000	\$3,000,000
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

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

	<b>Adds Funding for Recreation Use Grants<sup>1</sup></b>	<b>Total House Changes</b>
Sovereign lands recreation use grants	\$3,000,000	\$3,000,000
Total all funds	\$3,000,000	\$3,000,000
Less estimated income	3,000,000	3,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$3 million from a grant received from the State Water Commission is added for the Parks and Recreation Department to provide grants for developing recreation opportunities on sovereign lands in the state. The appropriated amount includes \$800,000 for the Mandan parks and recreation department and \$750,000 for the Northern Plains Heritage Foundation for the port of Bismarck. Grant recipients must provide \$1 of matching funds for each \$1 of grant funds received under this program.

**Senate Bill No. 2020 - Parks and Recreation Department - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Sovereign lands recreation use grants			\$2,000,000	\$2,000,000	\$3,000,000	(\$1,000,000)
Total all funds	\$0	\$0	\$2,000,000	\$2,000,000	\$3,000,000	(\$1,000,000)
Less estimated income	0	0	2,000,000	2,000,000	3,000,000	(1,000,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department 750 - Parks and Recreation Department - Detail of Conference Committee Changes**

	Adds Funding for Recreation Use Grants <sup>1</sup>	Total Conference Committee Changes
Sovereign lands recreation use grants	\$2,000,000	\$2,000,000
Total all funds	\$2,000,000	\$2,000,000
Less estimated income	2,000,000	2,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$2 million from a grant received from the State Water Commission is added for the Parks and Recreation Department to provide grants for developing recreation opportunities on sovereign lands in the state. The House appropriated \$3 million for grants for developing recreation opportunities on sovereign lands, including \$800,000 for the Mandan parks and recreation department and \$750,000 for the Northern Plains Heritage Foundation for the port of Bismarck. The Senate did not include funding for sovereign lands recreation use grants. Grant recipients must provide \$1 of matching funds for each \$1 of grant funds received under this program.

**Senate Bill No. 2020 - State Water Commission - Senate Action**

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$20,537,867	\$2,927,459	\$23,465,326
Operating expenses	43,366,550	16,112,518	59,479,068
Capital assets	98,467,437	201,916,513	300,383,950
Water supply - Grants	125,000,000	158,000,000	283,000,000
Rural water supply - Grants	59,600,000	(19,600,000)	40,000,000
Flood control projects	48,000,000	66,600,000	114,600,000
General water - Grants	14,227,275	(2,227,275)	12,000,000
Basinwide plan implementation		1,000,000	1,000,000
Discretionary funding		1,000,000	1,000,000
Loan repayment		30,000,000	30,000,000
Total all funds	\$409,199,129	\$455,729,215	\$864,928,344
Less estimated income	409,199,129	455,729,215	864,928,344
General fund	\$0	\$0	\$0
FTE	90.00	3.00	93.00

**Department 770 - State Water Commission - Detail of Senate Changes**

	<b>Adjusts Funding for Base Payroll Changes<sup>1</sup></b>	<b>Adds Funding for Salary and Benefit Increases<sup>2</sup></b>	<b>Adds FTE Positions<sup>3</sup></b>	<b>Adds Funding for Other Operations and Compensation<sup>4</sup></b>	<b>Makes Other Base Budget Adjustments<sup>5</sup></b>	<b>Adds One-Time Funding<sup>6</sup></b>
Salaries and wages	\$148,098	\$1,509,354	\$703,398	\$576,609	(\$10,000)	
Operating expenses			2,000	5,512,584	7,744,789	\$2,853,145
Capital assets					(7,740,789)	3,800,000
Water supply - Grants						
Rural water supply - Grants						
Flood control projects						
General water - Grants					6,000	
Basinwide plan implementation						
Discretionary funding						
Loan repayment						30,000,000
<b>Total all funds</b>	<b>\$148,098</b>	<b>\$1,509,354</b>	<b>\$705,398</b>	<b>\$6,089,193</b>	<b>\$0</b>	<b>\$36,653,145</b>
Less estimated income	148,098	1,509,354	705,398	6,089,193	0	36,653,145
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	3.00	0.00	0.00	0.00

