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Title.

Prepared by the Legislative Council staff for  
the Senate Appropriations - Education and  
Environment Division Committee  
February 16, 2023

Fiscal No. 1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2016

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide a statement of legislative intent; to provide for a transfer; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, line 1 and 2 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$7,150,489	\$757,309	\$7,907,798
Operating expenses	3,048,313	251,148	3,299,461
Capital assets	224,046	19,500,000	19,724,046
Grants	210,916	374,776	585,692
Civil air patrol	309,125	78,030	387,155
Tuition, recruiting, and retention	3,042,235	320,000	3,362,235
Air guard contract	8,490,161	531,148	9,021,309
Army guard contract	48,203,473	2,971,364	51,174,837
Veterans' cemetery	1,325,998	69,290	1,395,288
Reintegration program	<u>925,524</u>	<u>(14,129)</u>	<u>911,395</u>
Total all funds	\$72,930,280	\$24,838,936	\$97,769,216
Less estimated income	<u>56,326,564</u>	<u>21,716,184</u>	<u>78,042,748</u>
Total general fund	\$16,603,716	\$3,122,752	\$19,726,468"

Page 2, replace lines 5 through 14 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$12,232,240	\$2,662,351	\$14,894,591
Operating expenses	6,502,334	1,313,233	7,815,567
Capital assets	660,000	300,000	960,000
Grants	14,550,000	13,868,000	28,418,000
Disaster costs	<u>51,485,736</u>	<u>165,448,359</u>	<u>216,934,095</u>
Total all funds	\$85,430,310	\$183,591,943	\$269,022,253
Less estimated income	<u>79,151,794</u>	<u>180,105,176</u>	<u>259,256,970</u>
Total general fund	\$6,278,516	\$3,486,767	\$9,765,283"

Page 2, replace lines 17 through 22 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$22,882,232	\$6,609,519	\$29,491,751
Grand total special funds	<u>135,478,358</u>	<u>201,821,360</u>	<u>337,299,718</u>
Grand total all funds	\$158,360,590	\$208,430,879	\$366,791,469
Full-time equivalent positions	222.00	11.00	233.00"

Page 2, line 23, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-NINTH LEGISLATIVE ASSEMBLY"

Page 2, line 24, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, remove lines 26 through 31

Page 3, replace lines 1 through 9 with:

"Emergency response equipment and supplies	\$100,000	\$660,000
Dickinson readiness center project	15,500,000	8,900,000
Military museum	10,000,000	0
Fraine Barracks automation system	320,000	0
Fargo readiness center equipment	100,000	0
Bridge training site	6,000,000	0
Camp Grafton expansion	3,500,000	0
Disaster response	887,873	0
Payroll expenses	1,000,000	0
State active-duty software	450,000	0
Camp Grafton housing	2,000,000	0
Deferred maintenance	1,000,000	0
Retirement payouts	0	275,000
Statewide interoperable radio network equipment	0	2,700,000
Camp Grafton billets	0	5,300,000
Minot airport hangar	0	60,000
State radio consoles	0	300,000
Williston readiness center project	0	2,600,000
Safeguarding Tomorrow through Ongoing Risk Mitigation Act	0	1,000,000
Disaster grants	0	<u>142,652,500</u>
Total all funds	\$40,857,873	\$164,447,500
Total other funds	<u>38,877,873</u>	<u>163,987,500</u>
Total general fund	\$1,980,000	\$460,000

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The adjutant general shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 3, after line 15, insert:

**"SECTION 4. 2021-23 BIENNIUM APPROPRIATION - TRANSFER - VETERANS' CEMETERY TRUST FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$26,656, which the office of management and budget shall transfer to the veterans' cemetery trust fund for the payment of adjusted compensation to veterans in accordance with provisions of section 12 of chapter 41 of the 2019 Session Laws, during the period beginning with the effective date of this Act, and ending June 30, 2023.

**SECTION 5. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND - ADJUTANT GENERAL.** The estimated income line item in subdivision 1 of section 1 of this Act includes \$16,800,000 from the federal state fiscal recovery fund, of which \$5,300,000 is for the construction of billets at Camp Grafton, \$8,900,000 is for the completion of the Dickinson readiness center, and \$2,600,000 is for the design and engineering of the Williston readiness center.

**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ADJUTANT GENERAL.** The estimated income line item in

subdivision 1 of section 1 of this Act includes \$2,700,000 from the strategic investment and improvements fund for statewide interoperable radio network equipment.

