

2017 SENATE APPROPRIATIONS

SB 2025

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025/SB 2085
1/6/2017
Job # 26649

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mary Munder for Rose Tanning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Testimony Attached # 1 - 4

Legislative Council: Levi Kinnischtzke
OMB: Lori Laschkewitsch

Chairman Holmberg called the committee to order on SB 2025/SB 2085.

Cathy Halgunseth, Executive Assistant, Department of Veterans Affairs
Testimony Attached # 1. Testified in favor of SB 2025/2085.

(2:10) Senator Robinson: How many veterans are waiting for service dogs awaiting funding right now.

Cathy Halgunseth: I will defer to the Commissioner on that.

Lonnie Wangen: I sit on the board. We have 4 that are waiting for dogs. Have two more that are already approved and going thru training.

Senator Robinson: How many are waiting for funding from the new biennium?

Lonnie Wangen: Four. It is \$50,000 for 4.

Senator Robinson: It would cover those that are waiting?

Lonnie Wangen: Yes.

Cathy Halgunseth: (continued with testimony)

Senator Grabinger: (8:09) How many FTEs do you have and you mentioned the rent. What do you pay per month?

Cathy Halgunseth: We have 8 and one with a state approved agency, so a total of 9. We were able to renegotiate our rental lease. We closed our Bismarck branch office and moved to Fargo to a floor above current office and tied all ITD costs together. We pay \$11/sq ft for rental, \$2200.00 per month, and extended the lease to 2023.

Senator Robinson: Are you in the same office for a number of years now?

Cathy Halgunseth: Yes, since 2009.

Lonnie Wangen, Commissioner of Veteran's Affairs for State of North Dakota:
(11:30) Testimony Attached # 2. Testified in favor of SB 2025/2085.

Revenue producing agency. Spoke from page 5 explaining the Optional Requests included by the Governor. The service dogs for the Veterans is from grant money and it is \$50,000 for 4 dogs. (1/2 for 2 dogs-other is fund raising).

Senator Robinson: (14:30) Beginning July 1, if the money is not in the budget, will there be any money for service dogs?

Lonnie Wangen: No

Senator Robinson: There are 4 vets waiting?

Lonnie Wangen: Yes.

Asked that VSO (Veterans Service Officer) programs be restored. The dogs are not therapy dogs they are service dogs. Another important part of our program is our temp employees. They help us do our job the way it should be done.

Asking for AmeriCorps people – through grant. We would like 3-5 people full time for 3 years straight to come in and work with us. We need to have some kind of service on every campus in the state through some kind of an AmeriCorps program.

We use Facebook and Twitter through marketing and advertising to get the word out to our veterans that we are here to help. We need at least 2 vans to be replaced also. It will be 10 years before we qualify to get a free one again.

PWTF = Post War Trust Fund-we are in need of a higher principal balance.

That brings us to the end of the appropriations. I am happy to answer any questions.

Senator G. Lee: #6 NSO officers (25:00) What's difference between VSO and NSO?

Lonnie Wangen: Every county has to have a Veteran Service Officer(VSO). That VSO will help you with your claim and submit it to the NSO which is National Service Officer and they finish the claim and helps the VSO with records to VA and put in proper claim to VA. If it was all VSO, it would be a lot of running around going on. There are hearings on behalf of that veteran.

Senator G. Lee: (27:30) The VSO would start the claim and if we don't fund it, the county service officer would do the work?

Lonnie Wangen: No. They would have to send to our office and we'd take care of it.

Senator Dever: Dealing with agent orange, I was under the understanding that it was a stand-alone bill last time.

Lonnie Wangen: Yes, it was and this time we put it in as an optional to be funded that way.

Senator Dever: They thought that would be the end of those efforts at the end of this biennium.

Lonnie Wangen: Yes, that is correct. They did accomplish their mission and wanted me to pass along a thank you for doing that. It greatly helped their efforts.

Senator Dever: I am curious about the office in Bismarck and the two employees that were with it. I assume the positions have been filled in the Fargo office. The State Approving Agency I assume then would be a full time position and since those dollars are Federal dollars they are not used for any other purpose.

Lonnie Wangen: Yes, they have been filled.

Senator Dever: Since you don't have the Bismarck office and you don't have travel dollars, how are vets being served across the state?

Lonnie Wangen: They are still being served by the county service office. If there is something they need, we try to cover it.

Senator Dever: The \$750 million dollars coming to the state then I assume is an effort of the VSO and NSO plus your office?

Lonnie Wangen: Yes

Senator Dever: Is there a breakdown of each of those?

Lonnie Wangen: Yes, those figures are available.

Senator Dever: That doesn't provide indication of VSO vs. NSO amounts of each. You also have on your website a 501c3 where people can contribute. How is that money used?

Lonnie Wangen: We have several donation groups and the money is used for the veterans and in some instances there is some for the dogs and federal grants and what not.

Chairman Holmberg: Any other testimony?

David Johnson, Department Adjutant, North Dakota American Legion:
Testimony Attached # 3 North Dakota Veterans Coordinating Council pamphlet
Testimony Attached # 4 NDVCC Legislative Issues 2017
No written testimony.

VSO grant is #1 priority. We're seeing a decrease in funding to veterans. The NSOs are really the experts.

Senator G. Lee: Where are you located?

David Johnson: We are on the 2nd floor in Fargo same building. They directly support the veterans through this office.

Chairman Holmberg: Any more testimony? None. Closed the hearing on SB 2025/2085

Sub-committee: Senators Kilzer, Dever and Robinson.

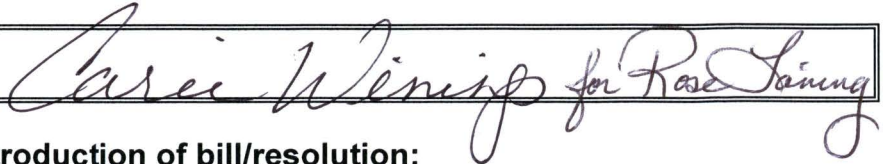
2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025
1/27/2017
Job # 27525

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Testimony Attached # 1 – 3.

Legislative Council: Levi Kinnischtzke
OMB: Lori Laschkewitsch

Senator Kilzer: Called the sub-committee to order on SB 2025. Senators Dever and Robinson were also present.

He handed out Recommendation Comparison Summary – Testimony Attached # 1.

Said the new governor's ideas have come forth and asked Lonnie to step forward and tell us how it affects their budget.

Levi Kinnischtzke handed out Dept. of Veterans' Affairs – Base Level Funding Changes – Testimony Attached # 2.

Lonnie Wangen, North Dakota Commissioner of Veterans' Affairs:

There are a few things that are very concerning. The 5% health insurance is a real concern. We have an employee right now who has been offered another position but it is just a little bit over what he would get over there with the health insurance I may end up losing the employee because of that. And we do have a hiring freeze coming up. I am also not clear about what the Governor was proposing in removing one FTE from the Department of Veteran's Affairs; when we only have 8 employees that are on the general fund. One of our employees is fully funded by federal dollars. I have been playing phone tag with Lori Laschkewitsch from legislative council to get that answered. It is quite a strike to a small agency that does a lot for the veterans of North Dakota and continues to do more as has been discussed in the past since the service organizations are having trouble funding their national service officers. We don't want to be losing any employees if the numbers start to go down with the other organizations.

(4:45) Lonnie Wangen: Handed out the Transportation Van sheet – Testimony Attached # 3. We need at least 2 vans in the next biennium so that would be an extra \$15,000 per van. We do have some grants that help pay for the other half of the vans.

(5:558) Senator Kilzer: There were two budgets, one was killed so we are working off of SB 2025.

Lonnie Wangen: I believe SB 2085 had the recommendation of 1 van. I am not sure that is in SB 2025. The other areas that are very crucial and not large amounts would be the funding for the stand downs. As I have testified in the past, we go up to \$5000 for a stand down in matching funds to help organizations to put stand downs across the state. That is enough money for 4 stand downs – Bismarck, Minot, Bottineau, and Dickinson. We want to keep those going to serve our most needy veterans. We also need the funding for the facilities and equipment where our volunteers and people that are funded by other organizations. I am right now finishing up a grant with the Americore Vista and I could get 4 Americore Vista's in my office for up to 3 years. Our portion of that is to cover the IT costs. It is an incredible amount of labor that we will get to address the needs of our veterans on campuses.

In regards to the Service Dogs program. It is taking off and they are doing wonderful things. It was unfortunate that we couldn't get one of the veterans with a dog here today. I know you have all visited with them in the past. They have been very successful and they have really good stories. It is not a cure all but it is one very important tool in the tool box. It is the last tool that we want to grab for that veteran. There is a demand going up on that and we very empathetically request that you take a serious look at the service dogs. We really need that to continue.

Senator Robinson: In the 17'-19' budget, do we have money for 4 service dogs or do we not? Do we have to put it in or is the money needed or already there?

Lonnie Wangen: No, the money was not in there. It was considered one-time funding and it was not put in by either governor.

Senator Robinson: How many veterans do we have waiting for a service dog?

Jenny BrodKorb, Executive Director, Service Dogs for America, North Dakota: Currently we have 4 veterans that are scheduled for training now that would not have funding through the previous biennium funding that we have had. We have 9 pending applications for North Dakota veterans and those usually take about 3 to 6 months to resolve. We have 13 outside the state requests.

Senator Robinson: how many have been placed to date and have they all been successful?

Jen BrodKorb: We have placed 8 dogs. We have 7 successful placements and had to remove 1 dog because the veteran was not capable of caring for the dog.

Senator Dever: It is great that we do it, but it seems to me that it should be a federal obligation. Is there any discussion on their part regarding service dogs?

Jen BrodKorb: There are federal opportunities out there as a matter of fact our current development director has a little federal opportunity through a Department of Defense grant. The move is toward service dogs for military. The benefit far exceeds having a dog on a leash. We are talking about saving lives and dogs that establish freedom for men and women

that gave us hours. This dog is trained for PTSD and mobility issues. There are a lot of veterans that come back that suffer from mobility issue or Traumatic Brain Injury. They are trained in detecting seizures.

Senator Dever: So, the Department of Defense grants that you mentioned, are they specifically for the purpose of a service dog?

Jen BrodKorb: They are specifically of a service dog but they are not specific to PTSD.

Senator Dever: So the VA recognizes some responsibility?

Jen BrodKorb: The VA will not and is not able to determine whether or not one of their veterans needs a service dog outside of a seeing eye/guide dog.

Senator Robinson: Are we receiving any funds from the VA that can be directed to service dogs? If we are able to come up with the money to fund 4, will there be any other dollars available from the VA for this program?

Jen BrodKorb: Not in this biennium for a North Dakota veterans. We've already used the money from the current budget.

Senator Kilzer: Was their money in past for this program from the feds?

Jen BrodKorb: No, not for us.

Lonnie Wangen: Worked with General Shinseki with the VA and he was very excited about what we are doing in North Dakota when this program started and I kept him updated. I had Robert McDonald who replaced him and he was interested, and now I have Dr. Schulkin. We can work with feds to make this a national program. With the success we have in North Dakota, it is my intent to keep advising the Secretary of the VA about what is going on here so that it can be covered. But, at this time the federal VA does not have approval for this. (16:00) (Returned to overview comments.) We need the vans, we need the stand downs, we need the dogs, and we would really like to see some funding for our temps. One temp for about \$5000 a year is a good value. The other part that is a little bit tougher pill to swallow for someone with our budget is some kind of funding for our National Service Officers. I am not asking to make them employees of our agency as many state do. They will give grants to them to maintain their staff. In the last budget request, the veterans are asking for \$400,000 and that would fully fund the VSO's up there that are teetering on the edge of not having enough funds to maintain those positions. Those organizations have tried many other things to gain funds and they just don't see it working out in the future. It is the responsibility of the state to take care of those positions. However, these organizations have done it on their own so we did not have to in the past. It is not like we are taking over from them; they've been filling the positions for us.

Senator Kilzer: Were these partially financed by Veterans service organizations?

Lonnie Wangen: Actually, these are all fully funded by the veteran's service organizations in North Dakota. In Montana it's all state funding. In the state of Washington, they give grants

to these service organizations. Saves them the FTE package. Most have some kind of grant program. It is different in every state. The majority of states do seem to have some kind of grant program. It is something that is worthy of having further discussions to see what can be done to keep those very important positions. They are the rubber that meets the road that gets the work done and brings the money into the state.

Senator Dever: In regards to the NSO's, somewhere I've seen list of states that provide some funding. Do you have that available?

Lonnie Wangen: That is something that we provided last session. I would have to get that for you.

Senator Dever: Are you talking 4?

Lonnie Wangen: Right now we have the American Legion, VFW, and the DAV. The Am vets pulled up stakes a couple of years ago.

Senator Dever: You are saying that \$400,000 would fund those 3 for a biennium?

Lonnie Wangen: We believe that would be enough to supplement their income and pay the majority of the cost of having them there.

Senator Kilzer: I know your first concern was the 5% health insurance premium that would be required to be paid by the state employees. That option is still very much up in the air and to be frank, the Republican caucus is not excited about initiating a program where the employee is responsible for the 5% of the premium, however insurance costs are going up. We have to look at the other alternatives. In our caucus, it could well be an increase in the deductible and possibly co-pays, but nothing is finalized.

Lonnie Wangen: I appreciate the clarity on that.

Senator Dever: There's a couple of things that we could discuss next time. I am curious about that one position that you're being asked to eliminate, and what one it might be or which function of the office that might represent? Also, there are two changes since the last biennium, one is regarding the state approving agency that was moved from the university system to your office. How is that going? I do not have a strong understanding of what the function of that is. I assume it is a full time person in your office; one of the 9 FTEs you have currently? The other thing that has changed in the last two years is that you no longer have an office in Bismarck and I am curious how those services are being offered across state from Fargo.

Lonnie Wangen: As far as closing the Bismarck office, we went down to less than 2/3 the cost for rent on that. With the budget cuts as well as the trouble we were having filling both positions we had in Bismarck. It made more sense to have it in Fargo. It has worked out wonderfully. The state approving agency does the GI bill for colleges and will help them with on the job training. They do that for the federal VA. They look at the management programs and the school curriculums to make sure they meet the federal standards and criteria. The

same thing for apprenticeships with the railroad, plumbing, electricians etc. You can use those GI benefits to do that apprenticeship. They are about the whole education part.

Senator Dever: Do you know how many veterans are served by that?

Lonnie Wangen: Right now, I would say there are at least 2,000 in the schools. I can get you a better number for that as we move forward. Now the GI bill has expanded to family.

Senator Dever: When we talk to the university system about giving credit for military service, would that position be involved in that some of those discussions?

Lonnie Wangen: Yes, that position would be representing myself. Also in MC board, which is the multi-state collaboration for military credit where North Dakota is one of the only states that does not have that. It is where you can get out of the military and look at all the schools and decide to go for a specific field of study and based on your MOS etc., you would have a list of classes you can CLEP out of and your GI bill is good. It is in the lap of the SAA to make that happen.

Senator Kilzer: Closed the subcommittee discussion on SB 2025.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025 (Subcommittee)
2/9/2017
JOB # 28161

Subcommittee
 Conference Committee

Committee Clerk Signature

Sandy Baumgartner for Chris DeLuzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for the Department of Veterans Affairs.

Minutes:

1. Change Package Summary

Chairman Kilzer called the Subcommittee to order on SB 2025 at 3:45 pm in the Harvest Room. Levi Kinnischtzke, Legislative Council and Becky J. Keller, OMB were also present. This is a telephone conference call with Commissioner Wangen.

Chairman Kilzer: Are you ready for the gavel? The clerk will call the roll so you know who is here. Roll call was taken: Senator Robinson, Senator Dever and Chairman Kilzer. All were present.

Lonnie Wangen, Commissioner of Department of Veterans Affairs. This is for restoration of the base funding, with IT in mind, funding for the stand downs, and the service dogs for the veterans. We discussed the NSO funding and need for temp employees, and also the van funding. With the way the budget is, we realize the other things on the list probably will not be considered. But these are some very important programs that we need funding for. As I talked with the temp employees, I had since 2011 been working on some AmeriCorps Vista and I made it to the final end of the grant program here this fall and beginning of the winter. I believe I sent an email to the 3 senate members in the room today. On the 31st, I received confirmation that we were approved for the program. Which means that the Merit core group will start recruiting. We have been awarded 4 positions. They are covered as far as everything goes as far as payroll. What they want from us is office space, which we have. But to cover the IT and the phone lines for a year would be \$5000 to purchase a computer for them and take care of their IT needs. The last time we visited we had not been awarded the grant, but now it is awarded. Any questions?

Chairman Kilzer: I don't see any questions at the moment. What happens if you don't receive the \$5000?

Commissioner Wangen: Originally we thought we could make it happen with our budget. And then we didn't do the change how the support goes for IT, and we have to pay the monthly fees. That coming into consideration, we were hoping to ask for some funding. But

when I originally started this awhile back there wouldn't have been those extra IT fees. It would have been just a small fee to get an Outlook calendar for them if we got a computer. We were going to use some older laptops and things have changed. Now to have somebody here you have to purchase the computer through ITV and then pay the monthly fee. We estimated it about \$5000 each. It's for 3 years. Each person is there for a year, the 2nd year and 3rd year should be much less since the computer that was purchased wouldn't have to be purchased again. It would just go to the next Vista person for the 2nd and 3rd years. It would just be the ITV cost of keeping them maintained.

Chairman Kilzer: Do you see that money coming from other sources besides the general fund?

Commissioner Wangen: If we can't get it from general fund, I will have to go out begging for it from organizations.

Chairman Kilzer: Are other organizations doing things to help this?

Commissioner Wangen: No, this wasn't on our radar that we would need any funding because it was basically 100% paid for by AmeriCorps Vista. All we had to do was provide the office space and it didn't appear to be an issue until then when the new IT program came in. We're talking for the biennium, the first year the 20,000 and then we could cut it in half the second year. We are looking at \$30,000 to make this happen. That is basically 4 full time staff for 2 years for the biennium.

Chairman Kilzer: Are you still talking about that AmeriCorps Vista?

Commissioner Wangen: Yes.

Chairman Kilzer: Are you asking for the computer or are you asking for \$20,000-\$30,000?

Commissioner Wangen: It was our optional package of temp employees for \$49,000. But in reality, with AmeriCorps, \$30,000 for the biennium would be enough to cover that.

Senator Dever: How you intend to use those AmeriCorps volunteers and what their presence would have on other staff?

Commissioner Wangen: The AmeriCorps Vistas cannot replace a regular employee and do a job that would normally be done by another employee. They are here for program development. The programs that we want them to address are the barriers to education that our veterans face coming back from war. We already have a pretty good outline for what we need them to do. They would come out and work with the schools and us to develop a good program that each campus can adopt. I have signed a memorandum agreement with the chancellor with 6 priorities. That's what they would do. They would also work on how they would be funded. They would work on the MCMC, which is the Multistate Collaboration on Military Credit, a grant that we have and higher ed. to translate military experience, schools, and classes that they have taken into educational credits for college. It took Minnesota 7 years to develop this at their own costs. We would set these AmeriCorps Vistas up with them. They would develop the program here for us so when a veteran is getting out of the service and looking for a college to go to they can put in the classes they have taken and it will show how many credits will be taken by the colleges. Minnesota does that now. We can't compete

with that right now, so we are not attacking our veterans back to ND for that part. We want to develop that program for them.

Chairman Kilzer: I thought we had one coordinator in the past who used to work with that sort of thing. That person was originally with the VA and then went over to the higher ed.

Commissioner Wangen: Are you talking about the State Approving Agency? Yes, that is the State Approving agency. What they do is approve the programs of Higher Ed. and courses they teach and the program with "On the Job Training" and apprenticeships, such as plumbing or electricians. They work with the GI bill improving the programs for the veterans. They would be out of their lane of job description by far.

Chairman Kilzer: So there would be connections between the 2 programs?

Commissioner Wangen: In a way, yes. They would work with the programs to get an understanding and knowledge of how the programs work and then develop a program for us.

Chairman Kilzer: As you know, we are in a budget crunch. I think we have to look for money elsewhere for this one because we cannot be spending money on new programs. Is there a higher ed. contribution for this?

Commissioner Wangen: No, we have not visited with Higher Ed about that.

Senator Dever: When I was talking about other staff time, I wasn't thinking of them replacing anybody. Would somebody be providing supervision?

Commissioner Wangen: Myself and the SAA would have a daily supervision over them. The Veterans Educational Committee, along with a committee of Veteran's affairs, would drive them in the direction they would need to be. They don't need supervision; they won't be impeding on our staff. These are people who are designed not to need supervision. They are given a task and they go out and accomplish it for us.

Senator Dever: When are they on the ground?

Commissioner Wangen: We can start advertising here pretty soon and be on the ground by August.

Chairman Kilzer: There is 4 of them and each one is here for one year.

Commissioner Wangen: It is a 3-year program that we applied for, so we would get initially 4. They would come in and work for the first year. Then we would put out an advertisement to fill their positions as they move on from there to continue the program until it done within up to 3 years. We are doing a collaboration with the state of MN with the military credit, which took them 7 years to do. We thought we could do it in less time. We will grab their program and learn from them.

Chairman Kilzer: When they are in the program for one year, do they receive college credit?

Commissioner Wangen: In some cases they do receive some, but it normally is a college stipend they get in the end. With the vistas, basically it is a commitment to help a needy section of society to develop better to improve their lives in some way and to do that they are required to live at poverty level. They are not paid. They get a living stipend, which is less than a \$1000 a month and find housing and live off that for a year. College grads for AmeriCorps get some of that experience and give back.

Chairman Kilzer: Is this a program that's been around a long time and you are in it for the first time?

Commissioner Wangen: That's right. It's a national program. It's been around a long time. It's been about 6 years in the making for us to get to where we are at this point.

Chairman Kilzer: Are any institutions in the Higher Ed. committed to this?

Commissioner Wangen: I signed a memorandum agreement with the chancellor and in the preparing that agreement we worked with Higher Ed., several presidents, and several members of Higher Ed. on different campuses to develop this. They are all on board to get it done. I guess that is where we are at.

Chairman Kilzer: Is part of the expenses going to be by those institutions?

Commissioner Wangen: They are devoting their time of staff to develop the programs to guide the AmeriCorps people. We didn't look at it as an expense. We think we can make it work, but the change in IT threw a wrench or barrier into making it happen.

Senator Robinson: We need to mull that over. If we could change the subject. Where does AmeriCorps Vista program fit in your priorities? How does it compare/contrast for service dogs for example?

Commissioner Wangen: I am hesitant to rank our needs. However, the programs that I have testified in the past with the stand downs, the van, the service dogs and the NSL funding are must haves. We really need those for our veterans. This program is very important to me. It fills in the last piece of the puzzle of all the education programs we have. If it is not funded and it comes down to this, it would be the last on my list.

Senator Robinson: I am trying to follow, I got the big budget sheet. You are talking for AmeriCorps Vista \$30,000. Brief us on the dollar amounts you have requested for stand downs, the service dogs, and the vans.

Commissioner Wangen: For the Stand Downs, \$20,000 for the biennium is normally enough. Sometimes we turn back some of that. That is enough for 4 stand downs in the state for 2 years. For the service dogs for veterans with PTSD, has been at \$50,000. We easily spend that in a biennium. We want to maintain that. With the vans, we gave you a handout for our van needs. We are looking for up to 3 vans being replaced. I am requesting the funding of \$30,000 so we can get at least get two vans replaced. I think I can get one van to work out for another year or so.

Senator Robinson: Was that all of it?

Commissioner Wangen: Stand downs, NSO funding and service dogs. Yes.

Senator Dever: What history do we have in funding NSO's.

Commissioner Wangen: We have not funded the NSO's or have been given them any grants in the past. We have our NSO's that work for us in the state. The NSO's we want to assist is the Legion, VFW and DAV. We picked up the AMVETS responsibility the last biennium as they pulled out of the state. They no longer had funding for that so we picked up their work load and office.

Senator Dever: You are funding the NSO and AMVETS?

Commissioner Wangen: We have picked up their work load.

Senator Dever: So they do not have an NSO?

Commissioner Wangen: That is correct.

Chairman Kilzer: Does your handout show a revised executive recommendation total of the line item of 3.293991? That of course is the Burgum executive revised recommendation. If you have to live with that, what would you not be able to do?

Commissioner Wangen: Yes. You are looking at Burgum and his executive budget. That cuts back a staff member and adds the insurance on there.

Chairman Kilzer: The footnote says the that the 0% and 1% increase for state employee's salaries has been removed and it leaves in the 5 % insurance premium that the recipients would have to pay. It does remove that one FTE. Those were the revised changes.

Commissioner Wangen: I am not sure how we are going to be able to respond to that. I question why we are losing a FTE when we are a small agency when we have already taken the 10% cut. Other than they were going back and looking at what we had before.

Chairman Kilzer: We are seeing that in every budget and even the small agencies are getting a FTE cut.

Commissioner Wangen: If we lose a NSO or a FTE, I know we will lose 2 service officers. They can make more money for what they are doing. One of the things that keep them here is the health care. The work load is higher. I know it will be very difficult to fill those positions.

Chairman Kilzer: We need to mull these things over unless we have additional comments.

Senator Robinson: I know we are in a time line.

Chairman Kilzer: Let's meet again on Tuesday.

Levi Kinnischtzke, Legislative Council: I ran a report of some of the optional packages, because they weren't in the goer. I thought it might be helpful to have document. Attached # 1. Change Package Summary.

Senator Dever: The agent orange thing has been completed?

Commissioner Wangen: Yes, they said they completed that mission. Please do not ask for any more funding for them. Thanks for that.

Chairman Kilzer: We will hook up again next Tuesday. Close the hearing.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025 Subcommittee
2/14/2017
JOB # 28354

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for the Department of Veterans Affairs.

Minutes:

Chairman Kilzer called the subcommittee to order on SB 2025. Let the record show that all subcommittee members are present: Senator Robinson and Senator Dever. Lori Laschkewitsch, OMB and Levi Kinnischtzke, Legislative Council were also present. Lonnie Wangen, Commissioner of Department of Veterans Affairs was on a telephone conference call. In looking over the report that came out last week by our leadership, the economic outlook is a little bit more dim that it had been before. The state will have to tighten up a little bit more. Now to SB 2025.

Senator Robinson: I appreciate the challenge we have before us. I would like to offer an amendment that we find \$50,000 appropriation for service dogs for PTSD veterans.

Chairman Kilzer: Senator Robinson has proposed a \$50,000 appropriation for service dogs for PTSD treatment. This has been in the budget in the past including the present biennium. But it is not in the budget proposed by Governor Burgum for the 17-19 session.

Senator Dever: I share Senator Robinson's interest in the service dogs. I am not going to second it because I think the only way we could do it is from within the budget of the Department of Veterans Affairs. If was we go through this and we find there is someplace we can get it, then I think the motion might be in order again but it doesn't sound good.

Chairman Kilzer: Are you saying it needs an alterative or it needs a source of funding?

Senator Dever: I think so and I don't see it given the charge that we have to stay within the Burgum budget.

Chairman Kilzer: Our charge is to stay within the Burgum budget. I would propose that our subcommittee bring forth the Burgum budget to the whole committee. And I don't know if I am allowed to make a motion or not. But that would be the proposal that I would like to see on the table at the present time.

Senator Dever: If that's your desire I would make the motion.

Chairman Kilzer: It certainly is not my desire but it is what I would put on the table. My desire, of course, would be to fund the requests that are before us. That doesn't look like that's possible so I am proposing that the Burgum budget with these changes, or they already in here? The 1% salary removal and the 5% premium by the employee removal also.