	<b>Adjusts Funding for Water Projects<sup>7</sup></b>	<b>Total Senate Changes</b>
Salaries and wages		\$2,927,459
Operating expenses		16,112,518
Capital assets	\$205,857,302	201,916,513
Water supply - Grants	158,000,000	158,000,000
Rural water supply - Grants	(19,600,000)	(19,600,000)
Flood control projects	66,600,000	66,600,000
General water - Grants	(2,233,275)	(2,227,275)
Basinwide plan implementation	1,000,000	1,000,000
Discretionary funding	1,000,000	1,000,000
Loan repayment		30,000,000
<b>Total all funds</b>	<b>\$410,624,027</b>	<b>\$455,729,215</b>
Less estimated income	410,624,027	455,729,215
General fund	\$0	\$0
FTE	0.00	3.00

<sup>1</sup> Funding is adjusted for base payroll changes, including the cost to continue 2021-23 biennium salary increases.

<sup>2</sup> The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total</b>
Salary increase	\$23,689	\$1,025,704	\$1,049,393
Health insurance increase	12,102	447,859	459,961
Total	\$35,791	\$1,473,563	\$1,509,354

<sup>3</sup> The following FTE positions and funding of \$2,000 for related travel expenses are added:

	<b>FTE Positions</b>	<b>Other Funds</b>
Natural resources services	2.00	\$505,772
Engineering and planning services	1.00	197,626
Total	3.00	\$703,398

<sup>4</sup> Funding for operations and salaries and wages is adjusted as follows:

	<b>Salaries and Wages</b>	<b>Operating Expenses</b>	<b>Total</b>
Northwest area water supply temporary salaries	\$170,000	\$0	\$170,000
Temporary employee benefits	61,609	0	61,609
Staff training and development	0	80,000	80,000
Information technology unification	0	4,082,784	4,082,784
Pushing remote sensors (PRESENS) installations	345,000	1,227,800	1,572,800
Ground water modeling and hydrological analysis software maintenance	0	22,000	22,000
RiskMAP (federal funds)	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Total	\$576,609	\$5,512,584	\$6,089,193

<sup>5</sup> Funding is adjusted for other changes as follows:

	<b>Other Funds</b>
Reduces funding for salaries and wages	(\$10,000)
Increases funding for operating expenses, including \$5.9 million for professional fees and services	7,744,789
Reduces funding for capital assets	(7,740,789)
Increases funding for general water grants	<u>6,000</u>
Total	\$0

<sup>6</sup> One-time funding is added as follows:

	<b>Other Funds</b>
New FTE equipment	\$19,320
Information technology unification	1,532,980
Increased motor pool rates	118,180
Drilling supplies inflation	180,000
Navigability study	180,000
Airborne electromagnetic survey data collection	750,000
Ground water modeling and hydrological analysis software	72,665
Agency relocation	200,000
Drilling rig replacement	1,800,000
Bowman radar system	<u>1,800,000</u>
Total	\$6,653,145

A section is also added to appropriate \$30 million from the water projects stabilization fund to repay loans issued by the Bank of North Dakota for the Western Area Water Supply Authority.

<sup>7</sup> Funding for water projects is adjusted as follows:

	<b>Total Funds</b>
Increase funding for capital assets, including \$47.8 million from federal funds for the Northwest Area Water Supply Project and \$100 million from a line of credit	\$205,857,302
Increase funding for water supply grants	158,000,000
Decrease funding for rural water supply grants	(19,600,000)
Increase funding for flood control projects	66,600,000
Decrease funding for general water grants	(2,233,275)
Add one-time funding for basinwide plan implementation	1,000,000
Add one-time funding for discretionary water projects	<u>1,000,000</u>
Total	\$410,624,027

This amendment also adds sections to:

- Appropriate any additional funds in the resources trust fund to the Department of Water Resources for expenses of the department, excluding operating expenses and salaries and wages;

