

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1020 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Industrial Commission			
WAWS industrial water study		\$150,000	\$150,000
	<hr/>	<hr/>	<hr/>
Total all funds	\$0	\$150,000	\$150,000
Less estimated income	0	150,000	150,000
General fund	<hr/> \$0	<hr/> \$0	<hr/> \$0
FTE	0.00	0.00	0.00
State Water Commission			
Administrative and support services	\$5,535,618	\$5,633,186	\$97,568
Water and atmospheric resources	863,400,218	716,540,289	(146,859,929)
Minot flood control loan			
Water authority debt payments			
	<hr/>	<hr/>	<hr/>
Total all funds	\$868,935,836	\$722,173,475	(\$146,762,361)
Less estimated income	868,935,836	722,173,475	(146,762,361)
General fund	<hr/> \$0	<hr/> \$0	<hr/> \$0
FTE	97.00	93.00	(4.00)
Bill Total			
Total all funds	\$868,935,836	\$722,323,475	(\$146,612,361)
Less estimated income	868,935,836	722,323,475	(146,612,361)
General fund	<hr/> \$0	<hr/> \$0	<hr/> \$0
FTE	97.00	93.00	(4.00)

House Bill No. 1020 - Industrial Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
WAWS industrial water study			\$150,000	\$150,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total all funds	\$0	\$0	\$150,000	\$150,000
Less estimated income	0	0	150,000	150,000
General fund	<hr/> \$0	<hr/> \$0	<hr/> \$0	<hr/> \$0
FTE	0.00	0.00	0.00	0.00

Department 405 - Industrial Commission - Detail of Senate Changes

	Adds Funding for WAWS Industrial Water Study¹	Total Senate Changes
WAWS industrial water study	150,000	150,000
	<hr/>	<hr/>
Total all funds	\$150,000	\$150,000
Less estimated income	150,000	150,000
General fund	<hr/> \$0	<hr/> \$0
FTE	0.00	0.00

¹ A section is added appropriating \$150,000 from the resources trust fund for conducting an independent study of the feasibility and desirability of the sale or lease of the industrial water supply assets of the Western Area Water Supply Authority. The Industrial Commission is to report the findings to the Water Topics Overview Committee by June 1, 2018.

This amendment also:

- Adds a section requiring the Industrial Commission, based on the results of the study, to either develop a timeline to complete the lease or the sale of the Western Area Water Supply Authority's assets or assist the Western Area Water Supply Authority in refinancing its outstanding debt through bonding.
- Adds a section amending North Dakota Century Code Section 61-40-05 to allow, under certain conditions, the Western Area Water Supply Authority to issue revenue bonds to repay its loan obligations to the Bank of North Dakota and the State Water Commission.

House Bill No. 1020 - Industrial Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
WAWS industrial water study			\$150,000	\$150,000	\$150,000	
Total all funds	\$0	\$0	\$150,000	\$150,000	\$150,000	\$0
Less estimated income	0	0	150,000	150,000	150,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 405 - Industrial Commission - Detail of Conference Committee Changes

	Adds Funding for WAWS Industrial Water Study ¹	Total Conference Committee Changes
WAWS industrial water study	150,000	150,000
Total all funds	\$150,000	\$150,000
Less estimated income	150,000	150,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ A section is added appropriating \$150,000 from the resources trust fund for conducting an independent study of the feasibility and desirability of the sale or lease of the industrial water supply assets of the Western Area Water Supply Authority. The Industrial Commission is to report the findings to the Water Topics Overview Committee by June 1, 2018. The Senate version also included these provisions.

This amendment also:

- Adds a section requiring the Industrial Commission, based on the results of the study, to either develop a timeline to complete the lease or the sale of the Western Area Water Supply Authority's assets or assist the Western Area Water Supply Authority in refinancing its outstanding debt through bonding, the same as the Senate version.
- Adds a section amending Section 61-40-05 to allow, under certain conditions, the Western Area Water Supply Authority to issue revenue bonds to repay its loan obligations to the Bank of North Dakota. The Senate version included the repayment of obligations to the State Water Commission.

