

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021

That the Senate recede from its amendments as printed on pages 1653 and 1654 of the House Journal and pages 1294-1296 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 4, replace "and to transfer funds from the water development trust fund to the general" with "to provide legislative intent; to provide water commission authority to issue bonds; to provide an exemption from payment of fees; and to authorize a cash advance from the general fund."

Page 1, remove line 5

Page 1, line 19, replace "94,276" with "92,903"

Page 1, line 20, replace "~~(47,204,774)~~" with "~~(33,963,759)~~"

Page 1, line 21, replace "(\$47,110,498)" with "(\$33,870,856)"

Page 1, line 22, replace "~~(47,544,575)~~" with "~~(25,485,460)~~"

Page 1, line 23, replace "\$434,077" with "(\$8,385,396)"

Page 2, line 6, replace "2,170,511" with "2,169,138"

Page 2, line 7, replace "~~110,577,845~~" with "~~123,818,860~~"

Page 2, line 8, replace "112,748,356" with "125,987,998"

Page 2, line 9, replace "~~102,928,883~~" with "~~124,987,998~~"

Page 2, line 10, replace "9,819,473" with "1,000,000"

Page 2, line 12, replace "\$52,863,116" with "\$54,013,116"

Page 2, line 20, replace "\$15,044,400" with "\$29,963,873"

Page 6, replace lines 1 through 4 with:

"SECTION 12. LEGISLATIVE INTENT - ADMINISTRATIVE EXPENSES. It is the intent of the fifty-ninth legislative assembly that the use of water development trust fund moneys as a source of funding for state water commission administrative expenses be reduced during the 2007-09 biennium and discontinued as a source thereafter.

SECTION 13. LEGISLATIVE INTENT - NELSON COUNTY INFRASTRUCTURE. It is the intent of the fifty-ninth legislative assembly that the state water commission provide up to \$500,000 for water-related damage to infrastructure in Nelson County.

SECTION 14. BONDING AUTHORITY - WATER PROJECTS. In addition to the \$60,000,000 of bonding authority authorized in section 61-02.1-02.1, the state water commission may issue an additional amount of bonds not to exceed \$7,000,000 plus the costs of issuance of the bonds, capitalized interest, and reasonably required reserves during the biennium beginning July 1, 2005, and ending June 30, 2007. The repayment provision of the additional \$7,000,000 bond issuance must be the same as the \$60,000,000 bond issuance as provided for in section 61-02.1-02.1.

SECTION 15. EXEMPTION FROM PAYMENT OF FEES. For purposes of charging fees or requiring payment for services pursuant to sections 54-10-01, 54-12-08, and 54-44.1-15, the state auditor, attorney general, and the director of the office of management and budget shall consider the funds appropriated to the state water commission from the water development trust fund in the same manner as if the funds were appropriated from the general fund for the 2005-07 biennium.

SECTION 16. STATE WATER COMMISSION - CASH ADVANCE FROM STATE GENERAL FUND. Notwithstanding any other provision of law, the state water commission may receive a cash advance of up to \$5,000,000 from the state general fund during the biennium beginning July 1, 2005, and ending June 30, 2007. The cash advance may be made available for the state water commission only to pay for administrative expenses if sufficient funding is not available in the water development trust fund for these expenses. The cash advance must be repaid upon the deposit of additional tobacco settlement collections in the water development trust fund. The state water commission shall inform the office of management and budget of any cash advance required pursuant to this section. Any cash advance under this section must be repaid to the state general fund by June 30, 2007."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE 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	<u>110,724,477</u>	<u>102,928,883</u>	<u>22,059,115</u>	<u>124,987,998</u>	<u>122,932,571</u>	<u>2,055,427</u>
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

Dept. 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		<u>1,150,000</u>	<u>5,100,000</u>	<u>(246,312)</u>	<u>7,000,000</u>	<u>9,055,427</u>
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	<u>22,059,115</u>
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.