Levi Kinnischtzke, Legislative Council: The 1% increase from Governor Dalrymple was thus taken out by Governor Burgum so if the committee wishes to go with the Governor Burgum recommendations, which has been consistent with all the other agency budgets, there will be no 1/5 increase for salaries for employees and then the 5% cost-share for employee portion of health insurance, that has also been decided not to go forward.

Chairman Kilzer: Do we not need any amendment at all?

Levi Kinnischtzke, Legislative Council: The subcommittee would have to decide to adopt all of the changes outside of the performance increase and that 5% health cost-share into the bill. As currently standing, SB 2025 just has the base level appropriations in them. So there would need to be, in order for the Governor Burgum recommendations to go forward the committee would have to take actions on those recommendations.

Chairman Kilzer: that would be part of my proposal would be to put those Burgum recommendations into the proposal including the reduction of the 1 FTE and the other items that were listed there.

Senator Dever: I hope that I would say later in the session, the next revenue forecast comes together, we can take another look at it these.

Chairman Kilzer: I am sure it will be looked at when it's in the House and in conference committee so this bill has a long ways to go yet.

Senator Robinson: I would agree. I hope we would have an opportunity to visit some of these issues. I know our chairman would like to have the amendments before us as soon as possible. When are we looking at having these amendments before the full committee?

Levi Kinnischtzke, Legislative Council: I can draft the amendment tonight and barring any backlog from our support staff it should be finalized tomorrow.

Chairman Kilzer: We will have it on the white board tomorrow so in finality of this subcommittee we will forward the Burgum Bill to the full Appropriations Committee. Thank you to all. Our hearing is concluded.

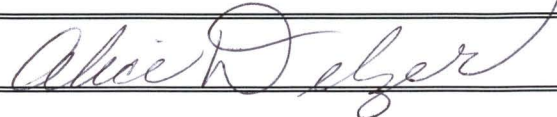
2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025
2/15/2017
JOB # 28403

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A DO PASS AS AMENDED On Veterans Affairs

Minutes:

1. Proposed Amendment #17.0533.01001

Chairman Holmberg: called the Committee to order on SB 2025. All committee members were present. Brady Larson, Legislative Council and Becky J. Keller, OMB and Stephanie Gullickson, OMB were also present.

Senator Kilzer: The amendments hold it at the Burgum budget level. It reduces 1 FTE. There is no funding for dogs, no funding for stand downs. What else am I Missing?

Senator Robinson: There was some request for part time help, a reinstatement of an FTE and for some new vans. But none of that was in the Burgum budget. and some new requests. This budget that came in, unlike most of them, where the agency asked for restoration for almost everything that was not included in the governor's budget. We struggled with that because we are trying to be consistent with other budgets. Not that these were not good causes, and some areas the committee thought that this should be a priority if we get into conference and what happens with the March forecast to revisit some of these things. Again the agency asked for complete restoration.

Senator Kilzer: moved the amendment # 17.0533.01001. 2nd by Senator Robinson.

Chairman Holmberg: Discussion. Call the roll on the proposed amendments to 2025.

A Roll Call vote was taken on the amendment. Yea: 14; Nay: 0; Absent:0.

Senator Kilzer: Moved a Do Pass as Amended. 2nd by Senator Robinson.

Chairman Holmberg: Call the roll on a Do Pass as Amended on SB 2025.

A Roll Call vote was taken. Yea: 14; Nay: 0; Absent: 0. Senator Kilzer will carry the bill.
the hearing was closed on SB 2025

*June 2/15/17
 POG 100*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2025

Page 1, replace lines 12 through 18 with:

"Veterans' affairs	\$1,379,982	(\$65,758)	\$1,314,224
Agent orange	50,000	(50,000)	0
State approving agency	288,018	(15,778)	272,240
Grants - transportation program	0	1,719,520	1,719,520
Total all funds	\$1,718,000	\$1,587,984	\$3,305,984
Less estimated income	288,018	1,803,799	2,091,817
Total general fund	\$1,429,982	(\$215,815)	\$1,214,167
Full-time equivalent positions	9.00	(1.00)	8.00"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2025 - Department of Veterans' Affairs - Senate Action

	Base Budget	Senate Changes	Senate Version
Veterans' affairs	\$1,379,982	(\$65,758)	\$1,314,224
State approving agency	288,018	(15,778)	272,240
Agent orange	50,000	(50,000)	
Grants - transportation program		1,719,520	1,719,520
Total all funds	\$1,718,000	\$1,587,984	\$3,305,984
Less estimated income	288,018	1,803,799	2,091,817
General fund	\$1,429,982	(\$215,815)	\$1,214,167
FTE	9.00	(1.00)	8.00

Department No. 321 - Department of Veterans' Affairs - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Health Insurance Increases ²	Adjusts Funding for Administrative Positions ³	Removes One FTE Position ⁴	Adjusts Base Level Funding ⁵	Adds Funding for Transportation Program ⁶
Veterans' affairs	\$37,290	\$22,418		(\$130,000)	\$4,534	
State approving agency	(32,972)	3,338			13,856	
Agent orange					(50,000)	
Grants - transportation program						1,719,520
Total all funds	\$4,318	\$25,756	\$0	(\$130,000)	(\$31,610)	\$1,719,520
Less estimated income	(32,972)	3,395	100,000	0	13,856	1,719,520
General fund	\$37,290	\$22,361	(\$100,000)	(\$130,000)	(\$45,466)	\$0
FTE	0.00	0.00	0.00	(1.00)	0.00	0.00

	Total Senate Changes
Veterans' affairs	(\$65,758)
State approving agency	(15,778)
Agent orange	(50,000)
Grants - transportation program	1,719,520
Total all funds	\$1,587,984
Less estimated income	1,803,799
	(\$215,815)

General fund

FTE

(1.00)

282

¹ Funding is adjusted 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 Funding is adjusted for administrative positions to reduce funding from the general fund and increase federal funds through a rural transportation grant.

⁴ One FTE position and related funding is removed.

⁵ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding for operating expenses	(\$2,106)	\$0	(\$2,106)
Removes funding for stand down events	(20,000)	0	(20,000)
Restores funding for desktop support services	26,640	0	26,640
Removes funding for Agent Orange program	(50,000)	0	(50,000)
Increases federal funding for the state approving agency operating expenses	<u>0</u>	<u>13,856</u>	<u>13,856</u>
Total	(\$45,466)	\$13,856	(\$31,610)

⁶ Federal funding is increased from the United States Department of Veterans Affairs, Office of Rural Health, Highly Rural Area program to provide a grant for the purchase of wheelchair accessible vans and to provide for temporary salaries and operating expenses.

Date: 2-15-17
 Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
 BILL/RESOLUTION NO. 2025

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0533.01001

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Kilzer Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-15-17
Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2025

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Kilzer Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern	✓	
Vice Chair Krebsbach	✓		Senator Grabinger	✓	
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Kilzer

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2025: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2025 was placed on the Sixth order on the calendar.

Page 1, replace lines 12 through 18 with:

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Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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General fund	\$37,290	\$22,361	(\$100,000)	(\$130,000)	(\$45,466)	\$0
FTE	0.00	0.00	0.00	(1.00)	0.00	0.00

	Total Senate Changes
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State approving agency	(15,778)
Agent orange	(50,000)
Grants - transportation program	1,719,520
Total all funds	\$1,587,984
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FTE	(1.00)

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2017 HOUSE APPROPRIATIONS

SB 2025

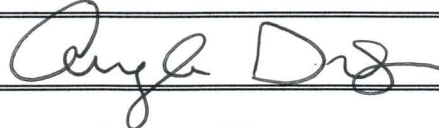
2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2025
3/2/2017
Job 28595

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Attachments 1-3

Chairman Pollert called the committee to order.

Sheila Sandness, Legislative Council reviewed Senate changes to the budget.

Cathy Halgunseth, Chief Administrative Officer for the Department of Veterans Affairs read written testimony (attachment 1).

Rep. Nelson: During this biennium, how many vans were purchased?

Ms. Halgunseth: We did not purchase any vans this biennium. We were going to replace one van, that's the \$15,000, but we took that out of our budget to meet the budget reductions.

Rep. Nelson: In the last biennium, we only had \$15,000 for van replacements?

Ms. Halgunseth: Yes.
Continued to read written testimony.

Rep. Nelson: Where were the stand downs that you had?

Ms. Halgunseth: They were in Minot and Bismarck.

Rep. Nelson: Isn't there some federal funding available for stand downs?

Ms. Halgunseth: You need matching funds. They raise some and come to us for some.

Rep. Meier: What is typically the cost for one stand down?

Ms. Halgunseth: Typically they cost around \$5,000. The communities try to raise money on their own as much as they can but always seem to need a little bit more assistance. Continued to read written testimony.

Chairman Pollert: The Senate added section three, about \$50,000 for service dogs. When you testified to the Senate, was this presented as a priority or is this something the Senate wanted to add? Did you ask for it?

Ms. Halgunseth: In our testimony to the Senate, Commissioner Wangen gave all our optional packages and the dogs are part of that. Senator Robin is a big believer on the impact service dogs make to veterans lives so that was the one thing that came forward.

Chairman Pollert: Did we do \$25,000 last session?

Ms. Halgunseth: It was \$25,000 within our budget with the contingency of another \$25,000 should the first \$25,000 be spent. All that will be spent. Continued to read written testimony.

Chairman Pollert: Did the Burgum budget take out one FTE?

Ms. Halgunseth: Yes.

Chairman Pollert: Regarding the closing of the Bismarck office, did you have one FTE in the Bismarck office so now you have no one here?

Ms. Halgunseth: Yes, the staff member that was in the Bismarck office resigned. We looked at that office and if it was needed in Bismarck or if we were better off having that position in Fargo. Given the rental rates in Bismarck and oversight of the employee, we determined to move that to Fargo. The office was one of our FTE and the state approving agency person also. Then that person resigned also. We were able to bring that office to Fargo in our building. We were able to save on IT because they tied right into our IT equipment. The rent was considerably cheaper in Fargo. It turned out to be a very cost-saving measure for us.

Chairman Pollert: The SAA was put into the university system.

Ms. Halgunseth: It was in the university system then came to us and is all federal funding.

Chairman Pollert: So the SAA is in your office in Fargo. Has that person been replaced?

Ms. Halgunseth: We were able to hire somebody that has been there for a few months.

Rep. Nelson: With the closing of the Bismarck office and moving the SAA to Fargo, was that anticipated in the last biennium?

Ms. Halgunseth: No, it wasn't anticipated because we did have that office staffed. It's always been questioned if it was valuable in Bismarck or better to have it in Fargo. When both of those people left, the Commissioner re-evaluated that office to determine where the best place should be.

Rep. Nelson: From a service to veterans perspective, having everything in Fargo, the most out of the way place in ND geographically, if you are a veteran in Williston, how do you access services? There is nothing in western ND now.

Ms. Halgunseth: One of these positions was for the women's veteran coordinator. So we do have a substantial veteran population in Fargo but we also have the ability to do outreach work also. With the SAA position, they work with higher education. A lot of it is done by e-mail or mail. We have an 800 number that comes into our office so veterans can call and ask about their education benefits. There is a Morton County veteran service office and a Bismarck County veteran service and they have six people between the two offices who are taking care of this portion of the veteran population.

Chairman Pollert: You have no vacant FTE?

Ms. Halgunseth: That's correct.
Continued to read written testimony.

Rep. Nelson: Does every county CVSO have a computer now?

Ms. Halgunseth: Yes, every county does.

Rep. Nelson: And they have an internet connection so they can access all the programs?

Ms. Halgunseth: Yes.
Continued to read written testimony.

Chairman Pollert: Didn't we add money for federal transportation last session?

Ms. Halgunseth: Correct.

Chairman Pollert: Was that federal funding discontinued?

Ms. Halgunseth: That's included in Governor Dalrymple's. They adjusted the salaries and took \$100,000 and replaced general fund dollars for two admin positions to take over those duties whereby we would lose our full-time temporary person who's managing that program.

Rep. Meier: The Senate took the Agent Orange funding out, correct?

Ms. Halgunseth: Yes.

Rep. Meier: In the last biennium was the funding that was contributed towards Agent Orange all used?

Ms. Halgunseth: That \$50,000 was a grant that was given to the Vietnam Veterans of America. Now they feel they've done what they can to reach as many veterans as they can.
Continued to read written testimony.

Chairman Pollert: Was the removal of the one FTE the one from the Bismarck office?

Ms. Halgunseth: That position wasn't identified, it's just one FTE.

Chairman Pollert: The \$100,000 that was taken away from the transportation grants and then used to cover salaries?

Lori Laschkewitsch, OMB: In their budget, they talked about needing a temporary person to assist with transportation grants so they were using the \$100,000 transportation money to pay for this temporary person. With all the reductions we were looking at and efficiencies we were looking to find, we felt they needed to handle those administrative duties for the transportation grant with their existing staff. If they could do it within their existing staff, then we would also be able to supplement some of the salary funding with the transportation grant.

Ms. Halgunseth: There is a problem with that. Under our memorandum of understanding with the VA, they've stated that they may pull the entire grant if those monies were to be used for staff people, to supplement wages.

Rep. Nelson: The bullet point "increases federal funding for state approving agency", what is that increase related to?

Ms. Halgunseth: They decided to cut the state approving agency budget.

Rep. Nelson: Who did?

Ms. Halgunseth: OMB. We submitted the same amount of \$288,018. We didn't anticipate that we would be losing any of those federal funds. We knew the salary would go down due to the change in personnel. We put that back within other areas of the budget because that position should be on the road travelling, working with the colleges.

Rep. Nelson: So you restored that line item to previous?

Ms. Halgunseth: We just kept it at the same \$288,018. OMB decided to take some cuts and bring that number down.

Chairman Pollert: Is it a reallocation of \$288,000 because your definition of how it should be done is different from OMB?

Lori Laschkewitsch, OMB: We're talking about two federal funding sources; the state approving agency which is the \$288,000 and the transportation grant. That was the \$100,000 that we weren't looking to be using that money to fund staffing for normal operations, they were indicating that they needed some additional support to do the transportation grant. We were still using that \$100,000 to support the transportation grant, just that their existing staff needed to provide that programming rather than having additional temporary staff added.

Rep. Nelson: Was the \$288,018 cut and a reduction made for the state approving agency?

Lori Laschkewitsch, OMB: I don't recall that we were cutting the state approving agency.

Sheila Sandness, LC: On the Ibars report, it says the payroll difference was a negative amount. Was that because the person that's in that position currently is making less so when the calculation of the payroll happened in the system it probably reduced the payroll? It looks like the reduction is coming all in payroll.

Lori Laschkewitsch, OMB: That would be correct.

Rep. Nelson: What is that reduction?

Sheila Sandness, LC: It is \$32,972 in the Governor Dalrymple recommendation.

Ms. Halgunseth continued to read written testimony.

Chairman Pollert: On the green sheet, number five on the second page says adds federal funding for the transportation program. Is that an increase or is that similar to last biennium?

Ms. Halgunseth: Last biennium, we received the grant for the first time, but we got it late in the biennium, the last six months. That came to \$1.2 million, which we could not spend. This biennium, we received \$1.3 million. Now we have a slight increase of \$1.7 million that we anticipate getting for the next biennium. That increase is due to that now that the program has been implemented, we are getting a tremendous amount of veterans using the services. We anticipate using more services. The grant pays for the volunteer drivers, the insurance, the gas, the maintenance on the vans, the administrative cost.

Chairman Pollert: As an example, the senior citizens have a van, so they could transport the veterans with their van and then you would reimburse them for that?

Ms. Halgunseth: Correct. That's why the temporary person is contacting more providers in communities to get them aware that they can be reimbursed for providing that service.

Rep. Nelson: For example at Ruth Meier's in Bismarck if they have a veteran that needs to travel to Fargo for services and there's not a veteran's van available and they provide that transportation service, can they get reimbursed?

Ms. Halgunseth: Unfortunately no, Bismarck is not considered rural so they don't come under this federal transportation program.

Rep. Nelson: In that case then, Ruth Meier's would eat that transportation cost?

Ms. Halgunseth: There is a van stationed in Bismarck that makes daily runs to the Fargo VA. If there is some reason that a veteran can't get onto that van, we can help in some way. Under our grant program, with postwar trust fund dollars, there is a transportation portion to help veterans who can't pay to get somewhere for treatment or medical appointments. If their income level is low enough, we can help them out with that.

Rep. Nelson: Do you?

Ms. Halgunseth: We have, yes.

Chairman Pollert: Those from an urban center would be accessing the vans from your fleet?

Ms. Halgunseth: Yes.

Rep. Meier: About how many homeless vets do we have in our state?

Ms. Halgunseth: The VA considers it functional zero. Those who are homeless and choose to be helped, get assistance. Then there are those homeless who choose not to be helped.

Rep. Meier: How many are receiving assistance and how many are not?

Ms. Halgunseth: We would have to contact the VA for that.

Rep. Meier: How much does each service dog cost? Last biennium was all of that funding used?

Ms. Halgunseth: Yes, all of the funding will be used, the \$50,000. For each service dog we pay \$12,500. That does not cover the entire cost of the dog, but it covers a portion.

Lonnie Wangen, Commissioner of Veterans Affairs reviewed handout regarding the vans (attachment 2).

Chairman Pollert: You said you would like to see a van in the budget. Where are your priorities? Did you feel there was more dollars for four service dogs instead or did the Senate put more emphasis on that?

Mr. Wangen: The Governor put that \$15,000 for one van in there, which we anticipate we'll need. We would like to have another one. We may need to replace another, but for sure one will need to be replaced in the next biennium. The priority would be for the dogs as we believe we could stretch that into the next biennium for the one van replacement. The VA in Fargo has been very compliant where they let the miles go a little higher than they should so I think we can ask for waivers if we needed to. We definitely want to retain the one van that we're being supplied there.

Chairman Pollert: The stand downs were removed. Are some of those being done by communities? Or are there just no stand downs being done in this budget?

Mr. Wangen: We do not hold stand downs at all; we give grants to community organizations. Fargo has not asked for any funding from us because they are self-sufficient. It is seed money; we'll give them up to \$5,000. We are hoping that they will get enough fundraising contributions to cover the stand down. What is not covered by others, we're the last resort, after all the funds are expended, whatever's left to pay up to \$5,000 we would cover. Minot is down to \$200 needed from us; so they are close to being self-sufficient. The Bottineau stand down hasn't needed us. The Bismarck seems to be growing in their needs so they always ask for some; last time they asked for only \$2,400. Our plan is to make them self-sufficient. There was a question about the federal funding. There is a grant that takes a lot of work for very little money that restricts the stand down capabilities. You can only serve certain veterans and provide certain services. We want to provide to not just those who are

homeless, but those are in need also. When we add those in, the federal grants can't be used at all.

Rep. Meier: The federal funding is just for the homeless?

Mr. Wangen: Correct.

Rep. Meier: Last biennium, how many stand downs were done in the state?

Mr. Wangen: Seven.

Rep. Meier: How many of those were in Bismarck?

Mr. Wangen: Bismarck does one every year, so two for the biennium.

Chairman Pollert: Would those vans under the federal grant be purchased at \$15,000?

Mr. Wangen: No, those vans are purchased through the state procurement office. They are about \$40,000 because they are handicap-accessible with the lift.

Chairman Pollert: When you go through state procurement for \$40,000, is there a reason why they can't be run through like your \$15,000 program or is that just not possible?

Mr. Wangen: That's just not possible. That's the DAV vans; those are purchased and donated to the federal VA for that purpose. These vans are a grant from the VA and have to be handicap-accessible and the DAV vans are not.

Rep. Nelson: Regarding service dogs, is there a backlog of veterans who are applying for service dogs? Where are we at with those requests?

Mr. Wangen: We've expended for three dogs already and the fourth dog is approved, it just needs to graduate. We have five more veterans who are eligible right now.

Rep. Nelson: That would take up the \$50,000 request that's in this budget?

Mr. Wangen: Yes.

Rep. Nelson: The anticipated completion would take place in the next biennium?

Mr. Wangen: Yes.

Rep. Holman: I'm aware of other situations where service dogs are trained and delivered by other organizations. Is there any coordination between what you do with service dogs and other entities? Is there a tally of how many are being done in ND by everybody?

Mr. Wangen: This is the only organization in ND that trains dogs for anything. They train service dogs for many different reasons. Others in the nation train dogs for PTSD, very few do. The issue we have is that the federal VA does not recognize a service dog for PTSD and

they don't pay for them at this time. Our plan is to add them to the formulary with the VA so that the VA can recognize that if you have PTSD and are eligible, they will pay a portion of those dogs. If you have a need for a service dog for other conditions that are service related, they do pick them up.

Rep. Nelson: On the van handout, are the yellow-highlighted vans that were retired being replaced by the ones listed below or do you need those two to be replaced? Where is the highest priority?

Mr. Wangen: Those are the vans that have already been taken out of service. We're waiting for the federal VA to send us the titles so those vans can be disposed of. That's the only reason they are still listed there. The ones highlighted in blue are still in service and are anticipated to need to be replaced.

Rep. Nelson: So the highest priority is the one in Beach?

Mr. Wangen: That's correct. That's already over the limit so we need to replace that this year. The next one would be the Bismarck van which would be 20,000 over the limit. That is the one we are asking for funding for. We do not know exactly how many miles these vans will get because as the demand goes up, those miles go up too. There are more trips needed.

Chairman Pollert: Was this OAR list given to OMB?

Mr. Wangen: Yes.
Reviewed written testimony (attachment 3).

Rep. Meier: Regarding the training positions, how many do we currently have?

Mr. Wangen: A total of zero. It is the job of the NSOs that we have to put together a training plan. What we want is somebody that can train the county service officers full-time.

Rep. Meier: We've never had a training position, correct?

Mr. Wangen: Correct.

Rep. Meier: And that training position would be out of the Fargo office?

Mr. Wangen: Correct.
Continued to review written testimony.

Rep. Nelson: Regarding the temp employees, that \$49,500, would this be an office area within your current building with a computer, internet access, and a phone line?

Mr. Wangen: Yes. We're going to take our conference room and make it into four cubicles. We just need to pay for the computers and the IT monthly cost.

Rep. Nelson: And none of that was funded?

Mr. Wangen: No.

Rep. Meier: Americorps volunteers do typically one year for their service. Do you have a commitment from the organization to continue to allow for volunteers from Americorps?

Mr. Wangen: Yes, I filed for the grant to have four. I had to put together the program of what we want them to accomplish. They gave us a three-year stipend to do that. We will have four and they will try to have an overlap of a few weeks for training. Some of those are allowed to do a second year now.

Rep. Nelson: Talk about the NSO office. With all the military organizations that are unable to fund that position, how are veterans getting these POA services now?

Mr. Wangen: The Amvets asked if we would take over and we picked up the workload. The veterans can switch to any POA, which includes Legion, VFW, DAV, and us. We're the ones that are supposed to take care of it. They are helping us out.

Rep. Nelson: Is there a tracking device as to how many veterans that flow through that office and the number of people that are available to help so we can measure how that workload has increased?

Mr. Wangen: I can request that from the VA.

Rep. Nelson: Before the election, the tobacco tax increase that was going to veteran's services, that 50% of that income, how many of the OARs that you just presented to us would you have funded with the money that would have been garnered by that?

Mr. Wangen: I believe that we would have funded them all.

Rep. Nelson: That would have been all these positions including the postwar trust fund?

Mr. Wangen: No, that money would go to the administrative committee on veteran's affairs so I would be begging for them to help with some of those programs.

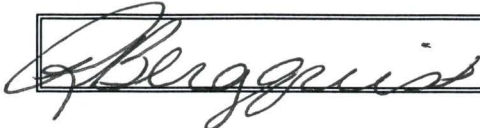
Chairman Pollert recessed the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2025
3/16/2017
29338

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Attachments 1-5

Chairman Pollert Called the committee to order.

3:30-11:30 Lonnie Wangen, Commissioner ND Veterans Affairs: Reviewed the organizational chart. (attachment 1).

5:00 Chairman Pollert: Are any of these positions vacant?

Mr. Wangen: No.

Rep. Nelson: Who is the new State Approving Agency Director?

Mr. Wangen: Chris Kratochvil Just this last month he has been deployed out to Washington D.C.

Rep. Nelson: So you have temporary staff that fills that position when he deploys?

Mr. Wangen: While he is deployed, it's myself and then I'm working on a temp to come in.

Rep. Nelson: You mentioned that is 100% federally funded? That position was housed in the university system prior to last session?

Mr. Wangen: Yes.

Rep. Nelson: And it was housed in Bismarck, wasn't there an issue with the salary with that director? If it was federal funds, walk me through what the issues were and is there a pending lawsuit?

7:00 Mr. Wangen: The salary there was higher than the money coming in, they had enough money to sustain for her time but it was higher than when it went from higher Ed to a non-class to until it got classed, the classification said no this is what the salary should be. So it was brought back down to that amount, that is where the issue came in. She resigned because she wasn't willing to work at the lower rate.

Rep. Nelson: Can you tell me those numbers?

Mr. Wangen: I believe she was right around 70-80 thousand to start, and she was getting about 140. She should have been at an M class. That brought it significantly down to the 60's area.

Rep. Nelson: Was that reflected in your budget you presented to us? Is that salary reflected in the salary line?

Mr. Wangen: Yes.

Rep. Nelson: How was it two years ago?

Mr. Wangen: I would have to look back at that but I would have to believe it was at the 140.

Rep. Nelson: That's almost a double salary.

9:00 Lori Laschkewitsch, OMB: In the lbars for the budget for the 2015-17 biennium, I believe it was in there for 6500/month which is 78 thousand.

Rep. Nelson: When something like that occurs, how do you have the flexibility to increase that?

Mr. Wangen: At that time, she was under Higher Ed and was running the agency, so when it did come to us OMB and HR and ourselves worked on that and found that it obviously incorrect. It was never classified before, so we classified back at the M and that's where she resigned.

Rep. Nelson: But she was paid at that rate for a while, so is there a pending lawsuit?

Mr. Wangen: She was paid that for 5 months but there aren't any pending lawsuits at this time. We don't know if there will be a pending lawsuit. I made that up by doing the job myself for the next 7 or 8 months before we hired somebody.

12:15- 13:55 Reviewed stand-down handouts (attachments 2 and 3)

Chairman Pollert: We talked about that the city of Fargo does their own without the 5 thousand grant? Minot only needed 200, Bottineau is self-sufficient and Bismarck was 2400?

Mr. Wangen: That's correct, those are the 2016 numbers, we didn't pay those out of our funds because we had turned them back.

13:55 Handout of veteran homelessness (attachment 4).

Rep. Nelson: What is an example of those last 3 bullet points, what would be an example of homeless programs or transitional housing.

Mr. Wangen: That is if they are identified in a shelter, temporary shelter, like Ruth Meyer. Permanent would be if they moved into an apartment like under HUD or something like that.

Rep. Nelson: In that situation with HUD housing, that is competitive and there aren't available units. Do veterans get a preferred position if there's a shortage?

Mr. Wangen: That depends on the provider of the apartment buildings, but with the HUD VASH that takes the HUD and the VA and there's only so many vouchers that the VA gets only for veterans.

Rep. Nelson: Does that float with funding or is it pretty consistent?

Mr. Wangen: It floats with funding and with need, that's determined by the federal VA.

Rep. Nelson: How often do they review that?

Mr. Wangen: I think it would be reviewed as they review their budgets, it should be annually.

Rep. Nelson: That's a more permanent situation than transitional housing. Are the 47 people in transitional housing the group that didn't receive this? If that's true and we have 50 veterans that don't have a place to go at night, that needs to be addressed.

Mr. Wangen: This is all at a point in time, so on this date that's what we found. This was the total number in the state in the transitional. They still have a place to stay at the shelter, but then they get into the program.

18:15 Rep. Meier: For the current unsheltered veterans, are those two receiving any services at all?