**SECTION 7. CYBERSECURITY GRANT PROGRAM.** The adjutant general may spend up to \$628,000 from the general fund in the grants line item in subdivision 2 of section 1 of this Act providing grants to political subdivisions for all or a portion of the required ten percent local match for cybersecurity enforcement.

**SECTION 8. EXEMPTION - MAINTENANCE AND REPAIRS - TRANSFERS.** Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer up to \$500,000 of appropriation authority to the operating expenses and capital assets line items contained in section 1 of this Act, as requested by the adjutant general to provide for the maintenance and repair of state-owned armories in this state during the biennium beginning July 1, 2023, and ending June 30, 2025. The adjutant general shall notify the legislative council of any transfers made pursuant to this section."

Page 3, replace lines 16 through 22 with:

**"SECTION 9. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2023, and ending June 30, 2025:

1. The sum of \$450,000 appropriated from the strategic investment and improvements fund for computer-aided dispatch equipment in section 12 of chapter 16 of the 2021 Session Laws;
2. The sum of \$3,042,235 appropriated from the general fund for tuition assistance, recruiting and retention incentives to eligible current and former members of the North Dakota national guard in subdivision 1 of section 1 of chapter 16 of the 2021 Session Laws;
3. The sum of \$80,000 appropriated from the general fund and \$240,000 of federal funds for the Fraine Barracks automation system in subdivision 1 of section 1 of chapter 16 of the 2021 Session Laws;
4. The sum of \$15,500,000 appropriated from federal funds for the construction of the Dickinson readiness center in subdivision 1 of section 1 of chapter 16 of the 2021 Session Laws;
5. The sum of \$6,000,000 appropriated from federal funds for the line of communication bridge training site in subdivision 1 of section 1 of chapter 16 of the 2021 Session Laws;
6. Any amounts remaining from the National Guard training area and facility development trust fund and the strategic investment and improvements fund for the expansion of Camp Grafton in section 3 and section 14 of chapter 16 of the 2021 Session Laws;
7. Any amounts remaining for the purpose of defraying COVID-19 and other expenses in subdivision 7 of section 1 of chapter 27 and subdivision 7 of section 2 of chapter 28 of the 2021 Session Laws;

8. Any amounts remaining from the federal state fiscal recovery fund for replacing the state active duty software and maintenance in subsection 24 of section 1 of chapter 550 of the 2021 Special Session Session Laws; and
9. Any amounts remaining from the federal state fiscal recovery fund for enhancing housing at Camp Grafton in subsection 31 of section 1 of chapter 550 of the 2021 Special Session Session Laws.

**SECTION 10. CAMP GRAFTON - LEGISLATIVE INTENT.** It is the intent of the sixty-eighth legislative assembly that:

1. The adjutant general contract for the purchase or long-term lease of land for the Camp Grafton expansion, including the purchase of no more than one thousand six hundred acres and the long-term lease of the remainder, not to exceed six thousand acres in total.
2. The adjutant general not use eminent domain for the expansion of Camp Grafton.

**SECTION 11. GIFTS, DONATIONS, AND BEQUESTS - NORTH DAKOTA MILITARY MUSEUM.** The adjutant general may accept gifts, grants, and donations, including those from private and federal sources, and deposit the funds in the state treasury for the construction of a North Dakota military museum during the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 12. EMERGENCY.** The sum of \$628,000 in the grants line item of subdivision 2 of section 1 of this Act and sections 4 and 7 of this Act are declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2016 - Summary of Senate Action**

	Base Budget	Senate Changes	Senate Version
Adjutant General			
Total all funds	\$72,930,280	\$24,838,936	\$97,769,216
Less estimated income	56,326,564	21,716,184	78,042,748
General fund	\$16,603,716	\$3,122,752	\$19,726,468
FTE	152.00	4.00	156.00
Department of Emergency Services			
Total all funds	\$85,430,310	\$183,591,943	\$269,022,253
Less estimated income	79,151,794	180,105,176	259,256,970
General fund	\$6,278,516	\$3,486,767	\$9,765,283
FTE	70.00	7.00	77.00
Bill total			
Total all funds	\$158,360,590	\$208,430,879	\$366,791,469
Less estimated income	135,478,358	201,821,360	337,299,718
General fund	\$22,882,232	\$6,609,519	\$29,491,751
FTE	222.00	11.00	233.00