House Bill No. 1020 - State Water Commission - House Action

	Base Budget	House Changes	House Version
Administrative and support services	\$5,535,618	\$100,154	\$5,635,772

Water and atmospheric resources	863,400,218	(127,322,401)	736,077,817
Minot flood control loan		110,000,000	110,000,000
Water authority debt payments		8,300,000	8,300,000
Total all funds	\$868,935,836	(\$8,922,247)	\$860,013,589
Less estimated income	868,935,836	(8,922,247)	860,013,589
General fund	\$0	\$0	\$0
FTE	97.00	(4.00)	93.00

Department 770 - State Water Commission - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Health Insurance Increases²	Removes 4 FTE Positions³	Increases Funding for the Bank of North Dakota Loan Repayment Program⁴	Adds Funding for the Agriculture Commissioner's Wildlife Services Program⁵	Adds Loan Funding for Minot Flood Control⁶
Administrative and support services	71,150	35,690				
Water and atmospheric resources	251,550	241,922	(753,720)	3,693,997	125,000	
Minot flood control loan						110,000,000
Water authority debt payments						
Total all funds	\$322,700	\$277,612	(\$753,720)	\$3,693,997	\$125,000	\$110,000,000
Less estimated income	322,700	277,612	(753,720)	3,693,997	125,000	110,000,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(4.00)	0.00	0.00	0.00

	Adds Funding From a Line of Credit for Water Projects⁷	Adds Funding for a Flood Hazard Risk Management Study⁸	Adjusts Funding for Agency Operations and Water Projects⁹	Water Authority Debt Payments¹⁰	Total House Changes
Administrative and support services			(6,686)		100,154
Water and atmospheric resources	75,000,000	50,000	(205,931,150)		(127,322,401)
Minot flood control loan					110,000,000
Water authority debt payments				8,300,000	8,300,000
Total all funds	\$75,000,000	\$50,000	(\$205,937,836)	\$8,300,000	(\$8,922,247)
Less estimated income	75,000,000	50,000	(205,937,836)	8,300,000	(8,922,247)
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	(4.00)

¹ Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

² Funding is added for increases in health insurance premiums from \$1,130 to \$1,249 per month.

³ Four FTE positions and related funding of \$753,720 are removed.

⁴ Funding of \$3,693,997 is added from the water development trust fund to provide a total of \$7,500,000 for loan payments on outstanding bonds that were refinanced during the 2015-17 biennium with the Bank of North Dakota.

⁵ Funding of \$125,000 from the resources trust fund is appropriated to the State Water Commission for the Agriculture Commissioner's wildlife services program. This is a reduction of \$125,000 from the 2015-17 biennium.

⁶ A section is added authorizing the State Water Commission to obtain a loan from the Bank of North Dakota and appropriating the proceeds to the State Water Commission for the construction of Phase 1 through 4 of the Minot flood control project.

⁷ Funding from a \$75 million line of credit from the Bank of North Dakota is added to make \$50 million available for water projects approved during the 2015-17 biennium and \$25 million for new water projects during the 2017-19 biennium.

⁸ Funding of \$50,000 from the resources trust fund is appropriated to the State Engineer to conduct a flood hazard risk management study.

⁹ Funding for the operations of the agency and water projects funding is adjusted to provide a total of \$299,875,000 for new water projects in the 2017-19 biennium from the resources trust fund and water development trust fund.

¹⁰ A section is added to provide an appropriation of \$8.3 million of oil and gas industry fresh water royalty income deposited in the resources trust fund to the State Water Commission for repaying state-guaranteed loans, which were made to entities that sell fresh water to oil and gas industry users, for the 2017-19 biennium. The section requires the State Water Commission to report to Legislative Management's Water Topics Overview Committee any funding made available and payments made on the state-guaranteed loans.

