

FISCAL NOTE
Requested by Legislative Council
03/16/2007

Amendment to: Engrossed
HB 1513

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				\$52,900,000		\$15,000,000
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill enacts a new section to chapter 61-02 requiring the State Water Commission to create an emergency municipal, tribal, and rural water system drinking water grant program.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 mandates that this new program becomes active when the governor declares an emergency relating to the inability of a water system to obtain an adequate quantity of water from the Missouri River, Lake Sakakawea or Lake Oahe.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

At present there are two cities at immediate risk, Parshall and Ft. Yates. However, there are several other cities and intakes that could potentially be affected by the low levels. In 2005, an engineering consultant estimated the cost of solving Parshall's problem ranged from \$19 million to \$22.9 million, depending on the alternative selected. The Bureau of Reclamation has spent \$3.2 million on Ft. Yates temporary intake and has yet to determine the estimate for a permanent intake. The Bureau estimates they could need between \$30 million and \$45 million to address the needs of the Standing Rock rural water systems due to the low water levels. As a result, the fiscal impact of this bill could be as high as \$67.9 million, less any local or federal share. This fiscal note assumes the Water Commission would be required to fund the alternative of choice by the local communities.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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