**Senate Bill No. 2016 - Adjutant General - Senate Action**

	<b>Base Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$7,150,489	\$757,309	\$7,907,798
Operating expenses	3,048,313	251,148	3,299,461
Capital assets	224,046	19,500,000	19,724,046
Grants	210,916	374,776	585,692
Civil air patrol	309,125	78,030	387,155
Tuition, recruiting, and retention	3,042,235	320,000	3,362,235
Air guard contract	8,490,161	531,148	9,021,309
Army guard contract	48,203,473	2,971,364	51,174,837
Veterans' cemetery	1,325,998	69,290	1,395,288
Reintegration program	925,524	(14,129)	911,395
<b>Total all funds</b>	<b>\$72,930,280</b>	<b>\$24,838,936</b>	<b>\$97,769,216</b>
Less estimated income	56,326,564	21,716,184	78,042,748
<b>General fund</b>	<b>\$16,603,716</b>	<b>\$3,122,752</b>	<b>\$19,726,468</b>
FTE	152.00	4.00	156.00

**Department 540 - Adjutant General - Detail of Senate Changes**

	<b>Adds Funding for the Cost to Continue Salaries<sup>1</sup></b>	<b>Adds Funding for Salary and Benefit Increases<sup>2</sup></b>	<b>Adds FTE Positions for Dickinson Readiness Center<sup>3</sup></b>	<b>Adds FTE Position for Air National Guard Security Forces<sup>4</sup></b>	<b>Adds Funding for ITD Increases<sup>5</sup></b>	<b>Adjusts Funding Between Line Items<sup>6</sup></b>
Salaries and wages	\$201,801	\$472,422				(\$6,914)
Operating expenses			\$183,500		\$27,457	40,191
Capital assets						
Grants						
Civil air patrol		12,057				1,058
Tuition, recruiting, and retention						
Air guard contract		383,510		\$142,638		
Army guard contract		1,123,941	153,088			9,335
Veterans' cemetery		69,290				
Reintegration program		53,519				(67,648)
<b>Total all funds</b>	<b>\$201,801</b>	<b>\$2,114,739</b>	<b>\$336,588</b>	<b>\$142,638</b>	<b>\$27,457</b>	<b>(\$23,978)</b>
Less estimated income	313,326	1,453,734	161,794	142,638	18,670	(23,978)
<b>General fund</b>	<b>(\$111,525)</b>	<b>\$661,005</b>	<b>\$174,794</b>	<b>\$0</b>	<b>\$8,787</b>	<b>\$0</b>
FTE	0.00	0.00	3.00	1.00	0.00	0.00

	<b>Adds Funding for Armory Rent Increases<sup>7</sup></b>	<b>Adds Funding for Civil Air Patrol Operating Costs Increase<sup>8</sup></b>	<b>Adds Funding for ND1000 Recruiting Program<sup>9</sup></b>	<b>Adds Funding for State Active Duty Training Funds<sup>10</sup></b>	<b>Adds Funding for Maintenance and Repairs<sup>11</sup></b>	<b>Adds One-Time Funding for Leave Payouts<sup>12</sup></b>
Salaries and wages						\$90,000
Operating expenses						
Capital assets						
Grants	\$374,776					
Civil air patrol		\$4,915				
Tuition, recruiting, and retention			\$320,000			
Air guard contract						5,000
Army guard contract				\$40,000	\$1,500,000	145,000
Veterans' cemetery						
Reintegration program						
<b>Total all funds</b>	<b>\$374,776</b>	<b>\$4,915</b>	<b>\$320,000</b>	<b>\$40,000</b>	<b>\$1,500,000</b>	<b>\$240,000</b>
Less estimated income	0	0	0	0	0	150,000
<b>General fund</b>	<b>\$374,776</b>	<b>\$4,915</b>	<b>\$320,000</b>	<b>\$40,000</b>	<b>\$1,500,000</b>	<b>\$90,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for National Guard Capital Assets <sup>13</sup>	Adds One-Time Funding for Hanger Purchase <sup>14</sup>	Total Senate Changes
Salaries and wages			\$757,309
Operating expenses			251,148
Capital assets	\$19,500,000		19,500,000
Grants			374,776
Civil air patrol		\$60,000	78,030
Tuition, recruiting, and retention			320,000
Air guard contract			531,148
Army guard contract			2,971,364
Veterans' cemetery			69,290
Reintegration program			(14,129)
Total all funds	\$19,500,000	\$60,000	\$24,838,936
Less estimated income	19,500,000	0	21,716,184
General fund	\$0	\$60,000	\$3,122,752
FTE	0.00	0.00	4.00

<sup>1</sup> Funding is added for the cost to continue 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:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$444,962	\$901,530	\$1,346,492
Health insurance increase	216,043	552,204	768,247
Total	\$661,005	\$1,453,734	\$2,114,739

<sup>3</sup> Funding of \$336,588, including \$174,794 from the general fund and \$161,794 from other funds, is added for 3 FTE positions (\$153,088) and related operating expenses (\$183,500). Funding for these positions begins in January 2025.