- Appropriate \$30 million from the water projects stabilization fund to repay Bank of North Dakota loans for the Western Area Water Supply Authority;
- Provide that the discretionary funds line item may be used as necessary, except for salaries and wages;
- Provide that \$1 million appropriated for basinwide plan implementation is for a pilot project to provide grants for water conveyance, flood control, and other water projects;
- Identify \$120 million of the amount appropriated in Section 1 is from the water projects stabilization fund;
- Provide for the Bank to extend a \$100 million line of credit to the Department of Water Resources, of which \$50 million may be used for the Northwest Area Water Supply Project and \$50 million may be used for the Southwest Pipeline Project;
- Amend 2021 Session Laws to allow the Department of Water Resources to use its discretionary funding as necessary, except for salaries and wages;
- Provide legislative intent for a total of \$953 million for the Red River Water Supply Project, of which \$175 million is provided during the 2023-25 biennium;
- Provide legislative intent for a total of \$380.5 million for the Mouse River flood control project, of which \$76.1 million is provided during the 2023-25 biennium;
- Provide legislative intent that the 69th Legislative Assembly appropriate \$40 million for the Southwest Pipeline Project;
- Provide authority for the Department of Water Resources to transfer up to \$13.3 million between the operating expenses and capital assets line items;
- Provide that any unexpended obligated and unobligated 2021-23 biennium appropriation authority for grants or water-related projects may be continued and expended during the 2023-25 biennium; and
- Declare the bill to be an emergency measure.

**Senate Bill No. 2020 - State Water Commission - House Action**

	<b>Base Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$20,537,867	\$23,465,326	(\$1,271,077)	\$22,194,249
Operating expenses	43,366,550	59,479,068		59,479,068
Capital assets	98,467,437	300,383,950	(24,600,000)	275,783,950
Water supply - Grants	125,000,000	283,000,000	33,200,000	316,200,000
Rural water supply - Grants	59,600,000	40,000,000	12,000,000	52,000,000
Flood control projects	48,000,000	114,600,000	1,100,000	115,700,000
General water - Grants	14,227,275	12,000,000		12,000,000
Basinwide plan implementation		1,000,000	(1,000,000)	
Discretionary funding		1,000,000	8,000,000	9,000,000
Loan repayment		30,000,000	(30,000,000)	
<b>Total all funds</b>	<b>\$409,199,129</b>	<b>\$864,928,344</b>	<b>(\$2,571,077)</b>	<b>\$862,357,267</b>
Less estimated income	409,199,129	864,928,344	(2,571,077)	862,357,267
General fund	\$0	\$0	\$0	\$0
<b>FTE</b>	<b>90.00</b>	<b>93.00</b>	<b>0.00</b>	<b>93.00</b>

**Department 770 - State Water Commission - Detail of House Changes**

	<b>Adjusts Funding for Salary and Benefit Increases<sup>1</sup></b>	<b>Removes Salary Funding for Funding Pool<sup>2</sup></b>	<b>Adjusts Funding for Water Projects<sup>3</sup></b>	<b>Total House Changes</b>
Salaries and wages	\$344,552	(\$1,615,629)		(\$1,271,077)
Operating expenses				
Capital assets			(\$24,600,000)	(24,600,000)
Water supply - Grants			33,200,000	33,200,000
Rural water supply - Grants			12,000,000	12,000,000
Flood control projects			1,100,000	1,100,000
General water - Grants				
Basinwide plan implementation			(1,000,000)	(1,000,000)
Discretionary funding			8,000,000	8,000,000
Loan repayment			(30,000,000)	(30,000,000)
<b>Total all funds</b>	<b>\$344,552</b>	<b>(\$1,615,629)</b>	<b>(\$1,300,000)</b>	<b>(\$2,571,077)</b>
Less estimated income	344,552	(1,615,629)	(1,300,000)	(2,571,077)
General fund	\$0	\$0	\$0	\$0
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	<b>Other Funds</b>
Salary increase	\$354,895
Health insurance adjustment	<u>(10,343)</u>
Total	\$344,552