Mr. Wangen: That information I wouldn't have for each one. This shows that they went out and identified and offered them housing, but chose for some reason to stay where they were at. We are at functional zero, which means that we got enough services to provide for all the homeless that we have. They could be in the transitional and housing or they choose not to but if they came in we would have it for them.

20:10-22:30 Reviewed the map of the transportation services (attachment 5).

Rep. J. Nelson: Those peak areas; that's where you would like to place a van? In both of those sites?

Mr. Wangen: Yes, and those vans aren't federal grant, we have funding available to place those in we can find a sub recipient to take the responsibility. That is different than the DAV vans. The red ones are the DAV vans, that we asked for funding for in the past.

Chairman Pollert: Was it a choice on the Senate side between the vans and the dogs, how did the 50 thousand go to the dogs? There's no replacement on the vans?

Mr. Wangen: That's correct. At this time there is no funding for the vans.

Chairman Pollert: What happens a biennium from now? We wanted to get them on a schedule so you got a van every biennium so you didn't get behind. Is it your preference to not be on a schedule so we have this fight every session?

Mr. Wangen: I have never said we needed to be on schedule.

Chairman Pollert: No, we wanted the schedule, it's so much easier to be on a set platform to replace them so we're not buying bunch all at once.

Mr. Wangen: What has happened is this schedule was set for 1-2 vans needing to be purchased every biennium. With miles as they get used, that's when we determine if they need to get replaced. We work together to move the vans around so if there is an area that's getting a lot of miles and another one isn't we can balance that out.

Chairman Pollert: How many vans are you going to need two years from now?

Mr. Wangen: Two, we got pushed ahead when we were awarded a van.

Chairman Pollert: When did you get that van?

Mr. Wangen: Right at the beginning of the last session we were told we were being awarded that van so we just asked for funding for one van.

27:00 Rep. Nelson: On the handout you gave us in the overview, the blue highlighted items are the ones that are priority to be replaced?

Mr. Wangen: That's correct.

Rep. Nelson: There are four that are colored blue.

Mr. Wangen: That's close to reality. The fall of 2019 one would fall in the next biennium.

28:35 Rep. Nelson: In the red area the VA/DAV vans, which vans are they? Which ones are we talking about?

Mr. Wangen: If you look at the sheet, (attachment 5) the two for Bismarck are the red spots on the map, the one for Beach, Stanley and Minot, there are two located in Fargo, those will go to St. Cloud or Mayo clinic, one in Pembina and Wahpeton. There are nine in operation.

Chairman Pollert: What's with the yellow?

Mr. Wangen: Those are marked in yellow because they have been requested to be retired. The VA has retired them; those will be sold.

31:45 Rep. Nelson: Are there any other vans in the urban areas that are in addition to these?

Mr. Wangen: That are just veterans' van or we have anything to do with, no.

Rep. Kading: Are we short on vans or do we have enough vans?

Mr. Wangen: We have enough vans out there; they need replacing. There are two in pink, they are highly rural, we have federal funding if we can find the need and the sub recipient to take it.

Chairman Pollert: You said that they need replacing, but yet you're not asking for any vans in this budget?

Mr. Wangen: The highly rural is what he asked about. We do need funding to replace the vans, the senate didn't fund them. The sheet shows that it was there. We were under the understanding that the Senate was going to take the Governor's recommendations and we were going to get 1 van and lose 1 FTE and we would get the dogs. When it came through, there was no funding for the vans, they used Governor Burgum recommendation and it was Governor Dalrymple recommendation that had the vans.

Rep. Kading: My question was overall if we have enough vans.

Mr. Wangen: What we're looking to replace is the red vans, the urban vans, that have high miles. We are not adding new vans we are looking to replace the high miles.

Chairman Pollert: But those are highly rural areas?

Mr. Wangen: Urban.

Chairman Pollert: The highly rural was federal dollars from last session?

Mr. Wangen: That was two sessions ago.

Lori Laschkewitsch, OMB: The Governor Burgum budget is identical to the Governor Dalrymple budget with the exception of taking the FTE and taking out the 5% health insurance. The vans in the Governor Dalrymple budget, we rearranged and reduced operating and increased the vans 15 thousand to put those 15 thousand back for the vans and it's still in there in the Governor Burgum and the senate budget.

37:10 Chairman Pollert: Talk about the dogs.

Mr. Wangen: All funding that has been provided to us has been spent.

Chairman Pollert: How many did we do last biennium?

Mr. Wangen: Every biennium it has been \$50,000 for four half dogs. Service dogs for America have done fundraising and reached out to everyone they can to come up with the other half.

Chairman Pollert: We normally take public testimony in the overview, but if anyone would like to talk now or explain the program.

39:25 Jen BrodKorb, Executive Director for Service Dogs for America. We have a twofold application process weather it's for veterans or for anyone else. Currently we have 15 preliminary applicants for ND veterans alone. We have five full applications, which are appropriate for medical review and we have four ND veterans who are medically approved to receive a service dog. We receive on average about 35-40 preliminary applications a month and of those roughly about half are ND veterans.

Chairman Pollert: How many are in the system right now?

Ms. BrodKorb: As of yesterday we had 15 preliminary applications that are appropriate to receive a full application. We have 5 full applications that are gathering medical documentation. We have four that are medically approved to receive service dogs.

Rep. Meier: From the time that they apply and are approved, how long does it take to receive a service dog?

Ms. BrodKorb: Depending on the medical review process, it can take as little as 3 months or as long as a year and a half. On average 3-6 months. We are the only location, we are located in Jud, ND. There's only one of us and we place dogs across the US, we are accredited by Assistance Dogs International.

Rep. Kading: How much does it cost to get a dog ready for service?

Ms. BrodKorb: By the time the dog is ready for placement, there's almost a 27-thousand-dollar investment in the dog. And a service dog from our origination cost about 20 thousand. To date, not one of our veterans ND or otherwise has had an out of pocket expense.

Rep. Nelson: We put 12.5 thousand into a service dog, I thought it was 25 thousand total, who eats the remaining 2 thousand?

Ms. BrodKorb: We are almost completely donor funded, so the remainder of that cost comes from the generosity of our donors. We only charge 20 thousand regardless of what it costs to get the dogs ready. Then we look for federal grants, national grants, anyone that will help support our veterans.

Rep. Nelson: If we give the \$12,500 for a service dog, and there is immediate need for four dogs, that would be that 50 thousand dollars.

Ms. BrodKorb: Then the five that are waiting approval would be reliant of the other resources that are available.

Rep. Nelson: Are there some dogs that get placed without any state funding?

Ms. BrodKorb: Yes. Our organization has a 17.6% overhead. That's almost unheard of in the service dog area, usually around 30%.

47:40-52:40 Matt Helm: This is my service dog Noel, I served almost 10 years in the army, I was deployed to Dessert Strom, with the Second Armored Division. I was then later deployed to Somali; I went through some tragedies in my life that triggered my PTSD. I ended up attempting suicide twice. I was later in a standoff with police that resulted in some jail time. I have been through treatment three times, I successfully completed two of them, with that and weekly visits to the VA clinic and counseling helped to get myself stable. 2010 as part of my plea agreement I had to spend two years in Kansas, I was fortunate enough to find a horse rescue to volunteer at and found that working with those animals helped me to level out. When I came back to ND I was reunited with one of my dogs, but unfortunately she died about a year later. I knew it would be healthier for me to get a service dog. I had three weeks of onsite training, were I go she goes with me. She gives me a schedule to live by, having a schedule is important, keeps me from going down a rabbit hole. She also knows when I am not in a good place. Now when we are in public I can focus on her and don't have panic attacks anymore and my anxiety levels don't reach the levels that they used to. Without Noel there's no way I could stand here today.

Rep. Nelson: I would like to say that you encapsulate what the program is all about. That's the reward that we get for funding this program. Thank you for your service to the country.

Chairman Pollert: I noticed that her vest says service dog, do not pet?

Mr. Helm: When she has the vest on, she's working, and if you pet her it's distracting for her.

Rep. Kading: How long have you had her?

Mr. Helm: The middle of October of last year.

54:45-1:00:30 Jared Bollom, New Salem: I served in Operation Iraqi Freedom, Operation Enduring Freedom and Operation Noble Eagle. I am a 15-year veteran, currently I am working as a school counselor. I am the most recent graduate, I was lucky enough to be granted a dog and have everything paid for by Sargent County. The military gave me the ability to do my job first a put everything else in the back, my family has taken the brunt of my PTSD. Not wanting to go anywhere, JJ has given me the ability to leave the house again. That has been a huge change, I can deal with things as they come instead of blocking everything out. JJ has only been home with me for two weeks.

Rep. Nelson: In your job, does JJ go to school with you?

Mr. Bollom: He is with me 24/7. He goes to school with me, he only focuses on me. I have heard may comments on not only the changes in me but the whole environment at the school and everywhere that we deal with.

Rep. Nelson: When you have a service dog they are with you 24/7?

Rep. Meier: Did your family have to go through any of the training?

Mr. Bollom: My family did go through some of the training and definitely went through the process of learning what the service dog does. I have kids from teenagers down to a two-year-old and they have been great, they understand that JJ is an extension of me, he's not a pet.

Chairman Pollert: How is the dog with 200 kids?

Mr. Bollom: He gets tired, but he focuses very well. I teach in classrooms and do individual and group counseling. He knows his commands, when I tell him to *place* he stays there. I can go around the class room and teach. When we get back to my office he has a dog bed he gets that time to recharge.

Chairman Pollert: How old is he?

Mr. Bollom: He is three years old and has been in training since he was born.

1:00:40- 1 Rick Deedee: I work out at JRCC, I work with the special assistance unit. I am former army. I was part of the board that started the program for training service dogs for disabilities and stuff. I never thought I would be one to need one. She adopted my while we were in the prison. Every day she would come in and would alert to me, handlers would have a tough time because she would always come to me. I also have another service dog at home that was washed out of the program, he saved my life, I was sitting at home with a gun when he decided he needed to go out and when I let him out it was the only time he had ever run away from me. By the time I got him back the moment had passed and I realized I needed help. After counseling and other things, I ended up with Daisy. You may have noticed that she was on my lap, she could tell I was getting anxious and she does that to settle me back down. Working with the dogs' training at the prison is remarkable what she has done for the inmates. I've seen lives saved on both side.

Rep. Nelson: How was Daisy in the prison? Was she there with an inmate?

Mr. Deedee: Yes, we had 11 dogs that the inmates do the basic training for the Services Dog for America. All of these dogs were there at one time or another. She was trained to recognize my issues and was trying to ground me when she would always come up to me.

Rep. Nelson: I didn't realize that the dogs went to JRCC for training.

Mr. Deedee: They expanded the program to NDSP and MRCC, also. The inmates are doing basic training for them. It gives them some jobs and helps to keep up with the demand of the training. I've worked at JRCC for 10 years in the special assistance unit which is the physic ward for the state of ND.

Rep. Nelson: When you came in today, did they have to go through the metal detectors?

Mr. Deedee Yes, but they are used to it from being in the prisons, they go through there three times a day so it's not a big deal for the dogs. It was the revolving doors that they hadn't ever seen before.

1:07:00 Rep. Nelson: From birth to graduation, they start with you so you have the initial training. Then they go on an advanced training, what age or what process is it for the dog?

Ms. BrodKorb: We get dogs from rescues, shelters, we breed our own, we get donations from breeders. If we breed our own, we start training them before their eyes are open. Socialization skills begins at MRCC program, here in Bismarck, the farm, it's a 12-week program. We have 13 staff in Jud that train the dogs, on advanced commands. I have one specific trainer that visits the three prison programs and trains the prisoners to train the dogs. In JRCC alone, we have 40 inmates on the waiting list to train the dogs. We rely a lot on the exposure our prison programs give us. Noise, scents, people, kids on visitations, stairs, there's a lot of things you would take for granted. Outside of the three prison programs and our in-house trainers, the dogs don't go to any additional training. We do have a foster program available, you can take a dog that is almost ready for placement home with you. It's goes to work with you each day, it goes on public transit, and it gets more exposure.

Rep. Nelson: All of the dogs here today look like they have Labrador backgrounds. Is that the case or are there others too?

Ms. BrodKorb: We are not breed specific. What really matters for a service dog is if they want to work. We found some of the best PTSD dogs are border collie mixes, they love to herd their humans and do all those things. When we breed our own we do breed Labradors, it's just commonly most accepted in the service dog industry.

To answer one other question, we will not place a dog before 24 months of age because of maturity and we prefer to do it between 24 and 36-month mark. We've got foster dogs as far as Williston, Fargo, West Fargo.

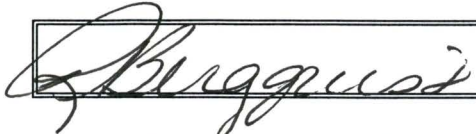
Chairman Pollert: We'll close this discussion.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2025
3/16/2017
29343

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Att 1-2

Chairman Pollert called the committee to order.

Alex Cronquist, Legislative Council: provided handout regarding changes to the bill made by the Senate (attachment 1).

2:25 Cathy Halgunseth, Chief Financial Officer for Veterans Affairs: In talking with Legislative Council, I think I can use the same handout. It should say base level funding, budget changes, 2017/19 budget. Our budget is a lump sum budget so when I see that number that is what I worked with. I was not aware that they took 15 thousand dollars out of capital for the van a put it within our base budget. So it's not on my sheet and it should be.

Chairman Pollert: So if it's in the base budget, where would I find it?

Ms. Halgunseth: It's not on my sheet so you would have to write it in.

Chairman Pollert: Is it under equipment?

Lori Laschkewitsch, OMB: In the current biennium, we have vans as a special line but when the bill was drafted they do not have them as a special line. So there's 15 thousand dollars in equipment over 5 thousand.

5:20 Rep. Nelson: What is the code for equipment over \$5,000?

Lori Laschkewitsch, OMB: It is code 691000. In IBARS we had it under line 52 called transport vans.

Ms. Halgunseth: Now I understand, it is in our base budget so the consequences of that means that all these other account codes will have to be reduced by 15 thousand.

Chairman Pollert: So it was reduced, but then it was put back in?

Ms. Halgunseth: Yes.

8:55 Reviewed written testimony (attachment 1 from 03/z /17 minutes, job 28595).

We have a staff of 9, the salaries and benefits, there was no increase other than the health premium. There's 130 thousand dollars and a FTE being removed. So we are dropping to 8 and then we will drop to 7, we have one temporary person that is being funded out of the highway rural transportation grant, that 100 thousand dollars will be in funding for two administrative positions to run that program. That's reflected in the funding at the end of the rural transportation grant.

10:30 Lori Laschkewitsch, OMB: I don't think there's anything that you have that will show that the funding changed for positions and salaries.

Vice Chairman Kreidt: On the schedule, it shows 9 FTE. Is that what you'll wind up with?

Ms. Halgunseth: No, we'll wind up with 8 FTE. Then we are also losing one full-time temporary worker which is being paid out of the highly rural transportation grant worker. That 100 thousand would go to two administrative positions replacing general fund dollars.

Chairman Pollert: Is that through the rural transportation grant? When I look at that page it shows; 1.819 would that be correct? Above that it shows 1.719520 is that correct? That's where the 100 thousand less is showing.

Ms. Halgunseth: Yes.

Chairman Pollert: It's the second to last page of that whole handout. Then you can see were the rural transportation grant is 1.819520 but if you go above it's got grants transportation, 1.719520

Rep. Nelson: Which line did you pay the temporary salary out of?

Ms. Halgunseth: Right now we're paying the temporary worker out of the highway rural transportation grant.

Chairman Pollert: If you look at the spend down report (attachment 2). It explains that grant right there. Second page shows that rural transportation grant will be at 1.719520 which corresponds to this second to last page.

Ms. Halgunseth: We're going from nine down to 8 and from 1 temporary down to none. Then 2 of the staff will be picking up those full time duties.

Chairman Pollert: So those 2 will have \$100,000 of the rural transportation grant going towards

Rep. Nelson: Shouldn't that be in the salary line under temporary staff?

Lori Laschkewitsch, OMB: No, I didn't include funding for a temporary person at all. The 100 thousand dollars that they were planning on using for a temporary person for the rural highway transportation grants, I felt like with our effort of cutting back everywhere and making people find efficiencies, they needed to absorb those duties within their administration.

Rep. Nelson: Out of the salaries permanent, that's where the savings will come from.

Lonnie Wangen, Commissioner ND Veterans Affairs: That federal grant has gone down every year. It's an annual grant but it's balancing out to where we're going to be having a better forecast than what we need. We are not going to have \$100,000 available this biennium, this grant end September 30th our next grant begins and it's going to be cut significantly because we're not using anywhere near the 1.79 for two years.

Chairman Pollert: Are you going to be able to take \$100,000 out of that to fund that with what you just said?

Mr. Wangen: No, I don't see the next grant coming in anywhere near the amount to do the next year. We're looking at July August September at our current rate and then it goes down.

Chairman Pollert: You're saying that the \$1.719, you're not going to be anywhere near that figure?

Mr. Wangen: No, We're turning back the majority of that money we were at 1.2 and I think we turned back 700-800 thousand.

Chairman Pollert: But you're still able to run your budget?

Mr. Wangen: We were still able to run the federal budget.

Chairman Pollert: You were able to run with the general funds we've got but you had turn back on the federal dollars. We're still going to be able to fund one less FTE, you're still going to be able to run your budget but it's going to be tighter, but you weren't using the money anyway.

Mr. Wangen: When we do our next cycle, the feds won't let me ask for 1.2 million dollars. We're looking at a \$300,000-400,000 grant that we will be apply for starting October 1st of this year. And we were supposed to have a coordinator out of that.

Lori Laschkewitsch, OMB: If the feds are expecting you to fund a coordinator out of the money they're giving you, your coordinator could be divided amongst your staff and you would have money to pay for those staff people's time.

Mr. Wangen: Yes, but we won't have that much money. We won't have \$100,000. They only allow 10% to be used for administration. In the grant I can't put a line item number for a coordinator and then have a full 10% for admin. 10% of our total grant approved can be used for a coordinator, at that time it would be a part time coordinator.

Chairman Pollert: How did you get through the Senate. Didn't they ask?

Mr. Wangen: No.

Lori Laschkewitsch, OMB: If in the grant, they're identifying that they want you to have a coordinator, are they expecting you to hire somebody to be a coordinator for the 30 thousand dollars a year? If they are requiring, you to have a coordinator I would pressure they are allowing you to spend more than 10% to pay for that.

Mr. Wangen: What happened is that we've run this program ourselves. So what they said is that we should take 10% for a coordinator to get this work done. The grant evolves over time. By law that grant can allow 10% for a coordinator.

Chairman Pollert: I would like to stop what we're doing here. I don't know why there is this big miscommunication, but somehow when we get the spend downs I should be able to look at this and say; ok you get from 9 down to 8, you're going to have zero FTEs.

You'll have to come back next week with a detailed budget. Thursday at 9:30? We'll close this discussion until then.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB 2025
3/23/2017
29614

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carmen Hart

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Attachments 1-2

Chairman Pollert called the committee to order.

Cathy Halgunseth, Chief Administrative Officer for the Department of Veterans Affairs provided a spenddown report (attachment 1) and highly rural transportation grants schedule (attachment 2).

Chairman Pollert: Are we going from 9 to 8 FTE with zero temps?

Ms. Halgunseth: Yes.

Rep. Nelson: There was a question about the salary of the state approving agency and the increase in her salary. Her salary almost doubled in the beginning of the biennium. It was my understanding that was done in the university system. The university system said when she left the university system, she had an annual salary of \$80,340. It appears that isn't the case.

Lonnie Wangen, Commissioner for the Department of Veterans Affairs: No, I never said anything about Higher Ed. raising her salary. That did happen the day she started with our agency.

Rep. Nelson: So you approved that?

Mr. Wangen: Yes. It was approved and went through OMB, and went from unclassified to classified. It took six months to get through everything, and it was very clear that what she had based the documentation on that, the numbers didn't work out and the workload didn't justify it, so it was corrected.

Rep. Nelson: I'd like to ask Lori about that.

Lori Laschkewitsch, OMB: When it went through OMB, it would be when they put in their reclassification to the lower limit. As far as what they hired her at and the salary they paid her, that doesn't go through OMB. That is done by the agency director. Eventually when the reclassification went to HR on this, it was not classified at the level that they were paying her and that's when the salary had to be reduced.

Rep. Nelson: Was that reflected in your salary line in your 2015-17 budget?

Mr. Wangen: I don't believe it was, because when we did our budget, we based it on our projections.

Chairman Pollert: Rep. Nelson are you trying to find out if the salary line item was the lower amount instead of higher, and how were you going to fund the difference?

Rep. Nelson: Basically, yes. When we look at these numbers, we have to have some confidence that they're true numbers. It looks like you offered that salary in the biennium that should be reflected in the numbers on the salary line so the spend down would have been accurate. Walk me through how this process worked.

Mr. Wangen: This was when it was under Higher Ed. What she was getting paid over there was an unclassified position. When she moved over to us, it needed to be classified. When it came time to actually present the documents that I was presented, and they were reviewed and verified, those numbers were exaggerated a little bit from what reality was. That's where we caught that. As a director of that agency, I trusted that she knew what her budget could sustain. As an oversight of that agency and learning about how that budget works, it was obvious it was not sustainable. Between my office, OMB's HRMS Office, and the Attorney General's Office, we reviewed it and determined that it was not sustainable or justifiable. We offered a correction. She didn't like the idea of the correction on that which would be go down to a lesser salary that would end up being the same annual salary by the time that year was up, so she resigned.

Rep. Nelson: Were we aware of that when we authorized the change of the agency going from the university system to your office? Was that classified versus non-classified status part of the discussion?

Lori Laschkewitsch, OMB: Higher Ed. is on a different classification system than the state agencies are, so there wouldn't have been any connection between the position she was in as a classification in higher ed. and on the state side. She would have been a new position on the state side and had to have a classification determined at that time. There wouldn't have been any parallel between those.

Rep. Nelson: Generally, are there any red flags there? This seems like something we should have considered before we changed that position. Are there any other examples in the history of these types of situations occurring?

Lori Laschkewitsch, OMB: The most recent thing I can think of is when the legislature moved the auditors from Higher Ed. to the Auditor's Office. In this case, when this position was requested in this budget, it was requested at a \$6,695 monthly salary. That would typically come into our office as a request from the agency having looked at or visited with HRMS as to where that might fit in the classification. Then we you approve that move, they need to apply to HRMS to get a classification for that position. Hopefully, there has been that legwork done bringing that person in to a classification that those duties would qualify to that level.

Chairman Pollert: That particular part was delayed, causing our problems? As far as what I see, HRMS made the determination that was way over salary and said it had to be straightened out and go back to the correct classification.

Lori Laschkewitsch, OMB: Correct. There were probably two elements going on there. That was at a much higher salary than was approved in the budget as well as then once the HRMS looked at what the job duties were and where they would fall into the classification system.

Chairman Pollert: The timing of having HRMS should have been a lot sooner? When the SAA moved over, the discussions of the salary should have happened, so when it came over to Veterans' Affairs, that should have already been done?

Rep. Nelson: Did you know what her salary was before you hired her and approved that higher salary?

Mr. Wangen: I knew what her salary was at based on documents she provided and what the VA had suggested her salary should be at. That was what it was based on many documents she provided in comparison to other Higher Ed. positions. When I gave her that raise, it was probably 5% that it went up. That was the difference I saw her raise going up in salary based on the numbers that I received. In reality, it doubled her pay. When we finally received and saw the documents and reviewed them, it was obvious that those were not correct numbers. That is where it was addressed at that time, and the position ended up being lower than what Higher Ed. was paying her at.

Rep. Nelson: Was that because you had to fit it in the budget after the fact?

Mr. Wangen: Absolutely. There was no way that would have been sustainable, and I was understanding from her words that there was enough federal funding to sustain that.

Rep. Nelson: Was that \$6,695 a month the number you looked at when that agency was being transferred?

Mr. Wangen: No, that's not the number I was given. It was about \$9,000 a month plus fringe benefits.

Rep. Nelson: I don't know where she would have come up with those numbers. It was in the system. If you look at the email from the university system and OMB, they were consistent numbers in the state system, that \$6,696. That does raise a red flag with me as

far as what occurred. It appears that higher salary was known when you testified before us two years ago. I can't see that it was reflected in the budget.

Mr. Wangen: I was under the impression and agreement with the SAA that it would be taken away from a Higher Ed. budget and placed into ours, and they would make sure that worked out for us so it would just transfer over. When we talked about our budget, we didn't talk about the details of that. That was new budgets coming in. When our final budget came through and we started reviewing that, that is when the alarm starting going up.

Rep. Nelson: Are we going to see any alarms in this budget?

Mr. Wangen: No. If you would like, we could sit down with the Attorney General's Office and explain everything that happened. I want you to be clear in what happened there.

Chairman Pollert: Have you replaced the SAA person now? I thought you had said that you were trying to do the job part time.

Mr. Wangen: Our SAA has been activated, so he is mobilized right now with the guard. For the next year, he won't be able to do his duties. We have a temp coming in. That person hasn't officially been put on the payroll and will start in the next week or so.

Vice Chairman Kreidt: Will we be back to 8 FTEs and 1/10 of what you are telling us now with the SSA person coming on? Are you interviewing, or have you offered the job?

Mr. Wangen: Yes, we've interviewed with him. He's retired. He did this job with the federal VA, so he is actually give us a better oversight on how to improve the programs also. We're just waiting for the background checks to pass and the blessing from the federal VA.

Rep. Nelson: In that position, are there any restrictions from the VA as far as a state funding match for that position. Do you have complete flexibility within the VA budget to allocate that to that position at whatever level you want?

Mr. Wangen: That federal program all goes for federal expenses, so they pay for the full time employee there and all the expenses to have that staff member. They give a portion of the rent for the office space. They pay for the phone, computer, and paperwork. Everything is budgeted and billed to there.

Rep. Nelson: All that funding _ is a federal source?

Mr. Wangen: It's full federal. There is no state funding that has to contribute to that at all.

Rep. Nelson: The green sheet does not reflect the loss of an FTE. Where is that?

Chairman Pollert: My note says it goes from 9 to 8 with zero temps, but that is going to change a little. On the Dalrymple green sheet, it shows 9. The third page of the green sheet and it removes 1 FTE for \$130,000, and that stayed in on the Senate version. You have the 8, but really you have 7 because the SAA staff is gone on tour. On the Ibars, it shows that

there aren't any temp salaries, but we will see a lower permanent salaries figure and we will see some temp salary in there, or do we have to correct that so we have the budget?

Lori Laschkewitsch, OMB: That's correct. If they're not using the permanent salaries, they could use them for temp without you having to do anything to adjust the budget.

Chairman Pollert: I didn't know if we would have to acknowledge the temp salary, but your permanent salaries would drop and your temp salary would go up. You are saying we don't need to acknowledge that.

Rep. Nelson: The temp salaries are going up. What is reflected in the lbars report is that the temp salaries still show nothing.

Chairman Pollert: Right.

Lori Laschkewitsch, OMB: That would be because when this was prepared and submitted, they requested a temp salary for the transportation grant. In Governor Dalrymple's budget recommendation, we wanted them to absorb those duties within their current staff, so the \$100,000 that they had put into their budget for temporary salaries for that set of transportation grant was moved to help fund their regular staffing saying that their regular staff should absorb the duties that the federal grant is requiring them to do.

Rep. Nelson: As we look at the Senate version and the \$130,000 in the FTE comes out, and now there is going to be a full-time temporary position created...

Chairman Pollert: He's retired.

Mr. Wangen: Yes, he's retired. He'll be paid a monthly stipend. We haven't worked out exactly what we have to do because of the laws of the healthcare and what not. It should be just a salary and the required taxes being paid. There is no healthcare and no retirement.