<sup>4</sup> Funding of \$142,638 is added for 1 FTE Air National Guard security forces position from federal funds.

<sup>5</sup> Funding is added for Information Technology Department rate increases.

<sup>6</sup> Funding is adjusted between line items for base budget changes.

<sup>7</sup> Funding is added from the general fund for rent increases at the seven city-owned armories.

<sup>8</sup> Funding is added from the general fund for Civil Air Patrol fuel cost increases (3 percent).

<sup>9</sup> Funding of \$320,000 is added from the general fund for the ND1000 recruiting program.

<sup>10</sup> Funding is added from the general fund for state active duty training related to wildland fire training.

<sup>11</sup> Funding is added from the general fund for necessary repairs and updates to National Guard facilities statewide.

<sup>12</sup> One-time funding is added for accrued leave payouts for retirements.

<sup>13</sup> Funding of \$19.5 million is added for National Guard capital assets. Funding of \$2.7 million is from the strategic investment and improvements fund for statewide interoperable radio network equipment. Funding of \$16.8 million is from the federal State Fiscal Recovery Fund, of which \$5.3 million is for the construction of billets at Camp Grafton, \$8.9 million is for the completion of the Dickinson Readiness Center, and \$2.6 million is for the design and engineering for the Williston Readiness Center.

<sup>14</sup> One-time funding is added from the general fund to purchase a hangar at the Minot airport for the Civil Air Patrol.

**Senate Bill No. 2016 - Department of Emergency Services - Senate Action**

	<b>Base Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$12,232,240	\$2,662,351	\$14,894,591
Operating expenses	6,502,334	1,313,233	7,815,567
Capital assets	660,000	300,000	960,000
Grants	14,550,000	13,868,000	28,418,000
Disaster costs	51,485,736	165,448,359	216,934,095
<b>Total all funds</b>	<b>\$85,430,310</b>	<b>\$183,591,943</b>	<b>\$269,022,253</b>
Less estimated income	79,151,794	180,105,176	259,256,970
General fund	\$6,278,516	\$3,486,767	\$9,765,283
<b>FTE</b>	<b>70.00</b>	<b>7.00</b>	<b>77.00</b>

**Department 542 - Department of Emergency Services - Detail of Senate Changes**

	<b>Adds Funding for the Cost to Continue Salaries<sup>1</sup></b>	<b>Adds Funding for Salary and Benefit Increases<sup>2</sup></b>	<b>Adds Funding for Watch Center<sup>3</sup></b>	<b>Adds FTE Position for State Radio<sup>4</sup></b>	<b>Adjusts Funding for State Radio FTE<sup>5</sup></b>	<b>Adjusts Funding Between Line Items<sup>6</sup></b>
Salaries and wages	\$84,442	\$952,117	\$1,233,992	\$255,456		\$101,344
Operating expenses			234,600			(77,367)
Capital assets						
Grants						
Disaster costs		63,448				
<b>Total all funds</b>	<b>\$84,442</b>	<b>\$1,015,565</b>	<b>\$1,468,592</b>	<b>\$255,456</b>	<b>\$0</b>	<b>\$23,977</b>
Less estimated income	(118,473)	615,865	0	102,182	(168,286)	23,977
General fund	\$202,915	\$399,700	\$1,468,592	\$153,274	\$168,286	\$0
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>6.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>