This amendment also adds sections:

- Identifying the cost of the health insurance premium increase.
- Designating funding from the water and atmospheric resources line item in Section 1 to various project types and authorizing funding transfers between the designations subject to Budget Section approval.
- Requiring the State Water Commission to use funding from the Bank of North Dakota line of credit for the Northwest Area Water Supply Project before any other funding source.
- Providing legislative intent that the State Water Commission not provide any additional funding for flood control projects within the city limits of Minot during the 2019-21, 2021-23, and 2023-25 bienniums.
- Directing the Bank of North Dakota to consolidate Western Area Water Supply Authority loans, which includes a \$19.5 million loan from the resources trust fund.
- Directing the State Water Commission to provide a payment, subject to Budget Section approval, to the Bank of North Dakota if the Western Area Water Supply Authority defaults on its loan.
- Amending North Dakota Century Code Section 57-51.1-07 relating to the allocation of money in the oil extraction tax development fund. The amendment reduces the percentage of the resources trust fund which is allocated to the renewable energy development fund from 5 to 3 percent and removes all allocations to the energy conservation grant fund.
- Amending Section 61-02-02 relating to definitions for the State Water Commission. The amendment adds definitions for "fresh water" and "oil and gas industry user".
- Amending Section 61-02-78 relating to the infrastructure revolving loan fund. The amendment limits the total oil extraction money deposited in the infrastructure revolving loan fund to \$25 million.
- Directing the State Treasurer to transfer on July 1, 2017, all extraction money exceeding \$25 million that has been deposited in the infrastructure revolving loan fund from the infrastructure revolving loan fund to the resources trust fund.
- Amending Section 61-02-79 relating to the State Water Commission line of credit with the Bank of North Dakota. The amendment authorizes the State Water Commission to obtain a \$75 million line of credit with the Bank of North Dakota for the 2017-19 biennium.
- Amending Section 61-40-11 relating to Western Area Water Supply Authority industrial water rates. The amendment requires the Industrial Commission to set industrial water rates that are at a competitive, floating, market rate for the Western Area Water Supply Authority.
- Creating two new sections to Chapter 61-02 relating to oil and gas industry fresh water royalties.
- Provides for a Legislative Management study on the effects on repayment of state-guaranteed debt by allowing private persons to lease the Western Area Water Supply Authority's industrial infrastructure and privatizing industrial water sales.
- Providing for a Legislative Management and State Engineer study relating to flood hazard risk management.

House Bill No. 1020 - State Water Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Administrative and support services	\$5,535,618	\$5,635,772	(\$2,586)	\$5,633,186
Water and atmospheric resources	863,400,218	736,077,817	(19,567,528)	716,510,289
Minot flood control loan		110,000,000	(110,000,000)	

Water authority debt payments		8,300,000	(8,300,000)	
Total all funds	\$868,935,836	\$860,013,589	(\$137,870,114)	\$722,143,475
Less estimated income	868,935,836	860,013,589	(137,870,114)	722,143,475
General fund	\$0	\$0	\$0	\$0
FTE	97.00	93.00	0.00	93.00

Department 770 - State Water Commission - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Adjusts Funding Available for Water Projects ²	Removes Funding for Flood Hazard Risk Management Study ³	Removes Funding from Minot Flood Control Loan ⁴	Removes Funding from Water Authority Debt Payments ⁵	Total Senate Changes
Administrative and support services	(2,586)					(2,586)
Water and atmospheric resources	(17,528)	(19,500,000)	(50,000)			(19,567,528)
Minot flood control loan				(110,000,000)		(110,000,000)
Water authority debt payments					(8,300,000)	(8,300,000)
Total all funds	(\$20,114)	(\$19,500,000)	(\$50,000)	(\$110,000,000)	(\$8,300,000)	(\$137,870,114)
Less estimated income	(20,114)	(19,500,000)	(50,000)	(110,000,000)	(8,300,000)	(137,870,114)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect this change.

² Funding of \$19,500,000 from the resources trust fund is removed as a result of the Senate changes to the refinancing of Western Area Water Supply Authority debt. The House included the refinancing of the \$19.5 million loan from the resources trust fund. The Senate provided for refinancing the \$25 million loan from the general fund.

³ Funding of \$50,000 from the resources trust fund is removed for a study by the State Engineer of flood hazard risk management added by the House.

⁴ The \$110 million loan authorization from the Bank of North Dakota provided by the House to the State Water Commission for the Minot flood control project is removed. The Senate included legislative intent that the state provide \$193 million during the 2017-19, 2019-21, 2021-23, and 2023-25 bienniums for the Mouse River flood control projects within the city limits of Minot.