Chairman Pollert: For the budget preparation, can we leave it as permanent, even though we will know there will be a drawdown from the permanent, and it will just show on temp salaries when we come back?

Sheila Sandness, Legislative Council: Correct.

Rep. Nelson: What position was removed by the Senate?

Chairman Pollert: Was this a Burgum budget change?

Rep. Nelson: What position do you anticipate taking?

Mr. Wangen: It's the administrative officer, the receptionist, the person who does our DD214s and burial plaques, etc.

Rep. Nelson: That's absorbed with the existing staff?

Mr. Wangen: Yes, it's going to be.

Rep. Nelson: On the travel, you're requesting less. What is the travel budget made of?

Ms. Halgunseth: Our travel budget, when we had to do the allocation get back, we gave back about \$28,000 in travel. We also have \$25,000 set aside for the administrative committee on veterans' affairs' meetings. Once you take out those numbers, it's pretty reduced. We decided not to send our four veterans' specialists for training. They need to keep up with different laws and things going on within the VA system. The determination was made to not send anyone to training that spring of 2016. Coming into this year we have looked at the budget, and all four of them will now be going to training this spring, so that number will come down considerably. When you consider that there are 8 employees and 15 committee members' travel coming out of that one line __, it gets to be pretty tight.

Rep. Nelson: As far as your staff outreach, is that in a different line item?

Ms. Halgunseth: No, it's all in one line. Anytime we have to go out and assist the counties when the veteran service officers are out of the office, that comes out of that area.

Rep. Nelson: As far as that training, is it on an every other year basis now, or is it depending on the balance in your budget to how you determine when you do training?

Ms. Halgunseth: That may have to be implemented where it is every other year, because so many people come from that area. We have two spring county service officers' conferences that are held in Bismarck during the biennium that our veterans' benefits specialists plan and implement. That's another cost that comes out of our budget.

Rep. Nelson: I have a question as to your location in Fargo. Wouldn't some of those expenditures be more efficient if your office was in Bismarck?

Ms. Halgunseth: Not really if you consider that the largest veterans' population is in Cass County. Our veterans' specialists are housed at the VA regional office. They get a tremendous amount of walk in traffic besides phone calls within that Cass County, Fargo area. Morton and Burleigh County are taking care of the veterans in this area of the state.

Chairman Pollert: Is that because the CVSOs are taking care of them? We're hearing rumors that services from the VA aren't as well out in western ND. Are you counting on the CVSOs to pick up that slack?

Ms. Halgunseth: That's their job. Some of the service officers are better perhaps than others. When you get out more in western ND, they are more part-time. They may not be getting service as well. That's why our department then is there for them. We have an 800 number for them to call.

Rep. Meier: Do you have a breakdown of how many veterans there are per city or area of the state?

Ms. Halgunseth: I don't have that with me. We do have a VA statistical sheet that we can get that states how many veterans reside in the county and how much VA dollars is going into that county. It is on our website.

Vice Chairman Kreidt: Is the website up to date and working now?

Ms. Halgunseth: Yes. We have switched over to a system for our website which means we are able to put information out there without having to go through ITD. We have been carrying forward funding, but we should be using up that funding this biennium. There are still a few things the commissioner wanted to do but that what came in from ITD, again, was substantial. She gave the website address.

Rep. Nelson: With the desktop support from ITD, you didn't implement the desktop support fully. Is the \$11,000 you added to fully implement the desktop support services from ITD?

Ms. Halgunseth: Yes, we came under ITD for desktop support services this biennium. However, they didn't get to our agency until close to the end of the first fiscal year. We finally got all the computers and monitors, registered with ITD, and paid them their fee in tune. That was some of the allotment money we were able to give back then, because we didn't use any of it. Going forward we are fully implemented, and dollars were put in so that we can continue the desktop support where we are now just doing the monthly fee.

Rep. Nelson: What is your monthly fee?

Ms. Halgunseth: For a laptop it's \$130 a month and for a desktop it's \$100 a month. We are allotted 7 laptops and 4 desktops.

Rep. Nelson: So it should be \$1,310 a month total.

Ms. Halgunseth: I believe it comes out to \$21,840 for 7 laptops and \$9,600 for 4 desktops. That comes out to \$31,440 a biennium.

Rep. Nelson: In IT data processing, you are only showing \$15,974 for the biennium. All three of those columns don't add up to \$31,440. How would that reconcile?

Ms. Halgunseth: Within that IT data processing line, the recommendation of \$54,000 also includes the monthly charges for the office we get from ITD for our broadband connectivity, our technology fee, idem user fee, shared file and _ user fee. We do computer backups through ITD so they store that. It's our website. There is a website hosting fee of \$20. There is a records management fee of \$36.

Chairman Pollert: Do you have a total for us?

Ms. Halgunseth: Our bills run around \$2,200 a month.

Chairman Pollert: Is that total?

Ms. Halgunseth: That includes the SAA and our highly rural transportation.

Rep. Nelson: I can't make the \$31,000 fit. I see that in the 17-19 budget, you are asking for \$16,000.

Ms. Halgunseth: The \$31,000 fits within the data processing root. That number is actually \$54,072 for the 17-19 budget.

Chairman Pollert: When you look at the \$288,000, the SAA is all federally funded?

Ms. Halgunseth: Correct. We are on track with the SAA office. They pay their own expenses. On Page 2 of our budget, benefits and claims, the appropriation is \$45,000. That \$20,000 was for stand downs and the \$25,000 was for the service dogs.

Chairman Pollert: In your budget, there are no dollars for the stand downs. We had the discussion last week that you have had a lot of good outsourcing or outside dollars coming in. I have notes about Fargo, Minot, Bottineau, and Bismarck and the seven stand downs in the state.

Ms. Halgunseth: Moving up a line where it says operating budget adjustment, this is the van. This shows a negative \$15,000. It's a negative number which means that I have to go back up to the rest of the budget and cut out \$15,000. The \$15,000 for the van is how that is reflected. I have to go back up to the rest and find \$15,000 out of our operating budget which is very tight. It would be nice to get that \$15,000 for the van put back into our budget, so we are not taking it out of operating.

Chairman Pollert: The last discussion we had is the vans are in the budget for \$15,000? The first page shows it there.

Lori Laschkewitsch, OMB: On the first page, Line 52, it shows \$15,000 for vans. The reason you see the operating budget adjustment under Line 70 which then goes down to Page 2, is so that they could find it somewhere in their operating budget rather than me specifying you have to cut in these different places.

Chairman Pollert: There is \$15,000 for a van but a van costs \$18,600?

Ms. Halgunseth: Yes.

Chairman Pollert: I have an e-mail that says there is a van besides what is here. This email was from a CVSO who was in Jamestown. It says there was a concern about van funding and the next van will be funded by ACOVA. They received notice in February in DC that their van was approved and their department was approved for a van. Does that tell me there has been a van approved outside of what this \$15,000 is for?

Mr. Wangen: When we had the first allotment, that's where the funding for the first van went. A van has been ordered, and it is waiting for some kind of funding. There is no funding for it right now. We don't have the money in our budget for it. We will see what we can do for it, but there is no money in the post war trust fund for a van either. There is no funding for this van right now.

Chairman Pollert: Is the \$18,600 figure a correct figure?

Mr. Wangen: That is the cost of the current van that is right there now waiting for funding.

Chairman Pollert: In this budget, there is \$15,000 for a van, but not \$18,600?

Mr. Wangen: In this budget we were allowed to purchase a van, but the funding wasn't put in for the van. It has to come out of our operations.

Chairman Pollert: It would come out of your dollars in the budget.

Mr. Wangen: Right, so our budget goes down more.

Lori Laschkewitsch, OMB: The base budget had \$15,000 in it for vans. In the governor's recommendation, what we did was just sustain that \$15,000 where when the department put their budget in, in their 10% reduction that was required by the governor, they were eliminating the \$15,000 for vans.

Chairman Pollert: Somebody eliminated the VA, not the legislature, but somebody eliminated the \$15,000 when you put in your revised budget.

Lori Laschkewitsch, OMB: That's correct. Then in the governor's recommendation, we restored it.

Chairman Pollert: You restored \$15,000 and in the Senate version in front of us, if we keep that in there, we have a van for \$15,000, but we would need \$3,600 to fully fund it?

Lori Laschkewitsch, OMB: That's correct.

Rep. Kading: I have another e-mail where you say that one of your priorities is getting your van funding back in the budget on 2025. How is this van funding not in the budget right now?

Mr. Wangen: The van has been authorized, but it doesn't have its own line item. There is no funding for it, so what is expected is we are going to cut back in our other operating expenses. Our operating will have to go down.

Chairman Pollert: Right now, if we pass this budget out today, you have \$15,000 in this budget to buy a van. I understand that you're saying that if you don't buy the van, you have \$15,000 for something else, or you are saying something else got hurt. Do you want the van or not want the van?

Rep. Kading: I think it's a little misleading to contact the local veterans' groups to say there isn't funding for a van when there is funding for the van that we have approved.

Mr. Wangen: I don't know where you got that e-mail or when it was dated, but when we came out of the Senate, it was understood that van was still a recommendation.

Rep. Kading: This e-mail was on March 7.

Mr. Wangen: That was well before we had our hearing last week where we were trying to discover where this van funding is. We were under the impression Dalrymple's budget suggested approving \$15,000, and then we were told that Burgum's budget was approved and Dalrymple's wasn't. It was very unclear where our budget was at. We have OMB, Legislative Council, Senate, ourselves, everybody throwing in the budget, and we didn't know what was clear until a week or two after our Senate hearing when they said this was what you really have.

Rep. Kading: I find it hard to believe that you didn't know what was coming out of the Senate.

Chairman Pollert: There is \$15,000 in. It is just a matter whether the section is expecting you to find the other \$3,600 or whether we are going to fund it. That would be decided by us when we bring the amendments forward. Now the dogs were taken out of the Senate appropriation. They weren't in the Burgum budget. The Senate did not have the \$50,000 for dogs and that came as a Senate amendment from the floor, not from appropriations?

Mr. Wangen: That's true.

Chairman Pollert: We were told that there was an organization that is also doing service dogs and that those dogs get funded if the person that needs help and, if its proven he needs help, that the VA out of Washington does provide the federal funding for those service dogs. Is that correct?

Mr. Wangen: Veterans can get service dogs for service connected disabilities, but not for PTSD. North Dakota is the only PTSD approved.

Chairman Pollert: We heard testimony that a service dog is \$20,000 and not \$25,000. It could be said that the \$50,000 if we wanted to keep it in there could actually be \$40,000.

Rep. Nelson: My understanding was that we were funding \$12,500 for each dog. I think we thought it was a 50% match, so we were funding four dogs. If they're \$20,000, it really didn't matter.

Mr. Wangen: The dog costs about \$25,000-\$30,000 for the training. The understanding was that the first \$12,500 is what we were allowed on this grant to go towards a dog.

Rep. Nelson: It's four dogs.

Chairman Pollert: I'm not arguing about the four dogs.

Rep. Nelson: I think what we're getting to is a priority. If your budget is getting squeezed in those two areas, the vans and the dogs, I guess the priority between transportation vans and service dogs is probably is where this is headed to. What has the highest priority with you?

Mr. Wangen: The dogs.

Chairman Pollert: More than the vans?

Mr. Wangen: The vans are a DAV project. We have been helping them provide this. The highly rural is completely different. The DAV can accept donations for the van. I would much rather have the \$50,000 for the four dogs.

Vice Chairman Kreidt: How many people do you have waiting for dogs?

Mr. Wangen: There are five veterans that are approved to receive a dog and a couple more applications that are pending for further documentation.

Rep. Nelson: Is that all PTSD related?

Mr. Wangen: Yes, this only for ND veterans for PTSD, and if they have something else like diabetes or something, they can train for that too.

Rep. Nelson: If a ND veteran gets a dog under a program that is not PTSD related, do you track how they are placed?

Mr. Wangen: That information doesn't come through our office, so we wouldn't be aware of it.

Chairman Pollert: The governor's budget was put together with what you bring forward. At that time, it was said that the vans are more important because they're in the budget. But now the dogs are in, and there was some miscommunication about the vans. How many vans are you going to need the next biennium?

Mr. Wangen: With the one van that we have here that we are trying to get money for..

Chairman Pollert: Let's say that doesn't happen because you told us that you would rather have the service dogs than the vans. What would happen if we don't fund the van? What would be expected of the legislature two years from now, vans wise?

Mr. Wangen: We would need two vans.

Chairman Pollert: Vans help a lot of veterans. I understand the dogs are for people with PTSD and that's four. You are telling me you can get by without a van for two years.

Mr. Wangen: No, I'm not saying we can go without that van. We can ask the DAV to extend the hours or miles on the vans and try to extend the life of them and allow that. It would be much easier for the veterans to get together and raise the funds for \$15,000 than it would be for four dogs.

Rep. Meier: I know the demand has gone up so much for usage of the vans.

Ron Otto: I am representing the Disabled American Veterans for the state of ND.

Rep. Meier: Can you speak about the usage of the vans to go to Fargo.

Mr. Otto: I gave the figures to Chairman Pollert with regard to the van usage in the amount of veterans that they are serving across the state. In 2016 we had quite a jump in the entire system which travels from urban areas to the VA and transports veterans. Our numbers were above 2,500 veterans being served. In regard to Rep. Kading's question, the van that we are short of money on now from the last biennium or the current biennium we are in, the \$15,000 that is sitting in this budget isn't going to help that all. They're going to have to look for the money for that. The DAV, through a trust program, covers 45% of the vans coming in. The actual cost of the van is \$31,000. What we have been doing is putting into budget enough money for two vans for each biennium. We're looking at \$38,000 for the next biennium. With only \$15,000 in there, we're short. We need another \$23,000 in there. The cost of the vans may go up in 2018 and 2019. We would ask that an additional \$25,000 be infused into the budget to add to the \$15,000 to cover the cost of the vans for the next biennium.

Rep. Meier: With that, the two vans that we have in the Bismarck-Mandan area, is the mileage high on those vans?

Mr. Otto: I can't speak to the mileage.

Chairman Pollert: There is a schedule on that.

Rep. Nelson: As we look at the priorities, it was suggested that it would be easier to raise funding from other sources for vans rather than service dogs. Would you agree with that statement?

Mr. Otto: It's difficult right now to raise money for anything. For the vans, when we started that program many years ago, it took quite a bit of time to raise money back when gaming was flush with the veterans' organizations, and that is back under the old laws of gaming when they had tons of money to give away. Now they don't.

Chairman Pollert: Could it be said that with the gaming associations and the bill with the casinos, could that adversely affect the opportunities to raise money for the veterans?

Mr. Otto: That is an issue out there.

Mr. Wangen: As we left off last time, there was a question about funding from the federal VA grant being used to offset the cost of two FTEs at the state. I have not been able to get a clear answer from the federal VA on how the ramifications of that will affect our grant removal. I looked at what we will be requesting. My estimate on a low side would be around \$650,000 over the biennium. If that is approved and if we maintain those services in the rural area at that high of a level where the VA will approve it the next year.

Chairman Pollert: I'm looking at the Ibars report, and it shows the rural transportation grant of \$100,000. It shows the rural transportation grant of \$1.8 million. You are telling me that instead of 1.8, it is only going to be \$650,000?

Mr. Wangen: Yes, it will be roughly \$650,000.

Chairman Pollert: I understand your concern, but it will be highly improbable for us to replace \$1.2 million of federal dollars to help this program when it was the understanding that it was going to be under federal.

Mr. Wangen: The top part is what we were actually spending in the last biennium. We are not matching. We have no state funds required for this at all. I won't be asking for \$1.2 million. My concern was that OMB took out \$100,000 from our budget to replace with the highly rural transportation grant funding, and that is based on that 10% that we can use for admin. 10% of the \$650,000 is \$65,000 over two years minus your other expenses if we get that amount. I'm saying the \$100,000 is not sustainable with the highly rural transportation grant.

Chairman Pollert: Is it on actual usage?

Mr. Wangen: That's correct. I do hope to have an answer by the feds on how this would affect us by early next week.

Chairman Pollert: We will tentatively meet again on this next Friday.

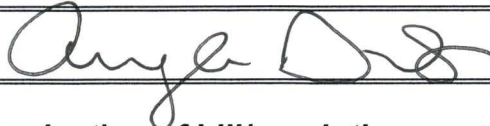
2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2025
3/31/2017
Job 29866

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Attachment 1

Chairman Pollert called the committee to order.

Alex Cronquist, Legislative Council provided funding changes handout (attachment 1).

Rep. Nelson reviewed amendment 17.0533.03002.

Rep. Nelson: I move the amendment.

Vice Chairman Kreidt: Second.

Rep. Nelson: It's safe to say that this bill will go into conference. There is a matter of priorities between the two chambers. Given the blueprint that this amendment adds, is that there is some room for discussion between the two chambers to find a compromise that can service veterans in this state; boots on the ground services in exchange for some of the administration of the office. I think there needs to be a dedication to the veterans and that is the intention of this bill.

Chairman Pollert: There might be some folks that say we are picking on the department because we are removing an additional FTE. I would remind everyone that with the DHS budget, the FTE we took out of there took them back to the year 2007. The FTE here goes back to the year 2011. It's not just this budget that is getting FTE removed. I think this shows that the House side wants to have an emphasis on the vans. We also know there is a place for the service dogs as well.

Vice Chairman Kreidt: As we worked on this budget, we took into consideration that two additional service dogs will service two additional people, while the vans will help a number

of veterans. That's why we went in that direction. I thought we should help as many vets as we can and I felt the vans was the direction to go to do that.

Chairman Pollert: We've tried to get the vans into the budget for the last three biennia so we're on a schedule. I'd hate to get off of that schedule. I think testimony came forward and said that certain people wanted to see more of the service dogs than they did the vans and that they would find the vans through fundraising. My opinion is that we got them in and we should keep them in.

Rep. Holman: I think it's important to note that we feel that it's important to take care of our veterans. It's also important to recognize that as we go through all of the budgets, North Dakota requires that we operate within a balanced budget, so even though we see a need sometimes, we can't always meet that need. Because our income is down, we're also asking this organization to be part of this process where we have to balance the budget. We do this with a lot of thought. We try to do as much as we can but sometimes it's not as much as what someone wants.

Rep. Meier: I want to let the committee know that I appreciate the work that was done. We worked on trying to strike a balance. We heard from veterans that the need was up for individuals needing rides to Fargo and that's why we put an emphasis on the vans. I feel that was really important.

Roll Call Vote: Yes – 5, No – 0, Absent – 1.

Rep. Nelson: I'd move a Do Pass as Amended.

Vice Chairman Kreidt: Second.

Roll Call Vote: Yes – 5, No – 0, Absent – 1. Rep. Nelson will carry the bill.

Chairman Pollert closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2025
March 31 2017
29874

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:



Chairman Delzer: Called the committee back to order on SB 2025.

Rep. J. Nelson: The governor suggested that we remove one FTE from that agency. He suggested that we remove funding for stand down events that was \$20,000 in the previous budget. He removed funding for the Agent Orange Program of \$50,000 which has completed its task.

The senate changes where that they added 4 service dogs back into the budget for 50 thousand dollars. When we got the budget we went to the statement of purpose section make an adjustment in the health insurance, we removed another FTE from the budget and that would get them down to 211 level of from the FTE standpoint. We also took two of the service dogs that the senate put in out of the budget so we are funding 2 service dogs at \$ 25 thousand dollars each, we made an adjustment in the transport vans, there's two different transport van programs. There was \$15,000 in the budget for the transport van. We found out that they do get a good deal on the van so we did add \$3,600 more to replace that one van. Then we also added one more van. Look on page 1 top portion we added a transport line into the budget so that takes the flexibility from the Veterans Affairs from the Veterans Office to use that money for other purposes.

Rep. J. Nelson: I move the amendment 03002.

Rep. Meier: Second.

Chairman Delzer: Discussion

Rep. Boehning: Why don't they use the DOT for fleet services?

Rep. J. Nelson: This has been utilized for many years, they use these vans to transport veterans only, because of the veteran's requirements.

Chairman Delzer: Are these handicap accessible?

Rep. J. Nelson: They are.

Chairman Delzer: Would be some contract problems using federal VA money for paid services for a state vehicle?

Rep. J. Nelson: It is certainly the case with the highway world.

Chairman Delzer: I don't think fleet services would have handicap accessible vans.

Rep. J. Nelson: What value they get from them they deposit that money into the post work trust fund. That is used for veteran services.

Rep. Boehning: How many do they put on when they trade the vans off?

Rep. J. Nelson: The life of the van for the policy that they have is 150 thousand miles.

Rep. Pollert: The vans were at \$15,000 for the purchase price now they went up to \$18,600.

Rep. Boehning: We have been dealing with some of these within the DOT that are running vans with 200,00 plus miles I think these guys should be talking about so they could get an upgrade in the vans.

Chairman Delzer: Did you ask DOT what they pay for those vans and what they get for them when they sell them?

Rep. Boehning: The vans that are doing the transporting they don't run those through fleet services, they are coming from their own regions.

Chairman Delzer: That transit vans and that's completely different situation.

Rep. Vigesaa: Regard to the service dogs, do the veterans apply for a service dog? what's the process to get a dog?

Rep. J. Nelson: There's an application process that takes place for the veterans that have PTSD, that qualify for the service dogs, there's a waiting list.

Rep. Vigesaa: How many are on the waiting services and how many dogs are out here now?

Rep. J. Nelson: There are being utilized more and more we had 4 of the veterans that have service dogs coming to our committee and it's a program that is working.

Chairman Delzer: There's just on the one training location in Judd?

Rep. J. Nelson: They are in the part of corrections that are also part of the training for the dogs.

Rep. Pollert: We had a lot of discussion on whether we should purchase vans or do we help with the service dogs? We heard there is another dog training but there is a difference in the need of service. If it is a diagnosed as a mental issue than the VA would pay for everything, but if it is PTSD they will not do that.

Chairman Delzer: Part of this came to play when we were having trouble with the post war trust fund going down and they wanted it paid for by general fund.

Rep. Kreidt: Last session we allotted them two dogs in the Veterans Affairs budget and then we then we had a stipulation that if there were more that needed dogs they should come to the budget section and get that approved, we had the money but we held it, we did give them half of it. After they had 2 individuals they were to come in request the other money for the 2 other dogs.

Rep. Boehning: Could we put that language in this bill also? If those dogs are saving lives I think that should be worth more than any van?

Rep. Pollert: I think that would be good to have for conference committee.

Rep. Boehning: That will be a point that we can bring up.

Rep. Pollert: when we got this from senate, the senate had nothing in there for vans even through it was in the budget. They had taken the dogs out in the senate appropriations on the floor amendment the 4 dogs were in there but not the vans.

Rep. J. Nelson: There's a need for both in this budget, because the state approving this agency was turned over to the Veteran Affairs Department and in the last 2 years they closed the office in Bismarck, moved that to Fargo so all the veterans and services now are in Fargo.

Rep. Brabandt: The 50 thousand for agent orange that was removed?

Rep. J. Nelson: That was a program that was to make veterans aware of the services for agent orange and now we are finding that there are up to 5 generations of the people that were involved with agent orange. They felt that it did its job and they are not asking for any more money for in there.

Chairman Delzer: Further discussion? All those in favor of amending SB 2025

Voice vote, all in favor, motion carries.

Rep. J. Nelson: I would move a do pass on SB 2025 as Amended.

Rep. Kreidt: Second.

Chairman Delzer: A motion by rep. Nelson second by rep. Kreidt for a do pass as amended on SB 2025. A Roll Call vote was taken. Yea: 17 Nay: 0 Absent: 4
Floor Assignment Rep. Nelson.

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2025

Page 1, replace lines 12 through 19 with:

"Veterans' affairs	\$1,379,982	(\$211,967)	\$1,168,015
Agent orange	50,000	(50,000)	0
State approving agency	288,018	(16,020)	271,998
Grants - transportation program	0	1,719,520	1,719,520
Transport vans	<u>0</u>	<u>37,200</u>	<u>37,200</u>
Total all funds	\$1,718,000	\$1,478,733	\$3,196,733
Less estimated income	<u>288,018</u>	<u>1,803,553</u>	<u>2,091,571</u>
Total general fund	\$1,429,982	(\$324,820)	\$1,105,162
Full-time equivalent positions	9.00	(2.00)	7.00

SECTION 2. HEALTH INSURANCE INCREASES. The salaries and wages line item in section 1 of this Act includes the sum of \$18,581, of which \$15,431 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 1, remove line 23

Page 2, replace lines 1 and 2 with:

"Service dogs	\$50,000	\$0
Desktop support hardware	26,895	0
Transport vans	<u>0</u>	<u>18,600</u>
Total general fund	\$76,895	\$18,600

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of veterans' affairs shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, line 5, replace "\$50,000" with "\$25,000"

Page 2, line 6, replace "four" with "two"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2025 - Department of Veterans' Affairs - House Action

	Base Budget	Senate Version	House Changes	House Version
Veterans' affairs	\$1,379,982	\$1,314,224	(\$146,209)	\$1,168,015
State approving agency	288,018	272,240	(242)	271,998
Agent orange	50,000			
Grants - transportation program		1,719,520		1,719,520
Service Dogs		50,000	(25,000)	25,000
Transport vans			37,200	37,200
Total all funds	\$1,718,000	\$3,355,984	(\$134,251)	\$3,221,733
Less estimated income	<u>288,018</u>	<u>2,091,817</u>	<u>(246)</u>	<u>2,091,571</u>
General fund	\$1,429,982	\$1,264,167	(\$134,005)	\$1,130,162

3/31/17 DP
2012

FTE 9.00 8.00 (1.00) 7.00

Department No. 321 - Department of Veterans' Affairs - Detail of House Changes

	Adjusts Funding for Health Insurance Increases ¹	Removes 1 FTE Position ²	Adjusts Funding for Service Dogs ³	Adjusts Funding for Transport Vans ⁴	Adds One-Time Funding for Transport Vans ⁵	Total House Changes
Veterans' affairs	(\$1,209)	(\$130,000)		(\$15,000)		(\$146,209)
State approving agency	(242)					(242)
Agent orange						
Grants - transportation program						
Service Dogs			(25,000)			(25,000)
Transport vans				18,600	18,600	37,200
Total all funds	(\$1,451)	(\$130,000)	(\$25,000)	\$3,600	\$18,600	(\$134,251)
Less estimated income	(246)	0	0	0	0	(246)
General fund	(\$1,205)	(\$130,000)	(\$25,000)	\$3,600	\$18,600	(\$134,005)
FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

¹ Funding for employee health insurance in adjusted to reflect the updated premium amount of \$1,241 per month.

² Funding for 1 FTE position and related funding is removed. The Senate also removed 1 FTE position, resulting in a total of 2 FTE positions removed from the base budget.

³ Funding for service dogs training is reduced by \$25,000 from the general fund, to provide a total of \$25,000 for training up to two service dogs to assist North Dakota veterans with posttraumatic stress disorder. The Senate provided \$50,000 to train up to four service dogs. Section 4 is also adjusted to reflect this revised amount.

⁴ Funding of \$15,000 from the general fund is moved from the veterans' affairs line item to a transport vans line item. An additional \$3,600 is also added from the general fund to the transport vans line item.

⁵ One-time funding of \$18,600 is added from the general fund for transport vans, resulting in total funding of \$37,200 for transport vans. The cost to purchase a transport van is approximately \$18,600. As amended by the House, the Department of Veterans' Affairs would have authority to purchase two transport vans during the 2017-19 biennium, using \$18,600 of ongoing funding and \$18,600 of one-time funding. The Senate approved funding of \$15,000 for transport vans.