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<b>Other Funds</b>
New FTE positions	(\$703,398)
Vacant FTE positions	<u>(912,231)</u>
Total	(\$1,615,629)

<sup>3</sup> Funding for water projects is adjusted as follows:

	<b>Total Funds</b>
Reduce funding for capital assets	(\$24,600,000)
Increase funding for water supply grants	33,200,000
Increase funding for rural water supply grants	12,000,000
Increase funding for flood control projects	1,100,000
Remove one-time funding for basinwide plan implementation	(1,000,000)
Remove one-time funding for Western Area Water Supply Authority loan repayment	(30,000,000)
Increase one-time funding for discretionary water projects	<u>8,000,000</u>
Total	(\$1,300,000)

This amendment also:

- Removes a section added by the Senate identifying \$30 million from the water projects stabilization fund to repay loans issued to the Western Area Water Supply Authority.
- Transfers \$30 million from the water projects stabilization fund to the water infrastructure revolving loan fund.
- Transfers \$100 million from Bank of North Dakota profits to the water infrastructure revolving loan fund.
- Designates \$3 million for a grant to the Parks and Recreation Department for developing recreation opportunities on sovereign lands in the state.
- Removes a section providing for a basinwide plan implementation pilot project.
- Increases funding appropriated for water supply grants from the water projects stabilization fund from \$120 million to \$123.4 million.
- Amends North Dakota Century Code Sections 61-02-01.3 and 61-03-21.4 to require economic analyses for water projects in excess of \$500,000.
- Provides legislative intent for \$50 million to be granted for a City of Bismarck water treatment plant project.
- Provides legislative intent for the City of Medora to request funding from the State Water Commission after all agreements for the construction of the Theodore Roosevelt Presidential Library have been finalized between the library, library foundation, City of Medora, and Billings County.
- Provides legislative intent expressing support for the Missouri River educate, advocate, and engage program.
- Provides legislative intent for the Department of Water Resources to research and identify options for the use of the Missouri River intake constructed near Washburn.
- Reduces the amount of appropriation authority the Department of Water Resources may continue into the next biennium by \$38 million, to provide total carryover authority of \$367 million.
- Designates the use of excess revenue in the resources trust fund.

**Senate Bill No. 2020 - State Water Commission - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$20,537,867	\$23,465,326	(\$1,271,077)	\$22,194,249	\$22,194,249	
Operating expenses	43,366,550	59,479,068		59,479,068	59,479,068	
Capital assets	98,467,437	300,383,950	(24,600,000)	275,783,950	275,783,950	
Water supply - Grants	125,000,000	283,000,000	33,200,000	316,200,000	316,200,000	
Rural water supply - Grants	59,600,000	40,000,000	12,000,000	52,000,000	52,000,000	
Flood control projects	48,000,000	114,600,000	1,100,000	115,700,000	115,700,000	
General water - Grants	14,227,275	12,000,000		12,000,000	12,000,000	
Basinwide plan implementation		1,000,000	(1,000,000)			
Discretionary funding		1,000,000	8,000,000	9,000,000	9,000,000	
Loan repayment		30,000,000		30,000,000		\$30,000,000
<b>Total all funds</b>	<b>\$409,199,129</b>	<b>\$864,928,344</b>	<b>\$27,428,923</b>	<b>\$892,357,267</b>	<b>\$862,357,267</b>	<b>\$30,000,000</b>
Less estimated income	409,199,129	864,928,344	27,428,923	892,357,267	862,357,267	30,000,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	90.00	93.00	0.00	93.00	93.00	0.00

