

**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; and 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.

**5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this  
7 section represent the base level funding component appropriated to the state water commission  
8 in section 3 of this Act as follows:

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

14 **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The  
15 amounts identified in this section represent the funding adjustments or enhancements to the  
16 base funding level for the state water commission which are included in the appropriation in  
17 section 3 of this Act as follows:

18 Administrative and support services	\$99,825
19 Water and atmospheric resources	<u>(47,170,845)</u>
20 Total all funds - Adjustments/enhancements	(\$47,071,020)
21 Less estimated income - Adjustments/enhancements	<u>(39,748,981)</u>
22 Total general fund - Adjustments/enhancements	(\$7,322,039)

23 **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the  
24 funds as may be necessary, are appropriated out of any moneys in the general fund in the state

1 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
2 other income, to the state water commission for the purpose of defraying the expenses of that  
3 agency, for the biennium beginning July 1, 2005, and ending June 30, 2007, as follows:

4 Administrative and support services	\$2,176,060
5 Water and atmospheric resources	<u>110,611,774</u>
6 Total all funds	\$112,787,834
7 Less estimated income	<u>110,724,477</u>
8 Total general fund appropriation	\$2,063,357

9 **SECTION 4. RESOURCES TRUST FUND - APPROPRIATION.** The sum of  
10 \$52,863,116, or so much of the sum as may be necessary, included in the estimated income  
11 line item in section 3 of this Act is from the resources trust fund and must be used by the state  
12 water commission for purposes authorized by the legislative assembly, for the biennium  
13 beginning July 1, 2005, and ending June 30, 2007. Any additional amount in the resources  
14 trust fund that becomes available is appropriated to the state water commission for the purpose  
15 of defraying the expenses of that agency, for the biennium beginning July 1, 2005, and ending  
16 June 30, 2007.

17 **SECTION 5. WATER DEVELOPMENT TRUST FUND - APPROPRIATION.** The sum  
18 of \$24,863,873, or so much of the sum as may be necessary, included in the estimated income  
19 line item in section 3 of this Act is from the water development trust fund and must be used by  
20 the state water commission for purposes authorized by the legislative assembly, for the  
21 biennium beginning July 1, 2005, and ending June 30, 2007. Any additional amount in the  
22 water development trust fund that becomes available is appropriated to the state water  
23 commission for the purpose of defraying the expenses of that agency, for the biennium  
24 beginning July 1, 2005, and ending June 30, 2007.

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

27 1. The state water commission, on behalf of the state of North Dakota, may sell in  
28 one or more parcels the land and building known as the "state water commission  
29 maintenance shop" located at 2603 East Broadway Avenue, Bismarck, North  
30 Dakota, and legally described as follows:

1                   A tract of land lying in the Northwest Quarter (NW 1/4) of Section  
2                   Two (2), Township One Hundred Thirty-Eight (138) North, Range Eighty (80)  
3                   West of the Fifth (5) Principal Meridian, in the County of Burleigh and State of  
4                   North Dakota, and described as follows:

5                   Commencing at the northwest corner of said section two; thence  
6                   traveling in a southerly direction along the west boundary of said section two  
7                   for a distance of seven hundred seventy-four and six-tenths feet (774.60);  
8                   thence turning a right angle to the left in an easterly direction along a line  
9                   which is parallel to the north boundary of said section two for a distance of  
10                  forty-seven feet (47.00), which shall be called the true point of beginning;  
11                  thence continuing due east along said line for a distance of eight hundred  
12                  forty-two and nine-tenths feet (842.90); thence turning a deflection angle of  
13                  ninety degrees and twenty-two minutes (90 degrees 22') to the right and  
14                  traveling in a southerly direction to a point of intersection with the north fifty  
15                  foot railroad right-of-way line; thence traveling in a westerly direction along  
16                  said north fifty foot railroad right-of-way line to a point of intersection with the  
17                  west boundary of said section two; thence traveling in a northerly direction  
18                  along the west boundary of said section two for a distance of four hundred  
19                  seventy-two and one-tenth feet (472.10); thence turning a right angle to the  
20                  right in an easterly direction along a line which is parallel to the north  
21                  boundary of said section two for a distance of forty-seven feet (47.00); thence  
22                  traveling in a northerly direction along a line which is parallel to the west  
23                  boundary of said section two for a distance of one hundred fifty feet (150.00)  
24                  to the point of beginning. Including all of the property bounded by the above  
25                  described line, subject to existing rights-of-way and easements.

26                  The above described tract of land contains 11.77 acres, more or less.

27                  2. The conveyance authorized by this section is exempt from sections 54-01-05.2 and  
28                  54-01-05.5. The conveyance may only be made after the property has been  
29                  appraised and the property must be sold at public auction unless no bid equals or  
30                  exceeds the minimum appraised value. The appraisal must be dated no earlier  
31                  than eighteen months before the auction. If at the public auction no bid equals or

1 exceeds the minimum appraised value, the state water commission may negotiate  
2 a price for the land with a purchaser.

3 3. All proceeds from the sale or so much of the sale proceeds as may be necessary,  
4 not otherwise appropriated, are appropriated on a continuing basis to the state  
5 water commission for the purchase or lease of land and the construction of a  
6 building and associated appurtenances to be used as a new maintenance facility.  
7 The purchase authorized by this subsection may proceed only after completion of a  
8 certified appraisal of the property to be purchased and completion of a physical  
9 inspection of any building to be purchased demonstrating that the building is  
10 structurally sound and suitable for the state water commission's purposes.

11 4. The attorney general shall review and approve the form and legality of all legal  
12 documents required for the conveyance and purchase authorized by this section,  
13 including title opinions.

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

30 **SECTION 8. GRANTS - WATER-RELATED PROJECTS - CARRYOVER**

31 **AUTHORITY.** Section 54-44.1-11 does not apply to funding for grants or water-related projects

1 included in the water and atmospheric resources line item in section 3 of this Act. However,  
2 this exclusion is only in effect for two years after June 30, 2007. Any unexpended funds  
3 appropriated from the resources trust fund after that period has expired must be transferred to  
4 the resources trust fund and any unexpended funds appropriated from the water development  
5 trust fund after that period has expired must be transferred to the water development trust fund.

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

10 **SECTION 10. REPAYMENT OF LINE OF CREDIT - CONTINGENT**  
11 **APPROPRIATION.** If the line of credit authorized in section 9 of this Act is extended to the  
12 state water commission by the Bank of North Dakota, there is appropriated out of any moneys  
13 in the water development trust fund, the resources trust fund, bond proceeds, or other sources,  
14 the sum of \$25,000,000, or so much of the sum as may be necessary, to the state water  
15 commission for the purpose of repaying the line of credit, for the biennium beginning July 1,  
16 2005, and ending June 30, 2007.

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

19 **61-02-23.3. Construction and operation of the Devils Lake outlet - Authorization -**  
20 **Agreement.** The state water commission may do all things reasonably necessary to construct  
21 an outlet from Devils Lake, including executing an agreement with the federal government  
22 wherein the state water commission agrees to hold the United States harmless and free from  
23 damages, except for damages due to the fault or negligence of the United States or its  
24 contractors. The state engineer may employ full-time personnel and may employ such other  
25 personnel as are necessary for the operation and maintenance of the Devils Lake outlet within  
26 the limits of legislative appropriations for that purpose. Notwithstanding section 61-02-64.1,  
27 funds disbursed from the contract fund and appropriated for the purposes of this section may be  
28 used for salaries, equipment, operations, and maintenance costs relating to the Devils Lake  
29 outlet.