This amendment also adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB2025**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: 17.0533.03002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Nelson Seconded By Rep. Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Representative Holman	X	
Vice Chairman Kreidt	X				
Representative Kading		—			
Representative Meier	X				
Representative Nelson	X				

Total (Yes) 5 No 0

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB2025**

House Appropriations - Human Resources Division Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
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 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Nelson Seconded By Rep. Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Representative Holman	X	
Vice Chairman Kreidt	X				
Representative Kading					
Representative Meier	X				
Representative Nelson	X				

Total (Yes) 5 No 0

Absent 1

Floor Assignment Rep. Nelson

If the vote is on an amendment, briefly indicate intent:

Date: 3/31/2017
 Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2025**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.0533.03002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative J. Nelson Seconded By Representative Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich			Representative Streyle		
Representative: Boehning			Representative Vigesaa		
Representative: Brabandt					
Representative Brandenburg					
Representative Kading			Representative Boe		
Representative Kreidt			Representative Delmore		
Representative Martinson			Representative Holman		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Pollert					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Motion Carries

Date: 3/31/2017
 Roll Call Vote #: 2

**2017 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. SB 2025**

House Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Representative J. Nelson Seconded By Representative Kreidt

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	A		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	A				
Representative Kading	A		Representative Boe	X	
Representative Kreidt	X		Representative Delmore	X	
Representative Martinson	X		Representative Holman	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	A				

Total (Yes) 17 No 0

Absent 4

Floor Assignment Representative J. Nelson

If the vote is on an amendment, briefly indicate intent:

Motion Carries

REPORT OF STANDING COMMITTEE

SB 2025, as reengrossed: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). Reengrossed SB 2025 was placed on the Sixth order on the calendar.

Page 1, replace lines 12 through 19 with:

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Re-number accordingly

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Department No. 321 - Department of Veterans' Affairs - Detail of House Changes

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FTE	0.00	(1.00)	0.00	0.00	0.00	(1.00)

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⁵ One-time funding of \$18,600 is added from the general fund for transport vans, resulting in total funding of \$37,200 for transport vans. The cost to purchase a transport van is approximately \$18,600. As amended by the House, the Department of Veterans' Affairs would have authority to purchase two transport vans during the 2017-19 biennium, using \$18,600 of ongoing funding and \$18,600 of one-time funding. The Senate approved funding of \$15,000 for transport vans.

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2017 CONFERENCE COMMITTEE

SB 2025

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025
4/10/2017
Job # 30031

- Subcommittee
 Conference Committee

Committee Clerk Signature

Mickie for Rose Loring

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Legislative Council: Levi Kinnischtzke
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2025. Conferees are: **Senators Dever and Robinson and Representatives Nelson, Kading and Holman.**

Senator Kilzer: Need to work out the differences between two houses.

Rep. Nelson: We made a couple minor changes – health insurance change. Reduced one position and put them to 2011 FTE count. In Senate, you added 4 service dogs. Executive budget had none and we removed two. We added another transport van and we were told it was needed. In the third footnote, you added \$15,000 for van and the cost for a service van has increased to \$18,600, and we added the \$3600 to your appropriation for the first service van and then fully funded the second service van for \$18,600.

We did make sure the transport van or service van are in a separate line in the budget so that money would be dedicated for that so those vans are replaced on a schedule and not have to do this every session. Then there would be certainty of availability and upkeep of those particular vans.

Senator Kilzer: The dogs were increased from 2 to 4 by your floor amendment. Can you describe that a little bit?

Senator Robinson: On the Senate side, we came out of this committee without the dogs, and we added the dogs on the floor of the Senate. I strongly ask for restoration of the \$25,000. The PTSD (Post Traumatic Stress Disorder) veterans have served multiple tours and are struggling. We have 4 veterans waiting and I think it would be unfortunate to tell two of them they have to wait 2 more years. Given the seriousness of their medical mental and emotional situation, I think that would be a mistake on our part. Budgets are tight, but for an

additional \$25,000 that was removed in the House, it would be a good investment to fund all 4 of the service dogs.

Senator Kilzer: In your testimony on the floor, there was a discrepancy in the success of the dogs. Was it 7 out of 8 or was it 5 out of 6 that were successful?

Lonnie Wangen, Commissioner of Veterans Affairs in North Dakota. Since this program began in ND, we've only had to take one dog away from the veteran and that was because the veteran wasn't taking proper care of the dog. The dog was running on its own and not being kept up so the dog was taken back by the organization and awarded to another veteran. It was an unfortunate incident, but the welfare of the dogs is very important also.

Senator Kilzer: What's the number of successfully placed dogs?

Lonnie Wangen: This will be going into our 4th year so we've had 8 dogs through the grant and everyone has changed their lives. The ones that haven't been funded through this program have also all been successful. We haven't had a failure on that part as far as improving the quality of that veteran's life.

Senator Kilzer: So in this program, it's been 7 out of 8 that have been successful?

Lonnie Wangen: That is correct.

Rep. Nelson: How many dogs have been placed outside of this program? There are 8 that have been funded through the legislature. What are the total number of dogs servicing veterans that aren't part of legislation appropriations?

Lonnie Wangen: I couldn't give you an exact number, but I sit on a board that awards them. We probably awarded another four or five more dogs throughout their funding. I can get the actual number but my best guess would be 4-5 dogs.

Rep. Nelson: Just wanted to know how dogs are being placed across the state through private donations. My understanding is that the appropriation that we provide for the service dogs covers roughly about half of the cost of training. Then there is private money that supplement that training to place these dogs. The \$12,500 per dog does not complete the training of the dogs.

Senator Robinson: Visited with veterans about this. The challenge of many of the organizations is their numbers have dwindled and clubs are closing. VFW in same boat. Back home, they say we can't take on another project. A couple years ago, it was assumed you were a veteran organization member. That's not the case anymore to be active in the veteran's clubs. We have a dwindling number that are actively involved.

Rep. Nelson: The House position is that we provide services to veterans across the state. The service dogs are an important part. If that's an area of interest to the Senate, I'm not prepared to make any motions today, but I'm curious if that's how the Senate feels about the service dogs as an issue. Is that a priority item or is it not?

Senator Kilzer: The increased \$50,000 was a floor amendment from the Senate. That did not come from the Appropriations committee or from the sub-committee. It was a verification vote so we don't know what the number was.

Senator Robinson: It was a vote on the floor of the Senate. I was working on floor amendment this time and was surprised about the number of people who approached me and wanted to do this. It's the right thing to do.

Senator Dever: It passed so we know it was a majority. Senator Robinson offered the amendment and I seconded it. There is a strong interest on our part to keep the dogs. If I could just change the subject for a minute, the action of the Senate Appropriations Committee was to follow the recommendations of Governor Burgum. So when we removed the one FTE, it was without direction to the department. Which FTE was left to their discretion. I'm curious if there was a certain rationale about the one the House removed or if they had in mind a certain position they wanted.

Rep. Nelson: We prefer to allow the commissioner to have flexibility in those matters. We generally don't identify a position. But there are several that, we've heard that Outreach is not as active as it once was. If we have to provide services, whether dogs, vans or both, we have to find that within some of the savings in the budget. The administration end of it is where we found the savings to provide services. It's a direct trade off of administration versus services, and we feel very strongly that services are where Veterans should be served, that's where the priority is from our position. This would allow those increased services to take place.

Senator Dever: I've had concerns about veterans being served in the western part of the state since the Bismarck office was closed. I'm not sure what kind of travel time comes out of the office.

Rep. Nelson: After the last session, the Bismarck office was closed and all services are now in one place which is in the corner of the state so travel is a big part of that. We feel that with advice of CVSOs (County Veterans Service Officer) that the transports are an important part of receiving those services. If we were to prioritize our position, transport vans were the number one issue with the House because it's providing transport for veterans to the VA hospital or to Fargo for services. The second priority would probably be the service dogs. In testimony, the commissioner might feel just the opposite of that. We asked the question and service dogs appeared to be the number one issue to him. We shouldn't look at it like an either or. The rationale behind removing a position was so we could do both if need be. I don't want to go back to our side and advocate for adding the two service dogs that were reduced if that's not the Senate's position. What I'm really asking is do we have two votes on the senate conference committee to do that and if we do, I would take that back to our side for a compromise in this.

Sen. Kilzer: Your priorities are #1 – the vans, #2 – dogs, and #3 – the 2nd FTE. Correct?

Rep. Nelson: Correct.

Senator Kilzer: (asking Lonnie) Tell us your priorities. And when we talk about FTEs, we're talking about the 2nd FTE because one side is recommending cutting one FTE and the House is desiring to cut two.

Lonnie Wangen: The Senate pulled one FTE in the governor's recommendation. We believe that to be fair and straight across the board with other agencies. In 2013-15, we picked up the SAA (State Approving Agency) which is a federally funded program that was under Higher Education, that came under us. That's where the other FTE came from and no cost to us. Our FTE's for the Department of Veterans Affairs and service to veterans was the same as the one that left the Senate here when we took away the first FTE. Now the House looked at it, and well you have nine instead of seven. One of those is a carryover that was here for decades just under a different agency. It was fully federally funded. So my priority is that FTE needs to come back.

Looking at our agency, to run our agency and take care of veterans, our core budget, and employees is the most important thing. The dogs and the vans are programs there and nice things that came from other bills that got tacked on for us to run through basically as a Department of Veteran Affairs as a run through source. We want that funding, but we don't believe that we should lose an FTE or our other operating budgets to pay for those things. If the Senate and House, if our Legislative committees want to provide for those and support those programs which we love and want to do ourselves, the funding should be coming from general funds and not being pulled from what it costs to operate our agency. That's our feeling on that. As far as the VSO talking to Senator Nelson, I don't who those VSO's are but they don't speak for veterans. I speak for the veterans in North Dakota, and our agency, and our priority is our budget - number one, and those dogs were another priority, and the vans are low on that because right now, there is an issue with one van that got pulled out of our current budget and they are scrambling to raise funds for that and they can't. So I just called them in and asked for an extension of the van for a year. We can't extend the dogs for a year as we need the dogs. The vans can be pushed back, so the spread sheet that I gave to both committees here, that shows a replacement of those vans, shows one is due now, and one is due at the end of 2019 which really can be put in not this coming biennium but in the 2019-2021 biennium that could pay for that. The current one can be pushed back that far, and or pushed back a year or so, so that we can do the fund raising for that. There's other ways of working it. The FTE situation was not discussed with us in the House. We discussed those vans to exhaustion. Then an FTE is pulled. So, that is my main concern is why did we lost an FTE when we are going back to 2011-2013 and that's where we were at.

Senator Kilzer: So your order of priority is 1) FTE restoration 2) dogs & 3) van.

Lonnie Wangen: That is correct. That would be the priority of the Veterans organizations also.

Senator Robinson: Trying to follow through in terms of the budget. The vans are important, but secondary to the other two issues. Where are we at if we do the dogs and the FTE in terms of this base level budget? Where are we at with the House version as it came over if we did both of those? Can we swing that?

Levi Kinnischtzke: Clarifying the request. It's one FTE and 4 dogs.

Levi Kinnischtzke: That would be exactly how the Senate version is.

Rep. Nelson: Wasn't there \$15,000 for a service van as they bill came across to us?

Levi Kinnischtzke: Yes, that was already in the budget, so the Senate did not add that but the \$15,000 was in there. It just wasn't broken out into its own line item.

Rep. Nelson: With no vans, that \$15,000 wouldn't need to be in that budget as well? Is that fair to say, Sen. Robinson?

Senator Robinson: I was trying to get a handle on where were we are at if we remove the vans, do the FTE, and the 4 dogs? Where we are at in terms of the total budget. Based on Lonnie's testimony, that we have some flexibility with the vans, we dealt with the FTE and the dogs. If we could put that package together....

Levi Kinnischtzke: Only 1 FTE reduction which came from the Senate; all 4 service dogs for \$50,000, and no transport van. Then that would be the same as the Senate version except for \$15,000 less, so the total general fund dollars then would be \$1,249,167.00.

Senator Kilzer: There was \$1.2M and where is the executive budget at \$1.4M, is that right?

Levi Kinnischtzke: The total governor recommendations from both governors was also \$1.2M. It would be roughly a \$45,000 increase; \$60,000 increase from the Senate position. If we are taking out the \$15,000 for the transport van, it would be about \$45,000 increase from the what the executive budget was.

Senator Kilzer: So that would be \$45,000 above the Burgum budget? Senator Robinsons proposal is \$45,000 above the Burgum budget.

Rep. Nelson: From the House version, that would be an additional \$118,800 increase over the House version.

Levi Kinnischtzke: Roughly \$119,000.

Senator Robinson: The plan then would be an additional \$25,000 for the dogs and then the balance would be the FTE.

Senator Dever: Currently Veterans' Affairs has 9 FTEs. One of them is Lonnie's position. Another is the state approving agency position. I wonder if Lonnie could just run down what the other 7 positions are.

Lonnie Wangen: Of the 9 positions we have, there is my position, the SAA, office of administration that does the payroll (all the books), the grant & loan officer, the receptionist position, and 4 veterans service officers, one of which is the women's veterans coordinator which I believe was added in 2005 or 2007 to our agency.

Senator Dever: Do they go out across the state or do they respond to CVSO's that submit information?

Lonnie Wangen: Actually we are responsible for the training and the assistance of the county veteran service officers. So if a new county service officer is hired we bring them in for training if in the interim, say a service office quits, is fired or dies in office, we step in and fill that office. We'll go out and have their phones transferred to us, emails and everything and we'll go out and sit in the office and serve our veterans in the interim. There is a Veteran Service officer in every county and we work closely with them. The western side of the state has gotten a lot better over the last few years. We've got some really good service officers out there. They have combined counties to work together a lot better, and so whether or not with the electronic world we are in now, we actually go in and step into those areas of the state, services are still rendered there. That is the biggest part of our outreach is the training and then there's presentations or service organization events where they want us to come and do a stand down or other informational events. We'll come out and speak at those or provide a booth.

Sen. Dever: So if we were to reduce the FTE that the House has, would it be a CVSO then likely?

Lonnie Wangen: I believe it would have to be the only one we could because we have to have an office administrator on the books. We also have to have the loan and grants officer which leaves us to nothing but veteran service officers. That would be very detrimental to the services we provide. We have a larger work load. We've proven ourselves to be very effective at what we do so our caseload have gone up.

Senator Kilzer: Anything else to think about? Closed the hearing on SB 2025.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025
4/11/2017
Job # 30069

Subcommittee
 Conference Committee

Committee Clerk Signature

Emmy Proberg for Rose Tanning

Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Testimony Attached # 1.

Legislative Council: Levi Kinnischtzke
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2025. Conferees were: **Senators Dever and Robinson and Representatives Nelson, Kading and Holman.**

Levi Kinnischtzke handed out Department of Veterans' Affairs – Budget No. 321 – Attached # 1.

Senator Kilzer: Asked Mr. Wangen about the cost for the vans and if they would pay for the vans in 2019.

Lonnie Wangen: Currently we have a van that was supposed to be purchased during this biennium and that money went with the allotment. On the spreadsheet there is one van due now and one due at the end of 2019.

Senator Kilzer: With the allotment, the van that was purchased several months ago was not paid for?

Lonnie Wangen: The van hasn't been purchased yet so the van we have planned we are hoping to replace. That van is ready for us to order but we can push that back another year or more if need be.

Senator Kilzer: So it is accurate that if you don't take up the purchase now, you wouldn't be doing a purchase until the end of 2019?

Lonnie Wangen: That could be accurate, we could push all of them back into 2019.

Senator Kilzer: Would that be one van in 2019?

Lonnie Wangen: It could be two vans. It would give the veterans organizations time to try to do some fundraising to pay for one van with the cut backs we do have.

Senator Kilzer: Any other questions or comments about the 3 issues before us: FTEs, vans, and dogs?

Rep. Nelson: We have been adamant in the House that we get on a schedule with these transport vans. You can see by that explanation that we are going to get into a corner again with transport vans. It is a very important mission for those people who need transportation to the VA center and the VA hospital. That is why we wanted to get on a schedule so we don't come back every legislative schedule and tackle this issue. Yes, maybe they can raise the money for the vans but generally speaking, we end up funding these vans. When we get behind and they need multiple vans, it affects a particular budget. I think it is important that we stay on these schedule.

Representative Nelson asked Mr. Wangen about how many staff members and interns he has.

Lonnie Wangen: We have no interns at this time but during this biennium we had one work on our marketing.

Rep. Nelson: Did you ever have 3 interns at one time?

Lonnie Wangen: We did not.

Rep. Nelson: You have 5 CVSO positions and one floater, is that accurate?

Lonnie Wangen: No, that is not accurate. We have 4 VSO and one is also the woman's veteran coordinator who works specifically with women and mostly for military sexual trauma cases.

Rep. Nelson: Does that individual work on claims for women or do the other four do that?

Lonnie Wangen: They all work on claims.

Rep. Nelson: Can you tell me about your grant writer?

Lonnie Wangen: She is a grant coordinator and it is a temporary position and it is paid by federal funds.

Rep. Nelson: You mentioned a trainer yesterday, my understanding is you contract with Wounded Warriors?

Lonnie Wangen: We do bring in subject matter experts to give classes, updates, and answer questions. We have had the Wounded Warriors come in and they are good at showing how to do claims and they did do some training for us but I don't believe there was any cost to that. We do have a tight budget and we try to bring in as many free trainers as we can.

Rep. Nelson: The VA does some claims work as well and do some of the veteran organizations process claims as well?

Lonnie Wangen: DAV, VFW, and the American Legion are involved in that process and act as power of attorney. You can file a claim directly with the federal VA but that is not the best idea because you have no representation except for yourself and you have no knowledge on how to properly do it. 98 – 99% of the claims go through a service organization such as ourselves.

Rep. Nelson: How many people in the VA center?

Lonnie Wangen: We share a building with them; one half of the hall is the VA and the other half are the federal employees. When you give a claim, they look at the claim and adjudicate it and review it and they make the decision on it ultimately. Their job isn't to put together the claim, theirs is to make the judgement on the claim.

Rep. Nelson: Could you provide us with the number of claims that goes back 3-4 years so we can see if the workload has increased or decreased?

Lonnie Wangen: I wouldn't have the exact numbers but I know we have doubled or tripled the case load we have had since I have been here and I have been here 8 years.

Rep. Nelson: I'd like to request those numbers.

Rep. Kading: I think Representative Nelson asked some good questions and I'd be interested to know how many claims the department is working with on an annual basis compared to some of these other agencies. It is my understanding is that there is a quarterly report out there that outlines some of this information. I think knowing how many claims the department is handling would be important for our committee.

Senator Dever: Is the number of claims processed by the national service officers of the various organizations available? If you have four VSO in your department, how many are in the NVSO (National Veterans Service Officers)?

Lonnie Wangen: I can't get them quickly but I can come up with some of those numbers. We also have a national team so what the numbers at the Fargo VA aren't reflective of what claims they are working on because it goes to a national que and they get picked up all over so we may be working on a claim for some veteran in Washington or Florida. Some of our claims may go up and be adjudicated by someone else also. Those numbers might be skewed right now but you have to look at the claims. But when you are dealing with 10-15 issues on that claim, it is going to take you a month to put together. There is a different between number of claims and number of issues and the issue part it is going to be more difficult to show how many issues there are. Whatever MN does with American Legion and what are employees do is quite a bit different because we do a lot more walk in traffic and we do claims from the beginning to the end so we work the veteran whereas these other organizations a lot of it is taking the claim as developed by the county service officer, check it, and hand it in.

Senator Dever: I am not concerned so much about the numbers but how do you measure the workload between the various organizations?

Lonnie Wangen: I can get you that information.

Senator Robinson: The suggestion is that vans are a high priority and the sheet says the cost is \$18,600, is that correct?

Lonnie Wangen: What happens is Columbia Trust pays for 45% of the vans and depending on what the price they get from Ford that determines what we pay; the current one is \$18,600 plus prices will vary whether it is a 12 or 7 passenger van.

Rep. Nelson: You did have some outreach that was administered out of your office, correct?

Lonnie Wangen: We do some outreach but ND Cares also helps with services and we don't want to make a duplication of services. They are located throughout the state and they reach out to veterans and direct them to us. We don't drive around the state looking for veterans who need services.

Rep. Nelson: From your office standpoint, is there an increased or decreased amount of outreach that takes place out of your office?

Lonnie Wangen: It has stayed the same. The woman's veterans' coordinator did a lot of outreach when she was in Bismarck. The woman's veteran's coordinator we have now is actively doing office work on claims and her biggest outreach would be going out and visiting with a female veteran somewhere in the state who needs help and there is only a male veteran service officer in the area. For obvious reasons, it is a lot better to have a female go out and visit with her. There is a lot of outreach in that but there is not a lot of going to presentations. We are doing the work that is needed. We will go out and do training and answer questions to veterans' groups and town halls about the benefits and issues that they have.

Rep. Nelson: Do you process claims in your capacity as commissioner?

Lonnie Wangen: No I do not but I could if I wanted to.

Senator Dever: I understand the vans we are talking about are for transporting veterans from across the state to the VA in Fargo. Are there other vans that are smaller that are located in various communities for transportation of veterans?

Lonnie Wangen: Those are the highly rural transportation grant vans we talked about and we purchased 11 of those. They serve the 36 highly rural counties in the state. The DAV vans that you are talking about per purchase that we donate to the federal VA are located in the more urban centers of the state so they go directly to the VA. The highly rural are the ones that are going to go out and pick up veterans in the small communities and bring them to their medical appointments and that is fully federally funded.

Committee Discussion: Senator Dever and Mr. Wangen discussed the rural transportation program. In response to a question from Representative Nelson, Mr. Wangen said that when the vans are sold, the money goes back to the person who paid for it and the vans that are sold that were paid for by the state, the money goes back to surplus property. Mr. Wangen said there were 4 vans that had been purchased with the postwar trust fund.

Senator Kilzer: Asked Senator Robinson and Senator Dever to make a list of their priorities of the areas that were disputable: FTEs removed, Vans, and the Dogs.

Senator Robinson: Dogs remain my top priority. I am not sure on the other two after hearing the testimony today.

Senator Dever: #1 Dogs, #2 Van, #3 FTEs. I am interested in receiving the information we asked for and that may cause me to reconsider.

Senator Kilzer: Closed the hearing on SB 2025.

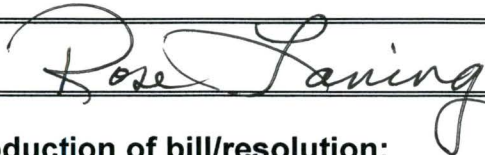
2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2025
4/13/2017
Job # 30128

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation for defraying the expenses of the department of veterans' affairs.

Minutes:

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2025. Conferees are: **Senators Dever and Robinson and Representatives Nelson, Kading and Holman.**

Lonnie Wangen was ill and asked to be available by conference call. When called, he had gone home sick and three other people from the Veterans Administration were available.

Senator Kilzer: This is our third meeting on the conference committee of SB 2025. We've gone thru the 3 issues that are in front of us, the vans, the dogs, and the FTEs. We've noted our priorities and certainly the differences. Any comments from the committee?

Senator Dever: At our last meeting, we asked for some information from Lonnie that we haven't seen. I didn't see anything in his communication that indicated it might be forthcoming so I think we need to act on the information that we do have. I'm a little disappointed that that is the case.

Representative Nelson: It is disappointing that the information seems to be so difficult to get. I've been able to access similar information from other individuals that I believe to be accurate. They have a program that can pull claims data up quite readily. I don't know why we can't get that. From what I've learned since the last meeting, I feel more strongly today than I did the last time we met that the benefits and the programs that are accessed at the State Department of Veterans' Affairs can be completed with one less staff person.

If you look at the claims that take place today, nearly 35% of them (260 claims of the 742) are processed by Disabled Veterans of America with 2 claims processors. Next up is the Veteran of Foreign Wars, they have 198 or 26% of the claims which are processed by those two individuals. The Dept. of Veterans Affairs is at 99 or 13% of those claims. The County

Veteran Service Officers (CVSO) are doing claims. There's an argument that can be made that it's the job of the counties. Some of the emails that we're getting from Mr. Wangen was just totally false in so many areas and from what I'm hearing, I don't know what I can believe in part or in its entirety. I think we need to move on. My priorities haven't changed one bit. I'm ready to move an amendment to try and complete our work.

Brian Waters, North Dakota Veteran's Administration: Everything that the commissioner sent on that email this morning was 100% truthful. The numbers you are getting - I don't know who you are getting information from, but when you talk about just the straight VA claims, that is about half of the story. I helped put together the information in there and it came from several resources to include the VA and Vetrospect. Is there anything in that email that you have a question about or that you question the validity of?

Representative Nelson: I don't have any particular questions because we haven't gotten any data from Lonnie. We've asked him for claims reports to see what that workload is and to this point, he has not provided us that information.

Brian Waters: Did you see attachment that was sent with the email, sir?

Representative Nelson: I did.

Brian Waters: Do you have the information about the VA's claim information that was quoted earlier in the conversation? The attachment explains that the NDDVA VSO's work on state and local education benefits, grants and loans. Those are all referred down from the other NSOs - the DAV, the VFW. They come to our office, even if they are a VFW or DAV veteran. They come from out in the counties as well, and those VSOs work on it. On the third paragraph down, where they are talking about the foot traffic in the VA there. The VA did an informal study because the police services was trying to figure out what level of security that they need to place in there. In November, there were 442 veterans that came into the regional office. 115 of those were coming to the NDDVA. In December, there were 394 individuals that came into the regional office and 114 were coming to the NDDVA. The foot traffic coming to our office is 26-29% of all the foot traffic for all seven organizations there. That includes the VA, Voc-rehab, DAV, VFW, MN DVA and the American Legion.

Representative Kading: I echo Rep. Nelson's sentiments. I think there has been some information provided but the data really isn't convincing me that changing this around would do any good. My priority is the dogs and the vans. I would make that motion that would provide for the four dogs and the vans.

Senator Kilzer: I'd like a few more comments from committee members and then we'll accept motions.

Senator Dever: Brian, you made the argument that everything in the email is true. I don't doubt that and I don't think anyone questioned that it was not. I just wanted to make that clarification.

Senator Robinson: This is our 3rd time meeting. One option is to take one of these issues at a time. We bring up the dogs, we have a motion and it goes up or down. We move to the

vans and then to the FTEs. We could just take one at a time and get a feel of where the committee is coming from.

Senator Kilzer: We already know the priorities. It's a matter that everyone on the conference committee will have to give a little in order to get what they desire. Rep. Kading, you had a proposal?

Representative Kading: I would like to see 4 dogs funded and the vans which were already funded in the House version to remain and leave it at that.

Senator Kilzer: How about the FTE level?

Representative Kading: Leave the FTE as is in the House version.

Senator Kilzer: So you're asking for 4 dogs, 2 FTEs to be cut and the vans as in House version.

Representative Kading: The House version included 2 dogs and the vans.

**Rep. Kading: Moved to add two additional dogs making it 4 dogs and the vans.
Rep. Nelson Seconded the motion.**

Senator Dever: I would like to say that I am disappointed in some of the communications that we have received on this issue. We received an email from Lonnie yesterday or the day before, and the last sentence said, "It is apparent that the veterans of North Dakota are the lowest priority are the lowest priority for the 65th Legislative Assembly." We also received a letter from the North Dakota Veterans Coordinating Council in which they say, "This letter is to show the solidarity that this organization has with the Commissioner of Veterans Affairs, Lonnie Wangen. We are 100% behind the efforts of Commissioner Wangen."