**Department 770 - State Water Commission - Detail of Conference Committee Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Adjusts Funding for Water Projects <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	\$344,552	(\$1,615,629)		(\$1,271,077)
Operating expenses				
Capital assets			(\$24,600,000)	(24,600,000)
Water supply - Grants			33,200,000	33,200,000
Rural water supply - Grants			12,000,000	12,000,000
Flood control projects			1,100,000	1,100,000
General water - Grants				
Basinwide plan implementation			(1,000,000)	(1,000,000)
Discretionary funding			8,000,000	8,000,000
Loan repayment				
<b>Total all funds</b>	<b>\$344,552</b>	<b>(\$1,615,629)</b>	<b>\$28,700,000</b>	<b>\$27,428,923</b>
Less estimated income	344,552	(1,615,629)	28,700,000	27,428,923
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House, as follows:

	<b>Other Funds</b>
Salary increase	\$354,895
Health insurance adjustment	(10,343)
<b>Total</b>	<b>\$344,552</b>

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<b>Other Funds</b>
New FTE positions	(\$703,398)
Vacant FTE positions	(912,231)
<b>Total</b>	<b>(\$1,615,629)</b>

<sup>3</sup> Funding for water projects is adjusted as follows:

	<b>Total Funds</b>
Reduce funding for capital assets	(\$24,600,000)
Increase funding for water supply grants	33,200,000
Increase funding for rural water supply grants	12,000,000
Increase funding for flood control projects	1,100,000
Remove one-time funding for basinwide plan implementation	(1,000,000)
Increase one-time funding for discretionary water projects	<u>8,000,000</u>
<b>Total</b>	<b>\$28,700,000</b>

The Conference Committee made the changes approved by the House except the Conference Committee did not remove \$30 million for the Western Area Water Supply Authority loan repayment and provide for a transfer of \$30 million from the water projects stabilization fund to the water infrastructure revolving loan fund, which the House had done.

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This amendment also:

- Designates the use of excess 2021-23 biennium revenue in the resources trust fund for water supply grants and rural water supply grants. The House designated the use of excess 2021-23 biennium and 2023-25 biennium revenue in the resources trust fund for water supply grants and rural water supply grants. The Senate restricted excess funds from being used for salaries and wages and operating expenses.
- Provides for the transfer of excess 2023-25 biennium revenue in the resources trust fund to the water projects stabilization fund. Neither the House nor the Senate included this section.
- Retains a section added by the Senate and removed by the House appropriating \$30 million from the water projects stabilization fund to repay loans issued to the Western Area Water Supply Authority.
- Does not include a section added by the House to transfer \$30 million from the water projects stabilization fund to the water infrastructure revolving loan fund.
- Transfers \$100 million from Bank of North Dakota profits to the water infrastructure revolving loan fund, the same as the House.
- Designates \$2 million for a grant to the Parks and Recreation Department for developing recreation opportunities on sovereign lands in the state. The House designated \$3 million for this purpose.
- Removes a section providing for a basinwide plan implementation pilot project, the same as the House.
- Increases funding appropriated for water supply grants from the water projects stabilization fund from \$120 million to \$123.4 million, the same as the House.
- Does not include sections added by the House to amend Sections 61-02-01.3 and 61-03-21.4 to require economic analyses for water projects in excess of \$500,000.
- Provides legislative intent for \$50 million to be granted for a City of Bismarck water treatment plant project, the same as the House.
- Provides legislative intent for the City of Medora to request funding from the State Water Commission after all agreements for the construction of the Theodore Roosevelt Presidential Library have been finalized between the library, library foundation, and City of Medora. The House version also required agreements with Billings County to be finalized.
- Provides legislative intent that the Department of Water Resources support efforts that protect and develop beneficial use of Missouri River system water. The House provided legislative intent expressing support for the Missouri River educate, advocate, and engage program.
- Provides legislative intent for the Department of Water Resources to research and identify options for the use of the Missouri River intake constructed near Washburn, the same as the House.
- Reduces the department's line item transfer authority from \$13.3 million to \$9.9 million. The House and Senate allowed for \$13.3 million of line item transfer authority.
- Reduces the amount of appropriation authority the Department of Water Resources may continue into the next biennium by \$38 million, to provide total carryover authority of \$367 million, the same as the House.
- Declares Senate Bill No. 2196 to be an emergency measure.