	<b>Adds Funding for ITD Increases<sup>7</sup></b>	<b>Removes Funding for Federal Equipment<sup>8</sup></b>	<b>Adds Funding for Homeland Security Grants<sup>9</sup></b>	<b>Adds One-Time Funding for Leave Payouts<sup>10</sup></b>	<b>Adds One-Time Funding for STORM Act<sup>11</sup></b>	<b>Adds One-Time Funding for Capital Assets<sup>12</sup></b>
Salaries and wages				\$35,000		
Operating expenses	\$156,000				\$1,000,000	
Capital assets		(\$660,000)				\$960,000
Grants			\$13,240,000			
Disaster costs						
<b>Total all funds</b>	<b>\$156,000</b>	<b>(\$660,000)</b>	<b>\$13,240,000</b>	<b>\$35,000</b>	<b>\$1,000,000</b>	<b>\$960,000</b>
Less estimated income	0	(660,000)	13,240,000	25,000	1,000,000	660,000
General fund	\$156,000	\$0	\$0	\$10,000	\$0	\$300,000
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	<b>Adds One-Time Funding for Disaster Grants<sup>13</sup></b>	<b>Adds Funding for Cybersecurity Grant Program<sup>14</sup></b>	<b>Adds Funding for Disaster Grants<sup>15</sup></b>	<b>Total Senate Changes</b>
Salaries and wages				\$2,662,351
Operating expenses				1,313,233
Capital assets				300,000
Grants		\$628,000		13,868,000
Disaster costs	\$142,652,500		\$22,732,411	165,448,359
<b>Total all funds</b>	<b>\$142,652,500</b>	<b>\$628,000</b>	<b>\$22,732,411</b>	<b>\$183,591,943</b>
Less estimated income	142,652,500	0	22,732,411	180,105,176
General fund	\$0	\$628,000	\$0	\$3,486,767
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7.00</b>

<sup>1</sup> Funding is added for cost to continue 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:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$275,621	\$413,698	\$689,319
Health insurance increase	<u>124,079</u>	<u>202,167</u>	<u>326,246</u>
Total	\$399,700	\$615,865	\$1,015,565

<sup>3</sup> Funding of \$1,468,592 is added from the general fund for 6 FTE positions (\$1,233,992) and operating costs (\$234,600) for establishment of a State Watch Center.

<sup>4</sup> Funding of \$255,456 is added for 1 FTE operations manager position for State Radio.

<sup>5</sup> Funding is adjusted for 2 FTE State Radio dispatch positions previously funded by local matching funds.

<sup>6</sup> Funding is adjusted between line items for base budget changes.

<sup>7</sup> Funding is added from the general fund for Information Technology Department administrative cost increases.

<sup>8</sup> Ongoing federal funding is removed for disaster response equipment (added as one-time funding in footnote 12 below).

<sup>9</sup> Funding of \$13.24 million is added for increases in federal Emergency Management Performance, Homeland Security, and HazChem grants.

<sup>10</sup> One-time funding is added for accrued leave payouts for retirements.

<sup>11</sup> One-time funding from the state disaster relief fund is added for the Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act to provide the 10 percent required match for a loan program utilized through the Federal Emergency Management Agency.

<sup>12</sup> One-time funding from the general fund is added for the replacement of State Radio consoles (\$300,000) and from federal funds for disaster response equipment (\$660,000).

<sup>13</sup> One-time funding of \$142,652,500 is added for disaster costs, of which \$136,947,500 is from federal funds and \$5,705,000 is from the state disaster relief fund. Funding from presidential disaster declarations include the 2022 spring storm (\$47,600,000), COVID-19 hazard mitigation (\$64,500,000), 2022 winter storm (\$2,847,500), and 2022 Building Resilient Infrastructure and Communities (\$22,000,000).

<sup>14</sup> Funding of \$628,000 is added from the general fund for the cybersecurity grant program to provide a local 10 percent match.

<sup>15</sup> Funding is added from federal funds for disaster costs.

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This amendment also:

- Allows 2021-23 biennium unexpended authority for the Fraine Barracks automation system, Dickinson Readiness Center construction, communication bridge training site, COVID-19 response line item, state active-duty software and maintenance, tuition assistance, computer-aided dispatch equipment, Camp Grafton housing enhancements, and the purchase of options to purchase or lease land for the expansion of Camp Grafton into the 2023-25 biennium.
- Adds a section to continue legislative intent for the Adjutant General to purchase options for the purchase or lease of land for the expansion of Camp Grafton.
- Identifies \$16.8 million from the federal State Fiscal Recovery Fund, of which \$5.3 million is for construction of billets at Camp Grafton, \$8.9 million is for the completion of the Dickinson Readiness Center, and \$2.6 million is for the design and engineering of a new Williston Readiness Center.
- Identifies \$2.7 million from the strategic investment and improvements fund for statewide interoperable radio network equipment.
- Adds a section to provide a transfer of \$26,656 of unexpended funding from the general fund for payment of adjusted compensation to veterans.
- Adds a section to provide an emergency clause related to \$628,000 for the cybersecurity grant program.