What concerns me about that is that they seem to have drawn a battle line between themselves and the legislature. I have a strong history of supporting veterans in my entire legislative history. When I see this and I hear him make comments as he did in our first conference committee meeting, that the issue of the vans was raised by CVSOs who do not care about veterans. There are 33 veterans in this 140-member legislative assembly. We are dedicated and committed to veterans. I was disappointed in the initiated measure that Lonnie had veterans out saying that they needed this measure because the legislature does not support veterans. I think Lonnie Wangen is setting himself up with an empire of his own so that he can stand above all veterans and say that I am the king. Two sessions ago, we had a bill that would have moved the commissioner into the governor's cabinet. It's unfortunate that the bill didn't pass because I think veterans would be better served. As it stands, the Administrative Committee on Veterans' Affairs is the governing body. And rather than standing behind the commissioner as they said in their letter, they should lead. I'm not happy about this. I don't believe that we can believe everything that we hear when they come and talk about this. I'm not sure that nine employees are necessary in that agency. Mr. Chairman, I support that motion.

Senator Kilzer: Lori, are there any questions about the finances of the vans or any other finances that would still be left unanswered?

Lori Laschkewitsch: From what we have been told, the increased price of a van is \$18,600. We had initially included \$15,000 for one van because we didn't have any information that the price had gone up. What the House has included is the increase to \$18,600 in their base which would be an on-going appropriation. Because of the allotment when they weren't able to purchase their van, they did put a one-time additional \$18,600 in there so they could purchase two vans this biennium, but one of them would just be one-time.

Senator Kilzer: The source of money, the \$3,000 something is the general fund.

Lori Laschkewitsch: Yes, that is correct.

Senator Robinson: No questions here.

Representative Nelson: I would like to correct another statement made by Mr. Wangen at the last meeting. He questioned the state treasurer's investment strategies in the Postwar Trust Fund. I asked her about the van sales and if they were purchased from the Postwar Trust Fund and if the money was returned to the Fund. I found that there was only one van that she could come up with that was returned for a total of \$3000. In that discussion, he did say that the veterans were unhappy with the return that being made on that trust fund. It has averaged 7.83% and that fund is now over \$6M. It should be noted that the State Treasurer has done her fiduciary duties in that regard. That should be noted in the record and it's unfortunate that whoever gets in the way sometimes of the commissioner seems to always find tire tracks on their face.

Brian Waters: (Statement from Kathy on the Commissioner's statement): As far as the Postwar Trust Fund monies that buy the van, every time one of those vans has been sold, it has gone back into the Postwar Trust Fund. Perhaps the State Treasurer isn't aware of those transfers, but they have all gone back into the fund. What the committee is concerned about, as you said, the fund has grown up to \$6M dollars, but the monies that are being transferred to the committee to obligate and expend has not gone up. If they could get even \$50,000 or \$60,000 more, the vans could be taken of, the service dogs could be taken care of, there may be money for stand downs and they wouldn't have to come before the legislature and ask for general fund dollars. That's their concern. They would like to take care of those things out of the Postwar Trust Fund.

Senator Kilzer: Thank you for your comments.

A Roll Call Vote was taken:	6 yeas,	0 nays,	0 absent.
Senator Kilzer: Yes		Representative Nelson – Yes	
Senator Dever Yes		Representative Kading – Yes	
Senator Robinson Yes		Representative Holman – Yes	

Senator Kilzer: Any additional concerns or changes or things that need to be addressed?

Senator Dever: I would hope that we can repair relationships and move forward to the benefit of the veterans of North Dakota. Veterans do fare well with this legislature because we are committed to veterans. The reason we are committed to veterans is because our constituents are committed to veterans. It is part of the culture of our state. I would hope

that the ACOVA, especially take to heart, the words that I expressed because it is their responsibility to serve as a governing body.

Senator Kilzer thanked the committee and asked if the committee wanted to see the amendment with an additional meeting or for this to be their last meeting.

Representative Nelson: I'm comfortable to sign the report when it comes thru.

Senator Kilzer: We'll show the product to our fellow committee members.

Rep. Nelson clarified that the motion was for the House to recede from House amendments and to further amend.

Senator Kilzer: Yes, because of restoring the dogs.

Senator Kilzer: Closed the hearing on SB 2025.

CA
 4/18/17
 1 of 2

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2025

That the House recede from its amendments as printed on pages 1110 and 1111 of the Senate Journal and pages 1299 and 1300 of the House Journal and that Reengrossed Senate Bill No. 2025 be amended as follows:

Page 1, replace lines 12 through 19 with:

"Veterans' affairs	\$1,379,982	(\$211,967)	\$1,168,015
Agent orange	50,000	(50,000)	0
State approving agency	288,018	(16,020)	271,998
Grants - transportation program	0	1,719,520	1,719,520
Transport vans	0	37,200	37,200
Total all funds	\$1,718,000	\$1,478,733	\$3,196,733
Less estimated income	288,018	1,803,553	2,091,571
Total general fund	\$1,429,982	(\$324,820)	\$1,105,162
Full-time equivalent positions	9.00	(2.00)	7.00

SECTION 2. HEALTH INSURANCE INCREASES. The salaries and wages line item in section 1 of this Act includes the sum of \$18,581, of which \$15,431 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 1, remove line 23

Page 2, replace lines 1 and 2 with:

"Service dogs	\$50,000	\$0
Desktop support hardware	26,895	0
Transport vans	0	18,600
Total general fund	\$76,895	\$18,600

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of veterans' affairs shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2025 - Department of Veterans' Affairs - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Veterans' affairs	\$1,379,982	\$1,314,224	(\$146,209)	\$1,168,015	\$1,168,015	
State approving agency	288,018	272,240	(242)	271,998	271,998	
Agent orange	50,000					
Grants - transportation program		1,719,520		1,719,520	1,719,520	
Service Dogs		50,000		50,000	25,000	25,000
Transport vans			37,200	37,200	37,200	
Total all funds	\$1,718,000	\$3,355,984	(\$109,251)	\$3,246,733	\$3,221,733	\$25,000
Less estimated income	288,018	2,091,817	(246)	2,091,571	2,091,571	0
General fund	\$1,429,982	\$1,264,167	(\$109,005)	\$1,155,162	\$1,130,162	\$25,000
FTE	9.00	8.00	(1.00)	7.00	7.00	0.00

Department No. 321 - Department of Veterans' Affairs - Detail of Conference Committee Changes

CH
4/18/17
2 of 2

	Adjusts Funding for Health Insurance Increases ¹	Removes 1 FTE Position ²	Adjusts Funding for Transport Vans ³	Adds One-Time Funding for Transport Vans ⁴	Total Conference Committee Changes
Veterans' affairs	(\$1,209)	(\$130,000)	(\$15,000)		(\$146,209)
State approving agency	(242)				(242)
Agent orange					
Grants - transportation program					
Service Dogs					
Transport vans			18,600	18,600	37,200
Total all funds	(\$1,451)	(\$130,000)	\$3,600	\$18,600	(\$109,251)
Less estimated income	(246)	0	0	0	(246)
General fund	(\$1,205)	(\$130,000)	\$3,600	\$18,600	(\$109,005)
FTE	0.00	(1.00)	0.00	0.00	(1.00)

¹ Funding for employee health insurance in adjusted to reflect the updated premium amount of \$1,241 per month.

² One FTE position and related funding is removed, the same as the House version. The Senate also removed 1 FTE position, resulting in a total of 2 FTE positions removed from the base budget.

³ Funding of \$15,000 from the general fund is moved from the veterans' affairs line item to a transport vans line item. An additional \$3,600 is added from the general fund to the transport vans line item to provide funding for one van in the department's base budget, the same as the House version.

⁴ One-time funding of \$18,600 is added from the general fund for an additional transport van, resulting in total funding of \$37,200 for two transport vans, the same as the House version. The Senate approved funding of \$15,000 for transport vans.

This amendment also:

- Adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Restores \$25,000 from the general fund for the purpose of training up to two service dogs to assist North Dakota veterans with post traumatic stress disorder, to provide a total of \$50,000 from the general fund for up to four service dogs, the same as the Senate version. The House approved a total of \$25,000 from the general fund to provide training for up to two service dogs.

Date: _____
 Roll Call Vote #: _____

**2017 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2025 as (re) engrossed

Attendance Sheet

Senate Appropriations Committee

- Action Taken**
- SENATE accede to House Amendments
 - SENATE accede to House Amendments and further amend
 - HOUSE recede from House amendments
 - HOUSE recede from House amendments and amend as follows
 - Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Senators	4/10	4/11	4/13	Yes	No	Representatives	4/10	4/11	4/13	Yes	No
Senator Kilgus	✓	✓	✓			Rep. Nelson	✓	✓	✓		
Senator DeVer	✓	✓	✓			Rep. Kading	✓	✓	✓		
Senator Robinson	✓	✓	✓			Rep. Helman	✓	✓	✓		
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ of amendment

LC Title # _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**2017 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2025 as (re) engrossed

Senate Appropriations Committee

- Action Taken**
- SENATE accede to House Amendments
 - SENATE accede to House Amendments and further amend
 - HOUSE recede from House amendments
 - HOUSE recede from House amendments and amend as follows
 - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Further amending by adding two more dogs along with the vans.

Motion Made by: Representative Kading Seconded by: Representative Nelson

Senators				Yes	No	Representatives				Yes	No
Senator Kilzer				Y		Representative Nelson				Y	
Senator Dever				Y		Representative Kading				Y	
Senator Robinson				Y		Representative Holman				Y	
Total Senate Vote				3	0	Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Senator Kilzer House Carrier Representative Nelson

LC Number 17.0533 . 03003 of amendment

LC Title # 17.0533 . 05000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 17.0533.03003
 Senate Carrier: Kilzer
 House Carrier: J. Nelson

REPORT OF CONFERENCE COMMITTEE

SB 2025, as reengrossed: Your conference committee (Sens. Kilzer, Dever, Robinson and Reps. J. Nelson, Kading, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1110-1111, adopt amendments as follows, and place SB 2025 on the Seventh order:

That the House recede from its amendments as printed on pages 1110 and 1111 of the Senate Journal and pages 1299 and 1300 of the House Journal and that Reengrossed Senate Bill No. 2025 be amended as follows:

Page 1, replace lines 12 through 19 with:

"Veterans' affairs	\$1,379,982	(\$211,967)	\$1,168,015
Agent orange	50,000	(50,000)	0
State approving agency	288,018	(16,020)	271,998
Grants - transportation program	0	1,719,520	1,719,520
Transport vans	0	37,200	37,200
Total all funds	\$1,718,000	\$1,478,733	\$3,196,733
Less estimated income	288,018	1,803,553	2,091,571
Total general fund	\$1,429,982	(\$324,820)	\$1,105,162
Full-time equivalent positions	9.00	(2.00)	7.00

SECTION 2. HEALTH INSURANCE INCREASES. The salaries and wages line item in section 1 of this Act includes the sum of \$18,581, of which \$15,431 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 1, remove line 23

Page 2, replace lines 1 and 2 with:

"Service dogs	\$50,000	\$0
Desktop support hardware	26,895	0
Transport vans	0	18,600
Total general fund	\$76,895	\$18,600

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of veterans' affairs shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2025 - Department of Veterans' Affairs - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Veterans' affairs	\$1,379,982	\$1,314,224	(\$146,209)	\$1,168,015	\$1,168,015	
State approving agency	288,018	272,240	(242)	271,998	271,998	
Agent orange	50,000					
Grants - transportation program		1,719,520		1,719,520	1,719,520	
Service Dogs		50,000		50,000	25,000	25,000
Transport vans			37,200	37,200	37,200	
Total all funds	\$1,718,000	\$3,355,984	(\$109,251)	\$3,246,733	\$3,221,733	\$25,000
Less estimated income	288,018	2,091,817	(246)	2,091,571	2,091,571	0
General fund	\$1,429,982	\$1,264,167	(\$109,005)	\$1,155,162	\$1,130,162	\$25,000
FTE	9.00	8.00	(1.00)	7.00	7.00	0.00

Department No. 321 - Department of Veterans' Affairs - Detail of Conference

Insert LC: 17.0533.03003
 Senate Carrier: Kilzer
 House Carrier: J. Nelson

Committee Changes

	Adjusts Funding for Health Insurance Increases ¹	Removes 1 FTE Position ²	Adjusts Funding for Transport Vans ³	Adds One-Time Funding for Transport Vans ⁴	Total Conference Committee Changes
Veterans' affairs	(\$1,209)	(\$130,000)	(\$15,000)		(\$146,209)
State approving agency	(242)				(242)
Agent orange					
Grants - transportation program					
Service Dogs					
Transport vans			18,600	18,600	37,200
Total all funds	(\$1,451)	(\$130,000)	\$3,600	\$18,600	(\$109,251)
Less estimated income	(246)	0	0	0	(246)
General fund	(\$1,205)	(\$130,000)	\$3,600	\$18,600	(\$109,005)
FTE	0.00	(1.00)	0.00	0.00	(1.00)

¹ Funding for employee health insurance in adjusted to reflect the updated premium amount of \$1,241 per month.

² One FTE position and related funding is removed, the same as the House version. The Senate also removed 1 FTE position, resulting in a total of 2 FTE positions removed from the base budget.

³ Funding of \$15,000 from the general fund is moved from the veterans' affairs line item to a transport vans line item. An additional \$3,600 is added from the general fund to the transport vans line item to provide funding for one van in the department's base budget, the same as the House version.

⁴ One-time funding of \$18,600 is added from the general fund for an additional transport van, resulting in total funding of \$37,200 for two transport vans, the same as the House version. The Senate approved funding of \$15,000 for transport vans.

This amendment also:

- Adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Restores \$25,000 from the general fund for the purpose of training up to two service dogs to assist North Dakota veterans with post traumatic stress disorder, to provide a total of \$50,000 from the general fund for up to four service dogs, the same as the Senate version. The House approved a total of \$25,000 from the general fund to provide training for up to two service dogs.

Reengrossed SB 2025 was placed on the Seventh order of business on the calendar.

2017 TESTIMONY

SB 2025

**Department 321 - Department of Veterans' Affairs
Senate Bill Nos. 2025 and 2085**

Executive Budget Comparison to Prior Biennium Appropriations

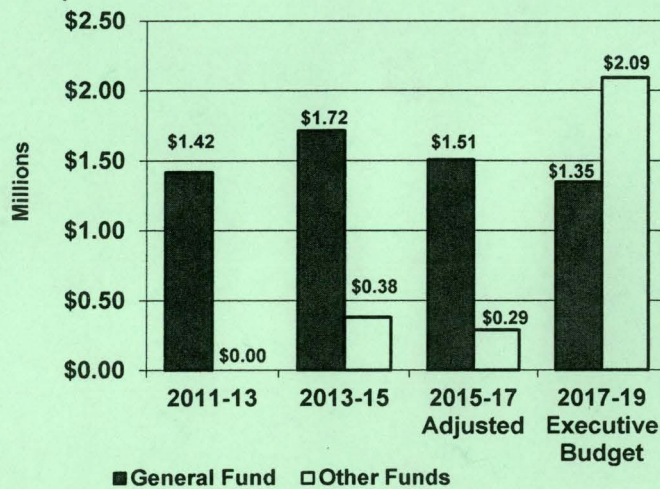
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	9.00	\$1,348,978	\$2,092,547	\$3,441,525
2015-17 Adjusted Legislative Appropriations ¹	9.00	1,506,877	288,018	1,794,895
Increase (Decrease)	0.00	(\$157,899)	\$1,804,529	\$1,646,630

¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016, but do not include additional special funds authority of \$1,328,865 resulting from Emergency Commission action during the 2015-17 biennium.

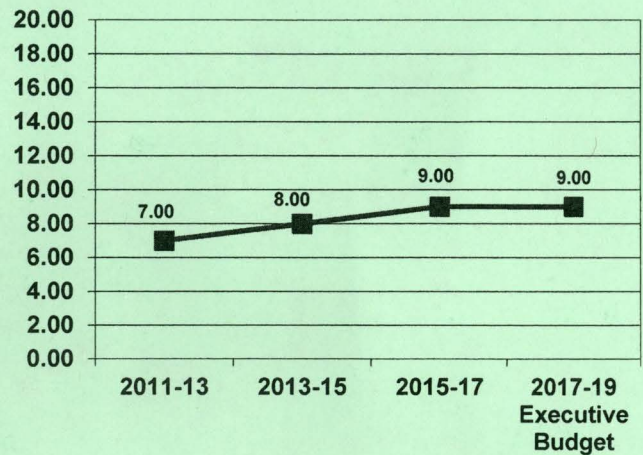
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$1,348,978	\$0	\$1,348,978
2015-17 Adjusted Legislative Appropriations	1,429,982	76,895	1,506,877
Increase (Decrease)	(\$81,004)	(\$76,895)	(\$157,899)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$1,348,978	\$2,092,547	\$3,441,525
2017-19 Base Level	1,429,982	288,018	1,718,000
Increase (Decrease)	(\$81,004)	\$1,804,529	\$1,723,525

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$5,541 is for salary increases and \$25,756 is for health insurance increases	\$27,172	\$4,125	\$31,297
2. Adjusts the funding source from the general fund to federal funds for a portion of the salaries and wages of 2 administrative FTE positions in the transportation program	(\$100,000)	\$100,000	\$0
3. Restores funding for desktop support services	\$26,640		\$26,640
4. Removes funding for the Agent Orange program	(\$50,000)		(\$50,000)
5. Adds federal funding for the transportation program		\$1,719,520	\$1,719,520
6. Removes funding for stand down events	(\$20,000)		(\$20,000)

Continuing Appropriations

Veterans' aid fund - North Dakota Century Code Section 37-14-03.3 - The purpose of the veterans' aid fund is to make loans or advancements to any veteran and to a surviving spouse of a veteran if the spouse has not remarried.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

At this time, no major related legislation has been introduced affecting this agency.

Department of Veterans' Affairs - Budget No. 321

Senate Bill Nos. 2025 and 2085

Base Level Funding Changes

	<u>Executive Budget Recommendation</u>			
	<u>FTE Position</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
2017-19 Biennium Base Level	9.00	\$1,429,982	\$288,018	\$1,718,000
2017-19 Ongoing Funding Changes				
Base payroll changes		\$37,290	(\$32,972)	\$4,318
Salary increase - Performance		4,811	730	5,541
Health insurance increase		22,361	3,395	25,756
Adjusts funding for administrative positions		(100,000)	100,000	0
Reduces funding for operating expenses		(2,106)		(2,106)
Removes funding for stand down events		(20,000)		(20,000)
Restores funding for desktop support services		26,640		26,640
Removes funding for the Agent Orange program		(50,000)		(50,000)
Increases funding for the State Approving Agency			13,856	13,856
Adds federal funding for the transportation program			1,719,520	1,719,520
Total ongoing funding changes	0.00	(\$81,004)	\$1,804,529	\$1,723,525
One-time funding items				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	(\$81,004)	\$1,804,529	\$1,723,525
2017-19 Total Funding	9.00	\$1,348,978	\$2,092,547	\$3,441,525

Other Sections in Department of Veterans' Affairs - Budget No. 321

Executive Budget Recommendation

No other sections for this agency.

Department 321 - Department of Veterans' Affairs

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$1,535,600	\$76,895	\$1,612,495
General fund reductions	(105,618)	0	(105,618)
Adjusted 2015-17 appropriations	\$1,429,982	\$76,895	\$1,506,877
Executive Budget changes	(81,004)	(76,895)	(157,899)
2017-19 Executive Budget	\$1,348,978	\$0	\$1,348,978

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Reduced operating expenses, including travel, stand down events, and information technology processing and equipment	(\$90,618)	\$0	(\$90,618)
Removed funding for transport vans	(15,000)	0	(15,000)
Total reductions	(\$105,618)	\$0	(\$105,618)
Percentage reduction to ongoing and one-time general fund appropriations	6.88%	0.00%	6.55%

2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

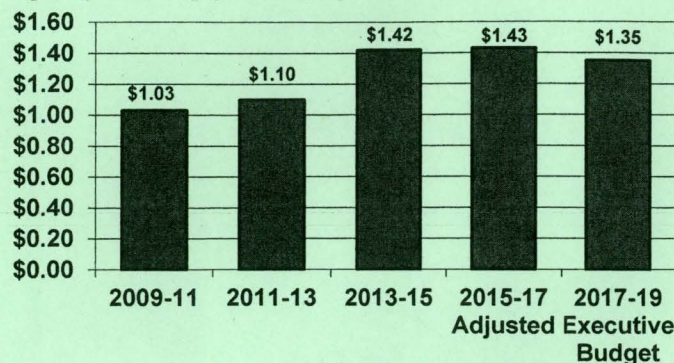
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$27,172	\$0	\$27,172
Base payroll changes	37,290		37,290
Adjusts the funding source for administrative positions	(100,000)		(100,000)
Reduces funding for operating expenses, including transport vans	(107,724)	105,618	(2,106)
Removes funding for stand down events	(20,000)		(20,000)
Restores funding for desktop support services	26,640		26,640
Removes funding for the Agent Orange program	(50,000)		(50,000)
Total	(\$186,622)	\$105,618	(\$81,004)

Department 321 - Department of Veterans' Affairs

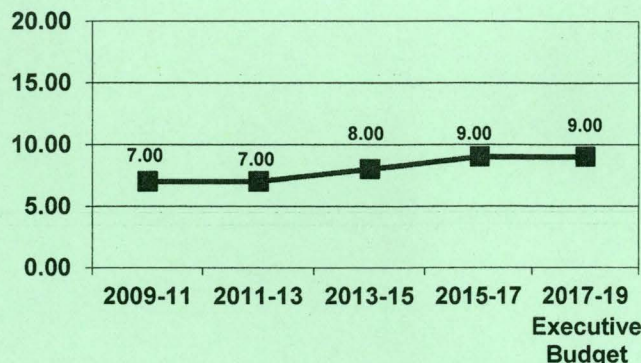
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$1,031,487	\$1,099,626	\$1,420,703	\$1,429,982	\$1,348,978
Increase (decrease) from previous biennium	N/A	\$68,139	\$321,077	\$9,279	(\$81,004)
Percentage increase (decrease) from previous biennium	N/A	6.6%	29.2%	0.7%	(5.7%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	6.6%	37.7%	38.6%	30.8%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

- 1. Provided funding for training of county veterans' service officers on emerging issues \$30,000

2013-15 Biennium

- 1. Added funding for 1 national service officer FTE position \$115,978

2015-17 Biennium

- 1. Added funding to purchase vans to transport veterans to medical appointments \$15,000
- 2. Added funding for the Agent Orange program \$50,000
- 3. Increased funding for stand down events to provide a total of \$20,000 from the general fund \$10,000

2017-19 Biennium (Executive Budget Recommendation)

- 1. Adjusts the funding source for a portion of the salaries and wages of 2 administrative FTE positions in the transportation program (\$100,000)
- 2. Restores funding for desktop support services \$26,640
- 3. Removes funding for the Agent Orange program (\$50,000)
- 4. Removes funding for stand down events (\$20,000)

Testimony on SB 2025
House Appropriations Committee
Department of Veterans Affairs
January 6, 2017

SB 2025/2085
1-6-2017
#1

Chairman's Holmberg and Committee Members:

My name is Cathy Halgunseth and I am the Executive Assistant for the Department of Veterans Affairs. I will presenting testimony on our agency's 2015-17 and 2017-19 budgets.

Our 2015-17 Biennium Appropriation included the transfer of the State Approving Agency (SAA) to Veterans Affairs from Higher Education. The SAA is funded with federal dollars which are accessed through our agency. The funding level is presently at \$288,018 and added one FTE to our agency. We now have a total of nine employees.

The starting general fund appropriation for the Department was \$1,522,495, our major items are salaries and benefits (\$1,128,534.00), travel (\$93,399), rent (83,546), Service Dogs (\$25,000) and Stand Downs (\$20,000). Our agency was placed under ITD for desktop support service and received \$34,635 in addition to our already budgeted amount of \$23,700 for ITD costs. This accounted for 4 desktop and 7 laptop install fees plus ongoing monthly costs for the biennium. Agent Orange Grant (\$50,000) and Transportation Vans (\$15,000) and \$25,000 in contingent funds for Service Dogs accounted for additional funding attached to our agency's general fund appropriation. We received Emergency Commission approval to carryover \$4,756 in IT funding for work on our agency's website. The total 2015-17 general fund appropriation for the Department was \$1,617,251.00. We also received Emergency Commission approval to expend \$1,328,865 in federal funding for the Highly Rural Transportation Grant (HRTG). Federal grant funding for the 2015-17 biennium was \$1,616,883 for the State Approving Agency and HRTG.

The 4.05% and 2% reductions resulted in \$105,618.00 being cut from the budget. To meet this number, cuts were taken in places such as travel (\$26,411), Transportation Vans (\$15,000), Stand Downs (\$14,207), and IT areas (\$37,000). We weren't placed under IT Support Services until the second year of the biennium and then didn't do all the replacement computers right away. Until the computers are replaced, the monthly fees aren't assessed and we were able to save a considerable amount by doing this. The Laptops for County Veterans Service Officers program was part of the IT cut. We would purchase laptops and software for counties that didn't provide computers for the CVSOs. This was a great help for CVSOs in assisting veterans in their offices and doing outreach work. We closed the Bismarck branch office to help with reductions

which accounted for savings in IT areas. The remainder of the cuts came from other areas of the operating budget.

The travel cut impacted our ability to do outreach events and training opportunities for our staff, especially the Veterans Benefits Specialists. They work extensively with veterans, County Veterans Service Officers and the Federal VA. Being knowledgeable in federal rules and VA policy is imperative in doing their job well in providing service to veterans and their families, and assisting CVSOs. Because of the travel cutback, we will have to try and find funding with the budget for attendance at the Legislature, ACOVA meetings, and other events where the Commissioner's attendance is mandatory. With so many fixed costs such as rent, copier leases, IT expenses, and utilities there isn't a lot for funds for expenses such as office supplies, printing and any equipment breakdowns/repairs.

The cutback in Transportation Vans resulted in no replacement van for the biennium. These vans provide service to veterans needing transportation to the Fargo VA for appointments. We now need to replace two vans in the 2017-19 biennium. Stand Downs are events held in communities across North Dakota to provide services to veterans. The majority of these veterans are homeless veterans. Because of the cut, only two events received funding this biennium.

One-time funding items are the Service Dogs (\$50,000) – all funding has been spent; IT Hardware (\$26,895) – still have 1 more laptop which we plan to get in February 2017; and IT Carryover Funding (\$4,757) – working with ITD to use remaining \$1,810.10 by end of biennium.

The 90% 2017-19 Biennium Budget request limit is \$1,395,166. To meet this amount, the following reductions were taken: Agent Orange Grant, Transportation Vans, Service Dogs, Stand Downs, CVSO Training, IT Desktop Support Service, Travel and other miscellaneous areas within the budget. We were able to renegotiate our building lease so the rent will stay its present level until June 2023. The cuts taken this time impact our ability to provide veterans with specific support, i.e. Service Dogs, Stand Downs and Transportation Vans. We will no longer be able to bring in national training to County Veterans Service Officers to better prepare them in assisting veterans and their families. Without IT Desktop Support we will go back to having no measurable IT support in the office. At times, this has caused us to go to outside vendors for assistance.

Many of these were one-time funding that we had hoped would become more permanent in our budget. For a small agency, there are very few places to take such this type of cut without affecting basic needs.

The federal funding for the both the State Approving Agency and the Highly Rural Transportation Grant are stable at this time.

In the Executive Budget Recommendation, there is an adjustment to the funding source for a portion of the salaries and wages of 2 administrative FTE positions in the transportation program. This adjustment moves \$100,00 from General Funds to Federal Funds. Authority was given to expend HRTG funds for administrative expenses which includes a position. The temporary position was filled in November 2016. Part of the duties of this position is to make compliance checks on all the vans placed under the program so travel expenses have been factored in along with salary and benefits (the position qualifies for ACA). We aren't sure why this recommendation was made and would request the \$100,000 be put back in the general fund appropriation.