⁵ The Senate removed Sections 5, 19, and 20 added by the House related to fresh water royalty payments. The removal of these sections reduces resources trust fund revenues by an estimated \$8.3 million which were appropriated to the State Water Commission.

This amendment also:

- Removes Section 3 which provided for a \$135,000 grant from the resources trust fund to the Game and Fish Department for law enforcement activities on sovereign lands in the state.
- Reduces water-related funding designations in Section 7 from \$299,875,000 to \$298,875,000 and combines the seven designations into three. The Senate designates \$147,125,000 for water supply, \$136,000,000 for flood control, and \$15,750,000 for general water.
- Removes Section 8 related to Northwest Area Water Supply Project funding.
- Removes Sections 9 and 10 related to a \$110 million loan authorization from the Bank of North Dakota and an appropriation of the loan proceeds to the State Water Commission for the Minot flood control project and legislative intent.
- Adds a section of legislative intent that the state provide no more than \$193 million of state funding for Mouse River flood control projects within the city limits of Minot during the 2017-19, 2019-21, 2021-23, and 2023-25 bienniums.
- Adds a section of legislative intent that the State Water Commission provide \$30 million to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project which is a 90 percent cost share.

- Changes Section 11 regarding the refinancing of Western Area Water Supply Authority debt, to remove the repayment of a \$19.5 million loan from the resources trust fund, but instead repay a \$25 million loan from the general fund. The section also changes the Western Area Water Supply Authority financial reporting from quarterly to monthly, directs the Western Area Water Supply Authority to abstain from repaying principal on loans from the resources trust fund from July 1, 2017, through June 30, 2018, and changes the interest rate on the \$10 million loan to the Western Area Water Supply Authority from 5 to 2.5 percent.
- Removes Sections 13 and 14 added by the House which appropriated \$50,000 to the State Engineer to conduct a flood hazard risk management study.
- Changes Section 15 to provide for a \$200,000 allocation from the resources trust fund to the energy conservation grant fund for the 2017-19 biennium and restores the allocation to \$1.2 million for subsequent bienniums. The House removed all allocations to the energy conservation grant fund.
- Changes Sections 17 and 21 to increase the total allocation to the infrastructure revolving loan fund from \$25 million as provided by the House to \$26 million.
- Changes Section 18 related to the interest rate of the line of credit from the Bank of North Dakota to the State Water Commission from "may not exceed 1.75 percent" to "1.5 percent over the 3 month London interbank offered rate which may not exceed three percent."
- Adds a section amending Section 61-29-06 to authorize the State Water Commission to issue temporary use permits within the confines of the Little Missouri Scenic River and all Little Missouri River tributary streams.
- Changes Section 20 to authorize the Industrial Commission to allow the Western Area Water Supply Authority to contract at competitive, floating, market rates for industrial water depot and lateral retail sales. The House version directed the Industrial Commission to set rates at the competitive, floating, market rate.
- Removes Section 22 regarding a Legislative Management study of the Western Area Water Supply Authority's industrial infrastructure.
- Adds a section for the Legislative Management to consider studying the industrial water use of the oil and gas industry.
- Adds an emergency clause.

House Bill No. 1020 - State Water Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Administrative and support services	\$5,535,618	\$5,635,772	(\$2,586)	\$5,633,186	\$5,633,186	
Water and atmospheric resources	863,400,218	736,077,817	(19,537,528)	716,540,289	716,510,289	30,000
Minot flood control loan		110,000,000	(110,000,000)			
Water authority debt payments		8,300,000	(8,300,000)			
Total all funds	<u>\$868,935,836</u>	<u>\$860,013,589</u>	<u>(\$137,840,114)</u>	<u>\$722,173,475</u>	<u>\$722,143,475</u>	<u>\$30,000</u>
Less estimated income	<u>868,935,836</u>	<u>860,013,589</u>	<u>(137,840,114)</u>	<u>722,173,475</u>	<u>722,143,475</u>	<u>30,000</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	97.00	93.00	0.00	93.00	93.00	0.00

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

	Adjusts Funding for Health Insurance Increases ¹	Adjusts Funding Available for Water Projects ²	Reduces Funding for Flood Hazard Risk Management Study ³	Removes Funding for Minot Flood Control Loan ⁴	Removes Funding for Water Authority Debt Payments ⁵	Total Conference Committee Changes
Administrative and support services	(2,586)					(2,586)
Water and atmospheric resources	(17,528)	(19,500,000)	(20,000)			(19,537,528)
Minot flood control loan				(110,000,000)		(110,000,000)
Water authority debt payments					(8,300,000)	(8,300,000)
Total all funds	<u>(\$20,114)</u>	<u>(\$19,500,000)</u>	<u>(\$20,000)</u>	<u>(\$110,000,000)</u>	<u>(\$8,300,000)</u>	<u>(\$137,840,114)</u>
Less estimated income	<u>(20,114)</u>	<u>(19,500,000)</u>	<u>(20,000)</u>	<u>(110,000,000)</u>	<u>(8,300,000)</u>	<u>(137,840,114)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

- ¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect this change, the same as the Senate version.
- ² Due to the refinancing of a \$25 million loan from the general fund, funding available from the resources trust fund is reduced by \$19.5 million, the same as the Senate version. The House included the refinancing of the \$19.5 million loan from the resources trust fund.
- ³ Funding for a State Engineer study is reduced from \$50,000 to \$30,000, of which \$15,000 is from the resources trust fund and \$15,000 is other funds received from Ward County. The House version included \$50,000 from the resources trust fund for a study by the State Engineer of flood hazard risk management for various counties. The Senate version removed the study.
- ⁴ A section of legislative intent is added that the state provide \$193 million during the 2017-19, 2019-21, and 2023-25 bienniums for Mouse River flood control projects within the city limits of Minot, the same as the Senate version. The House version included a \$110 million loan authorization from the Bank of North Dakota to the State Water Commission for Minot flood control projects, which is removed.
- ⁵ Funding is removed for fresh water royalty payments which were appropriated to the State Water Commission, the same as the Senate version.

This amendment also:

- Removes Section 3 which provided for a \$135,000 grant from the resources trust fund to the Game and Fish Department for law enforcement activities on sovereign lands in the state, the same as the Senate version.
- Removes Sections 5, 19, and 20 related to fresh water royalty payments, the same as the Senate version.
- Reduces water-related funding designations from \$299,875,000 to \$298,875,000 and combines the seven designations into the following four designations--\$120,125,000 for water supply, \$27,000,000 for rural water supply, \$136,000,000 for flood control, and \$15,750,000 for general water. The Senate version reduced water-related funding designations from \$299,875,000 to \$298,875,000 and combined the seven designations into the following three designations--\$147,125,000 for water supply, \$136,000,000 for flood control, and \$15,750,000 for general water. **The Governor vetoed portions of this section related to the requirement for the State Water Commission to obtain Budget Section approval to transfer funds between funding designations.**
- Removes Section 8 related to Northwest Area Water Supply Project funding, the same as the Senate version.
- Removes Sections 9 and 10 related to a \$110 million loan authorization from the Bank of North Dakota and an appropriation of the loan proceeds to the State Water Commission for the Minot flood control project and legislative intent, the same as the Senate version.
- Adds a section providing legislative intent that the state provide no more than \$193 million of state funding for Mouse River flood control projects within the city limits of Minot during the 2017-19, 2019-21, 2021-23, and 2023-25 bienniums, the same as the Senate version.
- Adds a section providing legislative intent that the State Water Commission provide \$30 million, of which \$17 million is for the completion of the planning and permitting process and \$13 million is to initiate construction of phase one prioritized project features, to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project for the 2017-19 biennium. The section also requires the Garrison Diversion Conservancy District to obtain Budget Section approval prior to changing funding between designations. The Senate version added a section providing legislative intent that the State Water Commission provide \$30 million to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project which is a 90 percent cost share.
- Adds a section relating to the Red River Valley Water Supply Project identifying accomplishments the Garrison Diversion Conservancy District must meet regarding the planning and permitting process and requiring certification from the State Water Commission and the State Engineer that those items are complete. The section also requires approval from the Budget Section of the certification and for construction to begin before the funding can be provided to the Garrison Conservancy District for the Red River Valley Water Supply Project. Neither the House nor the Senate version included this section.
- Changes the sections regarding the refinancing of Western Area Water Supply Authority debt, to remove the repayment of a \$19.5 million loan from the resources trust fund, but instead repay a \$25 million loan from the general fund. The section also changes the Western Area Water Supply Authority financial reporting from quarterly to monthly, allows the Western Area Water Supply Authority to pay only interest on loans from the resources trust fund from July 1, 2017, through June 30, 2018, and

changes the interest rate on the \$10 million loan to the Western Area Water Supply Authority from 5 to 2.5 percent, the same as the Senate version.