Commission Wangen will be talking on the optional packages we would like this committee to consider along with any changes to the executive recommendation.

Thank you

Cathy Halgunseth
Executive Assistant
ND DVA

Budget Reductions to Meet Governor's 90% Budget Request Guideline

Travel	\$26,233
Supplies – IT Software	\$3,549
Supply/Material Professional	\$1,000
Food and Clothing	\$26
Office Supplies	\$1,200
Postage	\$1,000
Printing	\$491
Office Equipment & Furn Supplies	\$210
Utilities	\$700
Rentals/Leases – Bldg/Land	\$18,836
Repairs	\$700
IT – Data Processing	\$15,475
IT Contractual Srvcs and Rprs	\$1,000
Professional Development	\$5,804
Operating Fees and Services	\$1,500
Fees – Professional Services	\$15,000
Agent Orange Grant	\$50,000
Stand Downs	\$20,000

Optional Requests Made by Department

Optional Requests Included by Governor

Restore Base Funding	\$76,877	\$26,640
Equity Funding	\$96,143	\$0
Stand Downs	\$20,000	\$0
PTSD Service Dogs	\$50,000	\$0
Training Position	\$145,152	\$0
Veterans Org. NSO Offices	\$300,000	\$0
Temporary Employees	\$49,500	\$0
Marketing/Advertising	\$20,000	\$0
Transportation Vans	\$30,000	\$0
PWTF Transfers	\$1,750,000	\$0
Website Upgrade	\$67,689	\$0
Agent Orange Funding	\$50,000	\$0

CHANGE PACKAGE SUMMARY

00321 Department of Veterans Affairs

Biennium:2017-2019

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<u>Optional Budget Changes</u>						
One Time Optional Changes						
A-D 10 Increase to the Principal of the Post War Trust Fund (PWTF)	10	0.00	1,750,000	0	0	1,750,000
A-D 11 Website Upgrade	11	0.00	67,689	0	0	67,689
Total One Time Optional Changes		0.00	1,817,689	0	0	1,817,689
Ongoing Optional Changes						
A-C 1 Restore base budget funding	1	0.00	76,877	0	0	76,877
A-C 2 Salary Equity Funding	2	0.00	96,143	0	0	96,143
A-C 3 Funding for Stand Downs	3	0.00	20,000	0	0	20,000
A-C 4 Service Dogs for Veterans with PTSD	4	0.00	50,000	0	0	50,000
A-C 5 Training Position	5	1.00	145,152	0	0	145,152
A-C 6 Veterans Organizations NSO Office	6	0.00	300,000	0	0	300,000
A-C 7 Temp Employees	7	0.00	49,500	0	0	49,500
A-C 8 Marketing/Advertising	8	0.00	20,000	0	0	20,000
A-C 9 Funding for Vans	9	0.00	30,000	0	0	30,000
A-C 12 Agent Orange Outreach	12	0.00	50,000	0	0	50,000
Total Ongoing Optional Changes		1.00	837,672	0	0	837,672
Total Optional Budget Changes		1.00	2,655,361	0	0	2,655,361

SR 2025/2025 Attachment # 1 Pg. 6
 1-6-2017

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue Description	2 2015-17 Biennium Appropriation Code	3 Remove Capital and One Time	4 2017-19 Base Budget Changes	5 Compensation	6 2017-19 Total Changes	7 2017-19 Recommendation	
EXPENDITURES							
IT Contractual Svcs and Rprs	603000	4,756	(4,756)	0	0	(4,756)	0
Technology Project Carry	51	4,756	(4,756)	0	0	(4,756)	0
Equipment Over \$5000	691000	0	0	15,000	0	15,000	15,000
Motor Vehicles	692000	15,000	(15,000)	0	0	(15,000)	0
Transport Vans	52	15,000	(15,000)	15,000	0	0	15,000
Grants, Benefits & Claims	712000	50,000	0	(50,000)	0	(50,000)	0
Grants - Agent Orange	60	50,000	0	(50,000)	0	(50,000)	0
Salaries - Permanent	511000	774,966	0	0	0	17,570	792,536
Salary Increase	511010	0	0	0	3,962	0	3,962
Benefit Increase	511011	0	0	0	792	0	792
Health Increase	511012	0	0	0	22,418	0	22,418
Fringe Benefits	516000	353,568	0	0	0	19,720	373,288
Travel	521000	93,399	0	(26,233)	0	(26,233)	67,166
Supplies - IT Software	531000	16,264	0	(3,549)	0	(3,549)	12,715
Supply/Material-Professional	532000	1,781	0	(1,000)	0	(1,000)	781
Food and Clothing	533000	26	0	(26)	0	(26)	0
Bldg, Ground, Maintenance	534000	8,053	0	0	0	0	8,053
Miscellaneous Supplies	535000	273	0	0	0	0	273
Office Supplies	536000	6,346	0	(1,200)	0	(1,200)	5,146
Postage	541000	3,500	0	(1,000)	0	(1,000)	2,500
Printing	542000	2,863	0	(491)	0	(491)	2,372
IT Equip Under \$5,000	551000	26,895	(26,895)	0	0	(26,895)	0
Office Equip & Furn Supplies	553000	210	0	(210)	0	(210)	0
Utilities	561000	6,964	0	(700)	0	(700)	6,264
Insurance	571000	4,800	0	0	0	0	4,800
Rentals/Leases-Equip & Other	581000	9,128	0	0	0	0	9,128
Rentals/Leases - Bldg/Land	582000	83,546	0	(18,836)	0	(18,836)	64,710
Repairs	591000	1,351	0	(700)	0	(700)	651
IT - Data Processing	601000	42,907	0	11,165	0	11,165	54,072
IT - Communications	602000	8,295	0	0	0	0	8,295
IT Contractual Svcs and Rprs	603000	1,500	0	(1,000)	0	(1,000)	500
Professional Development	611000	9,500	0	(5,804)	0	(5,804)	3,696
Operating Fees and Services	621000	2,471	0	(1,500)	0	(1,500)	971
Fees - Professional Services	623000	18,889	0	(15,000)	0	(15,000)	3,889
Operating Budget Adjustment	699000	0	0	(15,000)	0	(15,000)	(15,000)
Grants, Benefits & Claims	712000	45,000	(25,000)	(20,000)	0	(45,000)	0
Veterans' Affairs Administration	70	1,522,495	(51,895)	(101,084)	27,172	(115,689)	1,433,978
Grants, Benefits & Claims	712000	25,000	(25,000)	0	0	(25,000)	0

SB 2005/2008 ATTACHMENT #1 Pg. 7
 1-6-2017

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue		2 2015-17 Biennium Appropriation	3 Remove Capital and One Time	4 2017-19 Base Budget Changes	5 Compensation	6 2017-19 Total Changes	7 2017-19 Recommendation
Description	Code						
Contingent Service Dogs	72	25,000	(25,000)	0	0	(25,000)	0
Salaries - Permanent	511000	160,236	0	0	0	(29,156)	131,080
Salary Increase	511010	0	0	0	656	0	656
Benefit Increase	511011	0	0	0	131	0	131
Health Increase	511012	0	0	0	3,338	0	3,338
Fringe Benefits	516000	62,227	0	0	0	(3,816)	58,411
Travel	521000	12,415	0	3,000	0	3,000	15,415
Supplies - IT Software	531000	2,335	0	0	0	0	2,335
Supply/Material-Professional	532000	490	0	0	0	0	490
Bldg, Ground, Maintenance	534000	1,274	0	0	0	0	1,274
Miscellaneous Supplies	535000	265	0	0	0	0	265
Office Supplies	536000	1,825	0	0	0	0	1,825
Postage	541000	1,187	0	0	0	0	1,187
Printing	542000	973	0	0	0	0	973
IT Equip Under \$5,000	551000	3,279	0	3,000	0	3,000	6,279
Other Equip Under \$5,000	552000	54	0	200	0	200	254
Office Equip & Furn Supplies	553000	79	0	200	0	200	279
Utilities	561000	1,123	0	0	0	0	1,123
Insurance	571000	1,636	0	0	0	0	1,636
Rentals/Leases-Equip & Other	581000	3,455	0	1,355	0	1,355	4,810
Rentals/Leases - Bldg/Land	582000	20,254	0	(5,506)	0	(5,506)	14,748
Repairs	591000	1,030	0	0	0	0	1,030
IT - Data Processing	601000	4,867	0	11,107	0	11,107	15,974
IT - Communications	602000	2,873	0	0	0	0	2,873
IT Contractual Svcs and Rprs	603000	685	0	0	0	0	685
Professional Development	611000	1,521	0	500	0	500	2,021
Operating Fees and Services	621000	315	0	0	0	0	315
Fees - Professional Services	623000	3,620	0	0	0	0	3,620
State Approving Agency	73	288,018	0	13,856	4,125	(19,116)	273,027
Temporary Salaries	513000	0	0	100,000	0	100,000	100,000
Travel	521000	450,000	0	0	0	0	450,000
Bldg, Ground, Maintenance	534000	139,432	0	160,568	0	160,568	300,000
Miscellaneous Supplies	535000	0	0	56,320	0	56,320	56,320
Insurance	571000	139,433	0	(39,433)	0	(39,433)	100,000
Operating Fees and Services	621000	482,415	0	(380,415)	0	(380,415)	102,000
Fees - Professional Services	623000	0	0	275,200	0	275,200	275,200
Motor Vehicles	692000	117,585	(117,585)	336,000	0	218,415	336,000
Grants - Transportation Program	74	1,328,865	(117,585)	508,240	0	390,655	1,719,520
TOTAL EXPENDITURES for 100 Veterans Affairs Administration		3,234,134	(214,236)	386,012	31,297	176,094	3,441,525

SB 2025/2085 Attachment # 1 pg. 8
 1-6-2017

Agency	Department of Veterans Affairs					
Program	100 Veterans Affairs Administration					
Reporting Level	00-321-100-00-00-00-00000000					

1 Object/Revenue		2 2015-17 Biennium Appropriation	3 Remove Capital and One Time	4 2017-19 Base Budget Changes	5 Compensation	6 2017-19 Total Changes	7 2017-19 Recommendation
Description	Code						
MEANS OF FUNDING							
State Approving Grant	F100	288,018	0	13,856	4,125	(19,116)	273,027
Rural Transportation Grant	H1345	1,328,865	(117,585)	608,240	0	490,655	1,819,520
Federal Funds	FED	1,616,883	(117,585)	622,096	4,125	471,539	2,092,547
State General Fund	001	1,617,251	(96,651)	(236,084)	27,172	(295,445)	1,348,978
General Fund	GEN	1,617,251	(96,651)	(236,084)	27,172	(295,445)	1,348,978
TOTAL FUNDING for 100 Veterans Affairs Administration		3,234,134	(214,236)	386,012	31,297	176,094	3,441,525
AUTHORIZED EMPLOYEES							
FTE		9.00	0.00	0.00	0.00	(2.00)	7.00
Vacant		0.00	0.00	0.00	0.00	2.00	2.00
TOTAL AUTHORIZED EMPLOYEES for 100 Veterans Affairs Administration		9.00	0.00	0.00	0.00	0.00	9.00

SB 2025/2085 Attachment # 1 pg. 9
 1-6-2019

b

SB 2025/2085
1-6-2017
#2

1. Restore Base Budget Funding: \$98,900

To restore base budget funding to maintain operating levels for the 2017-2019 biennium. Travel: decreased impacts the agency's ability to participate and attend Outreach events throughout the State, as well as conduct CVSO training. IT Data Processing: our agency was placed under ITD's Desktop Support Services for the 2015-2017 biennium. The one-time fees for all hardware (laptop and desktop computers) have been paid to ITD. The on-going monthly fees for device support and management were provided for in the 2015-2017 biennium; however, the fees have been cut from the 2017-2019 base budget. Without the support from ITD, our agency is again left on its own to handle all IT functions. Fees – Professional Services: the funding cut took away the ability to bring in diverse training for the County Veterans Service Officers. \$98,900

2. Salary Equity Funding: \$96,143

Recruiting and retention of employees: During the current biennium we have experience 50% staff turnover. The Majority of staff turn-over was attributed to their salary/compensation amounts. Civilian, County and Federal employers are paying higher compensation packages. We had four of our top candidates refuse employment due to the compensation package we could offer, this was for just one position we were trying to fill. It is unacceptable that we cannot afford to recruit the qualified staff we need. We need to provide funding to move these employees closer to a compensation package which is more reflective of the work that they are doing and competitive with the civilian, county and Federal employment markets. In looking at the 63rd legislative session and the target goal to have state employees compensated at 95% of the MPP we would need an additional \$96,143.

3. Funding for Stand Downs: \$20,000

This appropriation is to provide funding for Stand Down events in communities across North Dakota. These events bring many organizations together in one place to provide service to our veteran's in need. The main focus is directed at homeless veterans. The veteran's service organizations in North Dakota conduct fund raising and use other resources for these events also. This funding is needed to ensure these events continue. During the current biennium the funding for stand down events were cut due to the budgetary allotment. Historically, \$20,000 has been sufficient for the biennium. We are requesting \$20,000 be appropriated back into our budget for the 2017-2019 biennium.

4. Service Dogs for Veterans with PTSD: \$50,000

Post-Traumatic Stress Disorder (PTSD) is a real illness which greatly affects the quality of lives for well over 35% of our veterans. PTSD is also a large contributing factor in the alarming rate of suicides within our veteran community. Nationally it is estimated that a veteran will successfully commit suicide every 80 minutes which results in over 6,000 suicides per year. The 2013 Suicide numbers for North Dakota have not been released yet.

But in 2012 North Dakota had 18 Veteran Suicides and 25 in 2011. As a comparison we have lost 26 North Dakotans in the wars in Afghanistan and Iraq since 2001. We have lost over 230 North Dakotan Veterans to suicide since 2001 (without the 2013 numbers). These service dogs can greatly improve the quality of lives of veterans who have many hidden injuries from their war experiences. The 63rd legislative assemblies SB 2344 appropriated \$50,000 to the NDDVA for the purchase of service dogs for our veterans and the 64th legislative assembly continued that funding. We would like to continue this appropriation in our budget for the 2017-2019 biennium.

5. Training Position: \$145,152

In an attempt to meet the demand for training we are proposing one new FTE to act as the training officer & benefits specialist. 70% of the training officer's time would be spent attending training, producing training programs, creating training kits and binders and conducting training with CVSO's. This would include complete initial training for new CVSO's as well as continued training on basic and advanced levels of knowledge for current CVSO's. 30% of the training officer's time would be spent doing hands on work helping veterans obtain benefits such as filing claims, as they will need to be proficient at what they are instructing and changes happen frequently. One of the biggest concerns our CVSO's seem to have revolves around training. We need more staff dedicated to training in order to properly accomplish this objective. Better trained and informed CVSO's will result in much better services to our veterans and their dependents. This will greatly improve the lives of many of our veteran' and their dependents. \$145,152

An added note: the Federal VA expended over \$386,285,000.00 in 2015 and over \$367,003,000.00 in 2014. That is over three quarters of a Billion Dollars (\$753,288,000) in Federal funds coming into North Dakota during the last Biennium. Without VSO's this does not happen. Also this is an increase of over \$19,000,000.00 in just one year. Better trained VSO's will be able to improve on this.

6. Veterans Organizations NSO Office: \$300,000

Currently the North Dakota Department of Veterans Affairs (NDDVA) acts as the Power of Attorney (POA) for Veteran Service Organizations which cannot support a POA in the state of North Dakota. Some of these organizations are the Blinded Veterans Association, Military Order of the Purple Heart, NCO Association of the USA, The Retired Enlisted Association and the Vietnam Veterans of America (VVA) and most recently the American Veterans (AMVETS). By providing representation for these organizations, Veterans who have chosen one of these organizations as their POA will have representation through the NDDVA. Over half of the states in the country have contracts and/or working relationships to provide state funding to these organizations. For instance our neighboring states; Montana-represent American legion, VVA; South Dakota-SDVA represents all organizations- DAV is the only organization not staffed by state employees in South Dakota; Minnesota-represents the American Legion.

The North Dakota Chapters of the American Legion and the VFW have indicated that they are no longer financially situated to fund their POA positions at the Fargo VA Regional Office. The VFW has indicated that 60% of this year's entire states budget went to the POA's at the Fargo VA Regional Office, their memberships are down and they foresee, with the trend of the past years, the department will not be capable of funding these positions in the very near future.

The Fargo Veterans Affairs Regional Office (VARO) claim inventory historically shows the VFW and American Legion have over 55% of the total claims at the Fargo VARO. The VFW and American Legion POA officers are funded only by their state organizations.

The DAV also provides POA services at the Fargo VARO. They are funded by their National organizations, which have shown some concern over funding as well.

During the last biennium the National AMVETS eliminated their POA in North Dakota. The POA was taken over by the NDDVA which increased our workload.

If the VFW, DAV and American Legion cannot fund these positions-this will fall on the NDDVA to provide services to these veterans.

To ensure that each organization can continue to fund their POA's at the Fargo VARO we are requesting a \$50,000 per year per organization grant from the NDDVA budget to supplement their operating expenses. This would be \$50,000 x 3 organizations or \$150,000 per year or \$300,000 per biennium.

7. Temp Employees: \$49,500

Temporary employee needed to assist NDDVA in collecting data, researching available resources, and contacting stakeholders required to complete projects and programs NDDVA's is working on. Such as Coordination of Mental health providers, improving our Veterans Court, establishing help for veterans with barriers to education due to; PTSD, reintegration issues, and Traumatic Brain Injuries; coordinating opportunities for veteran entrepreneurs, employment opportunities, addressing veteran homelessness, transportation to medical services, establishing a Fischer House for the ND Veterans, Website data, healthcare and other benefits available to veterans. \$49,500

8. Marketing/Advertising: \$20,000

The North Dakota Department of Veterans Affairs has never had marketing -advertising funds to let our Veteran know who we are, where we are and what we do. Much less that we exist. One of the biggest comments we hear from veterans when we do our outreach events is they did not know there were state and county veteran service officers. From that many do not know of the benefits they have earned and the services that are available to them.

The continuing war on terror we will see more and more young veterans returning home with physical and mental disabilities. One of the main concerns we have is for those who go untreated. Many veterans do not want to admit that a year or more in a combat zone seeing and taking part in unspeakable acts will cause mental health issues. These issues if not treated can become disorders which will affect them and their families the rest of their lives. Treatments are available and from various sources. We need to be able to reach out to the Veterans and their families to educate them on these illnesses and the resources available to help them deal with them.

The quickest and most efficient method to get the word out to our Veterans is through marketing and advertising. As the agency charged with the care of our veterans we need to be the forefront in making contact with our veterans and their families. \$20,000

9. Funding for Vans: \$30,000

NDDVA's budget for 2013-2015 included \$30,000 for the purchase of transportation vans. This funding along with funding from the Columbia Trust is used to purchase vans to transport veterans from across ND to the VAMC in Fargo. In working with the Columbia Trust NDDVA's has been able to purchase a van for \$14,000-\$14,500 during the last two bienniums. During the current biennium NDDVA purchased no vans as the funding was cut due to the budgetary allotments. When we submit applications to the Columbia Trust we also request that the trust consider us for a free van, the trust provides 1 or 2 free vans nationwide each year. We received a free van in 2014 and do not anticipate ND getting another free van again in the near future. It is our expectation that we will need to purchase two more vans in the next biennium. We are requesting that the \$30,000 funding for vans be appropriated for the 2017-2019 biennium.

10. Increase to the Principal of the Post War Trust Fund (PWTF): \$1,750,000

The PWTF is defined in the NDCC as follows:

37-14-14. Veterans' postwar trust fund. The veterans' postwar trust fund is a permanent trust fund of the state of North Dakota and consists of moneys transferred or credited to the fund under this chapter and other laws. Investment of the fund is the responsibility of the state treasurer who shall invest the fund only in those legal investments authorized by section 21-10-07. All income received from investments is to be utilized only for programs of benefit and service to veterans or their dependents, and all income earned in a biennium is appropriated to the administrative committee on veterans' affairs on a continuing basis in the following biennium and not in the biennium the income is earned for expenditure on these programs as authorized by law.

The PWTF has only begun to grow in the last two biennium'. Prior to that time the fund stayed at \$4.1Million dollars. The buying power of interest earnings of \$4.1Million dollars when the fund was set up and the buying power today are quite different. With a portion of the funds interest earnings going back into principal to grow the

fund along with the lower rate of interest combined with the lower buying power of the interest earned we are in need of a higher principal balance. The funding available for service to benefits from the PWTF is not enough to fully fund all programs and properly care for our veteran's. In the interest of caring for our veterans of today and ensuring we can provide for the un-met needs of our veterans in the future we have determined that an additional \$2,000,000 in principal is needed. This principal amount will never be spent-only invested so the interest earnings can be distributed. During the 62nd, 63rd, and the 64th legislative assembly we have requested the \$2,000,000. \$250,000 was appropriated and added to the principal of the PWTF during the 63rd legislative assembly. Under the direction and advice of the 63rd legislative assembly leadership we added the remaining \$1,750,000 to our budget with the 64th legislative assembly, but this was not approved. We are once again requesting this funding.

11. Website Upgrade: \$67,689

During the last two legislative sessions we asked for our website upgrade stating the following...

"This would convert our agency website to Drupal CMS enabling department staff to make content changes to the pages on the website. Previously we had to submit all changes through ITD which was not cost efficient. It would give more control in to the agency in terms of content and management of the website. "The website is still hosted by ND ITD and held to the Web Standards in place."

ND ITD representatives spoke to the appropriations committees explaining what the conversion would entail and what the cost would be. It was estimated that at the new rates the cost would be \$15,593. Once the analysis and estimates were completed during the 2011-2013 biennium the bid was \$30,411 for the full Drupal conversion. I asked for a "base level" estimate to get us started and that came to \$18,285. I approved the base level amount because our website is and will be the main tool for resources for North Dakota Veterans and it needs to be completed. ITD estimates that it will cost a little more than the total \$30,411 bid to finish the Drupal conversion during the 2013-2015 biennium. During the 2013-15 biennium we needed to have ITD analyze and estimate the cost to finish the website. The project is not completed and an estimated \$67,689 is needed to complete.

12. Agent Orange Outreach: \$50,000

Agent Orange is a highly toxic herbicide used by the U.S. military during the Vietnam War to defoliate hiding places used by the Viet Cong, rice paddies and fields that provided them with food, and to clear the perimeters of military bases to give service members a clear line of fire. Although colorless, it is known as "Agent Orange" because of an orange band painted on the drums used to store and transports it. Over 50 diseases are linked to Agent Orange exposure to include diabetes, Parkinson's, heart diseases, many cancers and birth defects.

Upon returning from Vietnam our veterans were not treated well and the US Government did not recognize these diseases as connected to Agent Orange Exposure. The VA was not equipped to care for these service members.

Now many of our Vietnam veterans are suffering from these diseases and are not aware that the Veterans affairs has changed immensely since their return and care is available. This grant is important to maintain in our budget so we can continue to reach out to these veterans who suffer from the effects of Agent Orange and are now facing an average life expectancy of 65 years of age due to this exposure. Korean War vets life expectancy is 75 years and WWII veterans life expectancy is 77.5 years.

North Dakota's 63rd and 64th legislative assemblies appropriated \$50,000 to NDDVA as grant funding to provide outreach to our Vietnam Veterans. NDDVA would like to continue the appropriation as part of its budget.

2025-2085
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1-6-17



The Administrative Committee on Veterans Affairs (ACOVA) is responsible for the organization, policy, and general administration of all veterans' affairs in North Dakota. The Administrative Committee is comprised of 15 voting members, each appointed by the Governor, representing the five major patriotic veteran organizations in the state.

Each year, the Governor is to appoint one member from a list of two names submitted by the following North Dakota veteran organizations: American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and Vietnam Veterans of America. The ACOVA is also comprised of three nonvoting members who are to serve in an advisory capacity - the North Dakota Adjutant General, the Center Director of the Federal Veterans Affairs, and the Executive Director of the Job Service of North Dakota. The Governor also appoints the ACOVA's Chairman and Secretary.

The ACOVA has several activities they monitor on behalf of the Governor and the state's veterans.

North Dakota Veterans Home: The

ACOVA appoints a seven member governing board for administration of the North Dakota Veterans Home located in Lisbon, ND. It assists in creating the management and not in the day to day management of the Veterans Home.

Post War Trust Fund: The veterans' post-war trust fund (PWTF) is a permanent trust fund of the state of North Dakota and consists of moneys transferred or credited to the fund under NDCC 37-14-14 and other laws. All income received from investments is to be utilized only for programs of benefit and service to veterans or their dependents, and all income earned in a biennium is appropriated to the (ACOVA) on a continuing basis.

ND Department of Veterans Affairs:

The committee shall appoint the commissioner of the department of veterans' affairs. The commissioner of veterans' affairs shall serve as the executive secretary for the subcommittee. The commissioner has no vote in the affairs of the subcommittee.



*Who We Are
and What We
do for Veterans*



What is the difference between the NDVCC and the ACOVA? The acronym NDVCC stands for the North Dakota Veterans Coordinating Council and is a Non-Governmental Council comprised of the five principal veteran organizations in the state of North Dakota. Their purpose is to discuss and develop a unified consensus on veteran issues. ACOVA stands for the Administrative Committee on Veterans Affairs which is a committee whose members are appointed by the North Dakota Governor for the purpose of discussing and creating legislation that impacts the veterans of our state.

The ND Veterans Coordinating Council is made up of three members from each of the following five ND Veterans' Patriotic Organizations; The American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and the Vietnam Veterans of America.



5,000 North Dakota Members, 11 Local Chapters
1.2 Million Members Nationwide



7,715 North Dakota Members, 54 Local Posts
1.7 Million Members Nationwide

The NDVCC was established to bring veterans organizations together in a united effort on behalf of all veterans and dependents. It is meant to provide a practical means through which the Veterans organizations throughout the state may effectively contribute to the betterment of all veterans.

The three major responsibilities of the Coordinating Council are to sponsor and monitor legislation that affects veterans and their dependents, monitor all general programs for veterans including hospital benefits, employment programs, social programs and finally to establish a system of public relations for veterans.

No member of the Coordinating Council may hold concurrent membership on the Administrative Committee on Veterans Affairs. The three representatives from each Veterans organization shall be the Department



2,800 North Dakota Members, 14 Local Posts
290,000 Members Nationwide



16,000 North Dakota Members, 215 Local Posts
2.4 Million Members Nationwide

Commander, the Department Adjutant, and one other representative. Each member has one vote. The office of president, vice-president, and secretary/treasurer are elected from within these voting members.

The members are volunteers and do not receive salaries for performing their duties as outlined in the organizations by-laws. The third segment of the Council is the Legislative Committee. Two members are appointed from each of the veterans organizations and a committee chairman. They are appointed for two years. They should be from the Bismarck area so they may attend hearings on bills affecting the veterans.

The Coordinating Council's main function is drafting, monitoring, and seeking sponsors for veterans legislation. It is not an administrative body. Administration and implementation of veterans laws is the function of the Administrative Committee on Veterans Affairs. (ACOVA).



436 North Dakota Members, 10 Local Chapters
66,367 Members Nationwide

2

LEGISLATIVE ISSUES 2017

Create a Veteran's Funeral Honor Coin

NDCC:

Origination of Bill: ACOVA

Approved by ACOVA; YES, July 29, 2016

Approved by NDVCC: YES, Dec. 15, 2016

Carry Bill: Senator Sorvaag

Sponsor: Senator Sorvaag

- ◆ Design and develop an Honor Coin to be presented to the family of our fallen veterans at the time of their funeral allowing for one coin per family with the consideration of purchasing additional coins.