- Reduces the appropriation for the flood hazard risk management study from \$50,000 from the resources trust fund to \$30,000 of which \$15,000 is from the resources trust fund and \$15,000 is from other funds received from Ward County. The study includes only Ward County. The Senate version removed Sections 13 and 14 added by the House which appropriated \$50,000 to the State Engineer to conduct a flood hazard risk management study in a number of counties.
- Changes the section amending Section 57-51.1-07 to provide for a \$200,000 allocation from the resources trust fund to the energy conservation grant fund for the period August 1, 2017, through July 31, 2019, and restores the allocation to \$1.2 million effective August 1, 2019. The Senate version included the same allocation changes as the Conference Committee, except that the period was effective for July 1, 2017, through June 30, 2019, and restored the allocation to \$1.2 million effective after July 1, 2019. The House removed all allocations to the energy conservation grant fund.
- Adds a section amending Section 61-02-02(10), as amended by Section 3 of House Bill No. 1374 as approved by the 65th Legislative Assembly, related to the definition of water conveyance project, to be effective on August 1, 2017. Neither the House nor the Senate version included this section.
- Adds a section amending Section 61-02-08, as amended by Section 6 of House Bill No. 1374 as approved by the 65th Legislative Assembly, to designate the Governor as Chairman of the State Water Commission and provide the commission select the vice chairman, to be effective on August 1, 2017. Neither the House nor the Senate included this section.
- Amends Section 61-02-78(1) to increase the total allocation to the infrastructure revolving loan fund from \$25 million as provided by the House to \$26 million, and amends the section related to the transfer of funds exceeding the limit, the same as the Senate version.
- Amends Section 61-02-79 to change the interest rate of the line of credit from the Bank of North Dakota to the State Water Commission from 1.75 to 1.5 percent over the 3 month London interbank offered rate, which may not exceed 3 percent, the same as the Senate version.
- Adds a section amending a new section to Chapter 61-03, as created by Section 12 of House Bill No. 1374, as approved by the 65th Legislative Assembly to change the dollar threshold for which a project would require an economic analysis from \$750,000 to \$1,000,000, to be effective on August 1, 2017. Neither the House nor the Senate version included this section.
- Adds a section amending Section 61-29-06 to authorize the State Water Commission to issue temporary use permits within the confines of the Little Missouri Scenic River and all Little Missouri River tributary stream.
- Adds a section, contingent on Industrial Commission certification, that the Western Area Water Supply Authority issue bonds, to amend Section 61-40-05 to provide that for the purpose of issuing revenue bonds, the provisions of Chapters 40-35 and 40-36 apply to the extent necessary and consistent with Section 12 of this bill. The Senate version did not include the references to Chapters 40-35 and 40-36.
- Amends Section 61-40-11 to authorize the Industrial Commission to allow the Western Area Water Supply Authority to contract at competitive, floating, market rates for industrial water depot and lateral retail sales. The House version directed the Industrial Commission to set the rate at the competitive, floating, market rate.
- Removes the section relating to a Legislative Management study of the Western Area Water Supply Authority's industrial infrastructure, the same as the Senate version.
- Adds a section requiring the Legislative Management study the industrial water use of the oil and gas industry. The Senate version included the same study, but at the discretion of the Legislative Management.
- Adds a section directing the State Water Commission to present its 2019-21 biennium agency budget request to include a salaries and wages line item, operating expenses line item, capital assets line item, project carryover line item, and new projects line item. The commission may include additional lines if it determines them to be necessary. The section also directs the commission to present funding for projects in a manner consistent with the funding designations identified in the bill. Neither the House nor the Senate versions included these provisions. **The Governor vetoed this section.**
- Adds an emergency clause, the same as the Senate version.