Expanded Gold Star Plates Program

NDCC:

Origination of Bill: ACOVA

Approved by ACOVA; YES, July 29, 2016

Approved by NDVCC: YES, Dec. 15, 2016

Carry Bill: Senator Sorvaag

Sponsor: Senator Sorvaag

- ◆ Create a license plate which honors a deceased veteran whom has passed while serving on active or inactive duty in a combat and/or a non-combat area of service. This provide an opportunity to allow the veterans extended family to participate in honoring a fallen family member. Cost is borne by the family member purchasing the plate.



Members of the North Dakota Veterans Coordinating Council 2017

President:	Russ Stabler	ND VVA
Vice President	Joe Hall	ND DAV
Secretary:	Bill Tuff	ND VFW

Member Organizations:

ND American Legion

Orletta Kilen	701-843-8173	toalmont@yahoo.com
David Johnson	701-293-3120	adjutant@ndlegion.org
Bruce Sailer	701-462-8300	mbsailer@beu.midco.net

ND AMVETS

Gary Himmerich	701-871-0208	garyandpath@gmail.com
Keith Peterson	701-871-0208	peteronkeith96@yahoo.com
Murray Strom	701-220-1408	murrayo@bektel.com

ND DAV

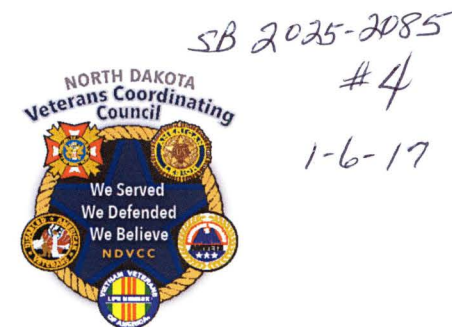
Joe Hall	701-328-5048	joehall.DAV@outlook.com
Warren Tobin	701-252-9043	warren.tobin8@gmail.com
Dave Vareberg	701-845-1615	davevareberg@hotmail.com

ND VFW

Bill Tuff	c701-261-2144	bltuf@aol.com
James Markey	c701-361-8210	jammer1993@yahoo.com
Shaun Shenk	610-207-3051	s-shenk@hotmail.com

ND VVA

Dan Stenvold	701-284-6426	troy@polarcomm.com
Russ Stabler	701-306-2659	pa1kid@aol.com
Larry Young	701-786-3494	yohound50@yahoo.com



LEGISLATIVE ISSUES 2017

Veteran Organization Sponsored Gaming

NDCC:

Origination of Bill: ACOVA

Approved by ACOVA; YES, July 29, 2016

Approved by NDVCC: YES, Dec. 15, 2016

Carry Bill: Senator Dever

Sponsor: Senator Dever

- ◆ A change to the current law to allow Veteran Organizations with gaming sites to retain 100% of gaming revenues received for veteran, veteran's family, community programs, projects and the Veterans Home.

Employment Protections for ND National Guard Members during State Sponsored Activations

NDCC:

Origination of Bill: ACOVA

Approved by ACOVA; YES, July 29, 2016

Approved by NDVCC: YES, Dec. 15, 2016

Carry Bill:

Sponsor:

- ◆ Expand employment protections to members of the National Guard whom have been activated in support of state special needs, i.e. flooding, fires, security or riots. In addition, recognizing that members of the ND National Guard maybe residents of a neighboring state and revising the wording in existing statutes to recognize members of the National Guard of this state or any other state." /

NDDVA Budget

NDCC:
 Origination of Bill: ACOVA
 Approved by ACOVA;
 YES, July 29, 2016
 Approved by NDVCC:
 YES, July 28, 2016
 Carry Bill: Commissioner
 Sponsor: Commissioner



◆ **Veteran Organizations, Veteran Service Officer Grants;**

Funding Grants to ND American Legion, ND VFW and ND DAV per biennium.	\$ 400,000
◆ Stand Down Outreach	\$ 20,000
◆ Vans	\$ 30,000
◆ Service Dogs	\$ 50,000
◆ Restore Base Budget Funding	\$ 98,900
◆ Marketing & Advertising	\$ 20,000
◆ Temporary Employees	\$ 49,500
◆ Website Improvements	\$ 67,689
◆ VSO Training Position	\$ 145,152
◆ PWTF Principal Payment	\$ 1,750,000
◆ Salary Equity Funding	\$ 96,143
◆ Agent Orange Grant	\$ 50,000

◇ **Veteran Service Officer Grants**

Grants would assist Veteran Organizations to continue supporting NDDVA responsibility to provide claims and benefit for our ND veterans. These organizations provide critical veteran face to face services for claims on compensation and benefits. Our National VSO oversee the claims processed by the ND County VSO. In 2015 they helped process over \$386 million dollars of VA services, compensation and pension benefits into the State of North Dakota.

◇ **Increase Funding for Stand Downs**

Stand Down events bring many organizations together in one place to provide direct services to our states veteran's in need. The main focus is directed towards, but not limited to homeless veterans. The various veteran's service organizations conduct fund raising and use other resources to host these events. These funds serve as backup for the sponsorships needed, thereby ensuring the success of each events.

◇ **Funding for Transportation Vans**

NDDVA funding along with support from the Columbia Trust is used to acquire vans to help veterans gain badly needed access to the VAMC in Fargo. In working with the Columbia Trust, the NDDVA's has been able to purchase a van for approximately \$14,000-\$14,500. It is our expectation that two vans will be needed in the next biennium. Therefore we are request \$30,000 funding for transportation vans be continued for the 2017-2019 biennium.

◇ **Service Dogs for Veterans with PTSD**

Post Traumatic Stress Disorder (PTSD) is a real illness which greatly affects well over 35% of our veterans. PTSD is also a large contributing factor in suicides within our veteran community. ND lost 26 North Dakotans in the wars in Afghanistan and Iraq since 2001. We have lost over 230 ND Veterans to suicide between 2001 and 2013. These service dogs can save the lives of our veterans who have many hidden injuries from their war experiences. The 63rd and 64th legislative assemblies appropriated \$50,000 to the NDDVA for the purchase of service dogs for our veterans. We ask for a continued appropriation for service dogs in this budget.

◇ **Restoring Base Budget Funding**

Restoration of the previous base budget allows the Department to continue providing the minimal services it has in the past. Veteran services and outreach programs which provide for a fact-to-face encounter with the veteran in need, must be expanded and not reduced. It is imperative to be welcoming towards veterans when they seek assistance rather than continue to place hurdles before them when they do ask for the care they need.



LEGISLATIVE ISSUES 2017

Tax Exempt Military Retirement

NDCC:
 Origination of Bill: ACOVA
 Approved by ACOVA; YES, July 29, 2016
 Approved by NDVCC: YES, Dec. 15, 2016
 Carry Bill:

- ◆ Exempting military retirement pay has several benefits. 1) Its recognizes and thanks the veteran for their extended service to our state and country. 2) It serves as a marketing tool to encourage retired veterans to relocate and reside in our state. Thereby increasing the VA's Compensation and Pension Benefits Payment to our community and increased employment opportunity in the state and the Fargo Regional VA Medical Center. These VA payments in ND exceed \$386 million making the veterans of this state a very significant industry and provides an incredible impact on our economy. Businesses across the state continually benefit from our veterans personal disposable income. 3) We enjoy two large U.S. Air Force bases with personnel whom my decide to remain in the state upon completion of their service to our country.

Veterans Education Training:

NDCC
 DCC: State Board of Education
 Origination of Bill -
 Approved by ACOVA; YES, Dec. 5, 2014
 Approved by NDVCC: YES, Dec. 15, 2016
 Carry Bill:

- ◆ Support fully funding this program. This program has also been known as the "Upward Bound" program. It provides a refresher and mentoring opportunity for transitioning veterans from active duty back into the collegiate environment. Refresher courses on specific subjects as well as reviewing and understanding study techniques and elements of the group dynamics in high educational institutions today.

Recommendation Comparison Summary
321 Department of Veterans Affairs
Biennium 2017-2019

Description	Executive Budget Recommendation	Remove Compensation ^{/1}	5% Health Insurance ^{/2}	Remove FTE ^{/3}	Adjustments ^{/4}	Change +/-	Revised Executive Recommendation
By Line Item							
Transportation Vans	15,000					0	15,000
Veterans Affairs Administration	1,433,978	(5,541)	(11,993)	(130,000)		(147,534)	1,286,444
State Approving Agency	273,027					0	273,027
Grants - Transportation Program	1,719,520					0	1,719,520
Total Line Items	3,441,525	(5,541)	(11,993)	(130,000)	0	(147,534)	3,293,991
By Funding Source							
General Funds	1,348,978	(4,811)	(10,494)	(130,000)		(145,305)	1,203,673
Federal Funds	2,092,547	(730)	(1,499)			(2,229)	2,090,318
Special Funds	0					0	0
Total Funding Sources	3,441,525	(5,541)	(11,993)	(130,000)	0	(147,534)	3,293,991
Total FTE	9.00			(1.00)		(1.00)	8.00

- /1 The 0% and 1% increase for state employee salaries has been removed.
- /2 Employees will be required to pay for 5% of their health insurance premium.
- /3 Removes 1.00 additional FTE.
- /4 No additional budget adjustments were made.

1
 1-27-17
 SB 2025

SB 2025
1-27-17
#2

Department of Veterans' Affairs - Budget No. 321
Senate Bill No. 2025
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	9.00	\$1,429,982	\$288,018	\$1,718,000	9.00	\$1,429,982	\$288,018	\$1,718,000	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes												
Base payroll changes		\$37,290	(\$32,972)	\$4,318				\$0		(\$37,290)	\$32,972	(\$4,318)
Salary increase - Performance				0				0				0
Health insurance increase		22,361	3,395	25,756				0		(22,361)	(3,395)	(25,756)
Employee portion of health insurance		(10,494)	(1,499)	(11,993)				0		10,494	1,499	11,993
Adjusts funding for administrative positions		(100,000)	100,000	0				0		100,000	(100,000)	0
Removes 1 FTE position	(1.00)	(130,000)		(130,000)				0	1.00	130,000		130,000
Reduces funding for operating expenses		(2,106)		(2,106)				0		2,106		2,106
Removes funding for stand down events		(20,000)		(20,000)				0		20,000		20,000
Restores funding for desktop support services		26,640		26,640				0		(26,640)		(26,640)
Removes funding for the Agent Orange program		(50,000)		(50,000)				0		50,000		50,000
Increases funding for the State Approving Agency			13,856	13,856				0			(13,856)	(13,856)
Adds federal funding for the transportation program			1,719,520	1,719,520				0			(1,719,520)	(1,719,520)
Total ongoing funding changes	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	0.00	\$0	\$0	\$0	1.00	\$226,309	(\$1,802,300)	(\$1,575,991)
One-time funding items				\$0				\$0				\$0
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	0.00	\$0	\$0	\$0	1.00	\$226,309	(\$1,802,300)	(\$1,575,991)
2017-19 Total Funding	8.00	\$1,203,673	\$2,090,318	\$3,293,991	9.00	\$1,429,982	\$288,018	\$1,718,000	1.00	\$226,309	(\$1,802,300)	(\$1,575,991)
										18.8%	(86.2%)	(47.8%)

Other Sections in Department of Veterans' Affairs - Budget No. 321

Burgum Executive Budget Recommendation
(Changes to Dalrymple Budget in Bold)

Senate Version

No other sections for this agency.

/

<u>Van</u>	<u>VAN PLATE</u>	<u>Type</u>	<u>Mileage</u>	<u>VIN</u>	<u>annual average</u>	<u>est. mileage in fall 2017</u>	<u>est. mileage in fall 2018</u>	<u>est. mileage in fall 2019</u>	<u>est. mileage in fall 2020</u>	<u>est. mileage in fall 2021</u>
Bismarck	VA22336	2012 Ford 12 Passenger	100,164	1FBNE3BLXCDA91425	19,987	120,151	140,138	160,125	180,112	200,099
Bismarck	VA22337	2012 Ford 12 Passenger	88,324	1FBNE3BL1CDA91426	9,480	97,804	107,284	116,764	126,244	135,724
Minot	VA23117	2013 Ford 12 Passenger	46,326	1FBNE3BL8DDA98438	31,000	77,326	108,326	139,326	170,326	201,326
Stanley	VA23663	2014 Ford 12 Passenger	25,843	1FBNE3BL1EDB05778	30,624	56,467	87,091	117,715	148,339	178,963
Lidgerwood/Wahpeton	VA23606	2014 Ford Flex 7 passenger	34,349	2FMGK5B85EBD33689	15,240	49,589	64,829	80,069	95,309	110,549
Pembina/Cavaler	VA23909	2015 Ford Flex 7 Passenger	14,818	2FMHK6C80FBA08104	11,268	26,086	37,354	48,622	59,890	71,158
Beach	VA20330	2009 Ford 12 passenger	132,624	1FBNE31L19DA66164	23,304	155,928	179,232	202,536	225,840	249,144
Fargo	VA20331	2009 12 Passenger	165513	1FBNE31L39DA66165	replacing	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Fargo	VA23116	2013 Ford Explorer 7 passenger	51,868	1FM5K8B83DGC63934	15,240	67,108	82,348	97,588	112,828	128,068
Fargo	VA15588	2005 Ford Free Star 7 Passenger	112286	2FMZA51625BA74347	replacing	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Fargo	VA23806	Ford Winstar 7 passenger	104,971	2FMZA51645BA74348	7,500	112,471	119,971	127,471	134,971	142,471

3
1-27-17
58 2025

CHANGE PACKAGE SUMMARY

00321 Department of Veterans Affairs

Biennium:2017-2019

SB 2025
2-9-17 Subcommittee #1 p1

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-E 1 Remove One-time Service Dogs		0.00	(50,000)	0	0	(50,000)
A-E 2 Remove One-time IT Hardware		0.00	(26,895)	0	0	(26,895)
A-E 3 Remove Carryover for IT Project Funding		0.00	(4,756)	0	0	(4,756)
Total One Time Budget Changes		0.00	(81,651)	0	0	(81,651)
Ongoing Budget Changes						
A-A 2 Reduction needed to meet 90% budget		0.00	(162,724)	0	0	(162,724)
A-A 15 SAA Funding		0.00	0	13,856	0	13,856
A-A 16 Highly Rural Transportation Grant		0.00	0	408,240	0	408,240
A-A 17 Highly Rural Transportation Grant - Temp		0.00	0	100,000	0	100,000
A-F 13 Remove Capital Asset Funding		0.00	(15,000)	(117,585)	0	(132,585)
R-A 1 Transferred Operating Funding back to Vans		0.00	0	0	0	0
R-A 2 Transportation Funding for Salaries		0.00	(100,000)	100,000	0	0
R-A 3 Restored Desktop Services		0.00	26,640	0	0	26,640
Base Payroll Change		0.00	37,290	(32,972)	0	4,318
Compensation Changes		0.00	27,172	4,125	0	31,297
Total Ongoing Budget Changes		0.00	(186,622)	475,664	0	289,042
Total Base Budget Changes		0.00	(268,273)	475,664	0	207,391

Optional Budget Changes

One Time Optional Changes						
A-D 10 Increase to the Principal of the Post War Trust Fund (PWTF)	10	0.00	1,750,000	0	0	1,750,000
A-D 11 Website Upgrade	11	0.00	67,689	0	0	67,689
Total One Time Optional Changes		0.00	1,817,689	0	0	1,817,689
Ongoing Optional Changes						
A-C 1 Restore base budget funding	1	0.00	76,877	0	0	76,877

2-09-17
SB 2025

Sub Committee #1 p. 2

CHANGE PACKAGE SUMMARY
00321 Department of Veterans Affairs
Biennium:2017-2019

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
A-C 2 Salary Equity Funding	2	0.00	96,143	0	0	96,143
A-C 3 Funding for Stand Downs	3	0.00	20,000	0	0	20,000
A-C 4 Service Dogs for Veterans with PTSD	4	0.00	50,000	0	0	50,000
A-C 5 Training Position	5	1.00	145,152	0	0	145,152
A-C 6 Veterans Organizations NSO Office	6	0.00	300,000	0	0	300,000
A-C 7 Temp Employees	7	0.00	49,500	0	0	49,500
A-C 8 Marketing/Advertising	8	0.00	20,000	0	0	20,000
A-C 9 Funding for Vans	9	0.00	30,000	0	0	30,000
A-C 12 Agent Orange Outreach	12	0.00	50,000	0	0	50,000
Total Ongoing Optional Changes		1.00	837,672	0	0	837,672
Total Optional Budget Changes		1.00	2,655,361	0	0	2,655,361

P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2025

Page 1, replace lines 12 through 18 with:

"Veterans' affairs	\$1,379,982	(\$65,758)	\$1,314,224
Agent orange	50,000	(50,000)	0
State approving agency	288,018	(15,778)	272,240
Grants - transportation program	<u>0</u>	<u>1,719,520</u>	<u>1,719,520</u>
Total all funds	\$1,718,000	\$1,587,984	\$3,305,984
Less estimated income	<u>288,018</u>	<u>1,803,799</u>	<u>2,091,817</u>
Total general fund	\$1,429,982	(\$215,815)	\$1,214,167
Full-time equivalent positions	9.00	(1.00)	8.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2025 - Department of Veterans' Affairs - Senate Action

	Base Budget	Senate Changes	Senate Version
Veterans' affairs	\$1,379,982	(\$65,758)	\$1,314,224
State approving agency	288,018	(15,778)	272,240
Agent orange	50,000	(50,000)	
Grants - transportation program		<u>1,719,520</u>	<u>1,719,520</u>
Total all funds	\$1,718,000	\$1,587,984	\$3,305,984
Less estimated income	<u>288,018</u>	<u>1,803,799</u>	<u>2,091,817</u>
General fund	\$1,429,982	(\$215,815)	\$1,214,167
FTE	9.00	(1.00)	8.00

Department No. 321 - Department of Veterans' Affairs - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Health Insurance Increases ²	Adjusts Funding for Administrative Positions ³	Removes One FTE Position ⁴	Adjusts Base Level Funding ⁵	Adds Funding for Transportation Program ⁶
Veterans' affairs	\$37,290	\$22,418		(\$130,000)	\$4,534	
State approving agency	(32,972)	3,338			13,856	
Agent orange					(50,000)	
Grants - transportation program						<u>1,719,520</u>
Total all funds	\$4,318	\$25,756	\$0	(\$130,000)	(\$31,610)	\$1,719,520
Less estimated income	<u>(32,972)</u>	<u>3,395</u>	<u>100,000</u>	<u>0</u>	<u>13,856</u>	<u>1,719,520</u>
General fund	\$37,290	\$22,361	(\$100,000)	(\$130,000)	(\$45,466)	\$0
FTE	0.00	0.00	0.00	(1.00)	0.00	0.00

	Total Senate Changes
Veterans' affairs	(\$65,758)
State approving agency	(15,778)
Agent orange	(50,000)
Grants - transportation program	<u>1,719,520</u>
Total all funds	\$1,587,984
Less estimated income	<u>1,803,799</u>
	(\$215,815)

General fund

FTE

(1.00)

#1
p2

¹ Funding is adjusted 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 Funding is adjusted for administrative positions to reduce funding from the general fund and increase federal funds through a rural transportation grant.

⁴ One FTE position and related funding is removed.

⁵ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding for operating expenses	(\$2,106)	\$0	(\$2,106)
Removes funding for stand down events	(20,000)	0	(20,000)
Restores funding for desktop support services	26,640	0	26,640
Removes funding for Agent Orange program	(50,000)	0	(50,000)
Increases federal funding for the state approving agency operating expenses	<u>0</u>	<u>13,856</u>	<u>13,856</u>
Total	(\$45,466)	\$13,856	(\$31,610)

⁶ Federal funding is increased from the United States Department of Veterans Affairs, Office of Rural Health, Highly Rural Area program to provide a grant for the purchase of wheelchair accessible vans and to provide for temporary salaries and operating expenses.

**Department 321 - Department of Veterans' Affairs
Senate Bill No. 2025**

Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

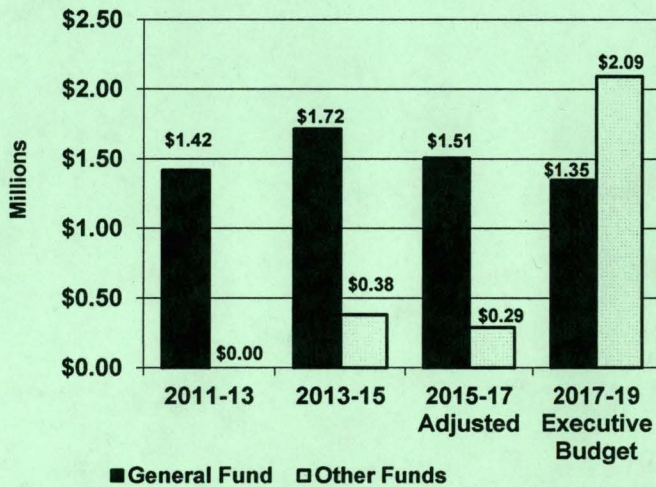
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	9.00	\$1,348,978	\$2,092,547	\$3,441,525
2015-17 Adjusted Legislative Appropriations ¹	9.00	1,506,877	288,018	1,794,895
Increase (Decrease)	0.00	(\$157,899)	\$1,804,529	\$1,646,630

¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016, but do not include additional special funds authority of \$1,328,865 resulting from Emergency Commission action during the 2015-17 biennium.

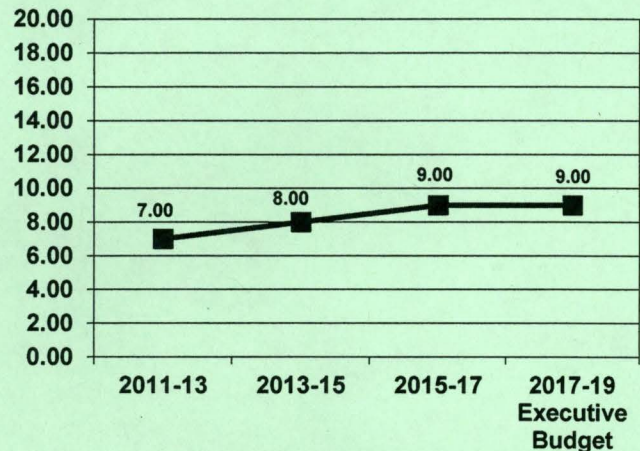
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	\$1,348,978	\$0	\$1,348,978
2015-17 Adjusted Legislative Appropriations	1,429,982	76,895	1,506,877
Increase (Decrease)	(\$81,004)	(\$76,895)	(\$157,899)

Agency Funding



FTE Positions



Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$1,348,978	\$2,092,547	\$3,441,525
2017-19 Base Level	1,429,982	288,018	1,718,000
Increase (Decrease)	(\$81,004)	\$1,804,529	\$1,723,525

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$5,541 is for salary increases and \$25,756 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) The Senate removed funding for the salary increases.	\$27,172	\$4,125	\$31,297
2. Adjusts the funding source from the general fund to federal funds for a portion of the salaries and wages of 2 FTE administrative positions in the transportation program	(\$100,000)	\$100,000	\$0
3. Restores funding for desktop support services	\$26,640		\$26,640

4. Removes funding for the Agent Orange program	(\$50,000)		(\$50,000)
5. Adds federal funding for the transportation program		\$1,719,520	\$1,719,520
6. Removes funding for stand down events	(\$20,000)		(\$20,000)
7. The Burgum budget removed 1 unspecified FTE position	(\$130,000)		(\$130,000)

Other Sections in Senate Bill No. 2025

Service dogs - Section 3 provides an appropriation of \$50,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder.

Continuing Appropriations

Veterans' aid fund - North Dakota Century Code Section 37-14-03.3 - The purpose of the veterans' aid fund is to make loans or advancements to any veteran and to a surviving spouse of a veteran if the spouse has not remarried.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

Senate Bill No. 2183 - Provides an appropriation of \$8,500 from the general fund and \$25,500 from private donations to the Department of Veterans' Affairs for producing at least 4,000 commemorative memorial coins. Of the funds appropriated, up to \$4,000 can be used on the design of the coin.

Department of Veterans' Affairs - Budget No. 321
Senate Bill No. 2025
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	9.00	\$1,429,982	\$288,018	\$1,718,000	9.00	\$1,429,982	\$288,018	\$1,718,000
2017-19 Ongoing Funding Changes								
Base payroll changes		\$37,290	(\$32,972)	\$4,318		\$37,290	(\$32,972)	\$4,318
Salary increase - Performance				0				0
Health insurance increase		22,361	3,395	25,756		22,361	3,395	25,756
Employee portion of health insurance		(10,494)	(1,499)	(11,993)				0
Adjusts funding for administrative positions		(100,000)	100,000	0		(100,000)	100,000	0
Removes 1 FTE position	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)
Reduces funding for operating expenses		(2,106)		(2,106)		(2,106)		(2,106)
Removes funding for stand down events		(20,000)		(20,000)		(20,000)		(20,000)
Restores funding for desktop support services		26,640		26,640		26,640		26,640
Removes funding for the Agent Orange program		(50,000)		(50,000)		(50,000)		(50,000)
Increases funding for the State Approving Agency			13,856	13,856			13,856	13,856
Adds federal funding for the transportation program			1,719,520	1,719,520			1,719,520	1,719,520
Adds funding for service dogs				0		50,000		50,000
Total ongoing funding changes	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984
2017-19 Total Funding	8.00	\$1,203,673	\$2,090,318	\$3,293,991	8.00	\$1,264,167	\$2,091,817	\$3,355,984

Other Sections in Department of Veterans' Affairs - Budget No. 321

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
Service Dogs								

Section 3 provides an appropriation of \$50,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder.

Department 321 - Department of Veterans' Affairs

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$1,535,600	\$76,895	\$1,612,495
General fund reductions	(105,618)	0	(105,618)
Adjusted 2015-17 appropriations	\$1,429,982	\$76,895	\$1,506,877
Dalrymple Executive Budget changes	(81,004)	(76,895)	(157,899)
2017-19 Dalrymple Executive Budget	\$1,348,978	\$0	\$1,348,978

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Reduced operating expenses, including travel, stand down events, and information technology processing and equipment	(\$90,618)	\$0	(\$90,618)
Removed funding for transport vans	(15,000)	0	(15,000)
Total reductions	(\$105,618)	\$0	(\$105,618)
Percentage reduction to ongoing and one-time general fund appropriations	6.88%	0.00%	6.55%

2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

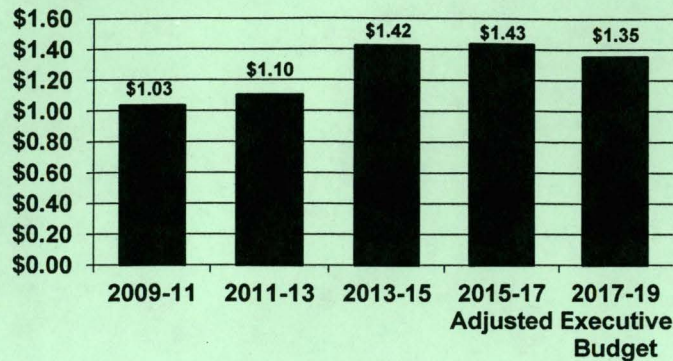
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$27,172	\$0	\$27,172
Base payroll changes	37,290		37,290
Adjusts the funding source for administrative positions	(100,000)		(100,000)
Reduces funding for operating expenses, including transport vans	(107,724)	105,618	(2,106)
Removes funding for stand down events	(20,000)		(20,000)
Restores funding for desktop support services	26,640		26,640
Removes funding for the Agent Orange program	(50,000)		(50,000)
Total	(\$186,622)	\$105,618	(\$81,004)

Department 321 - Department of Veterans' Affairs

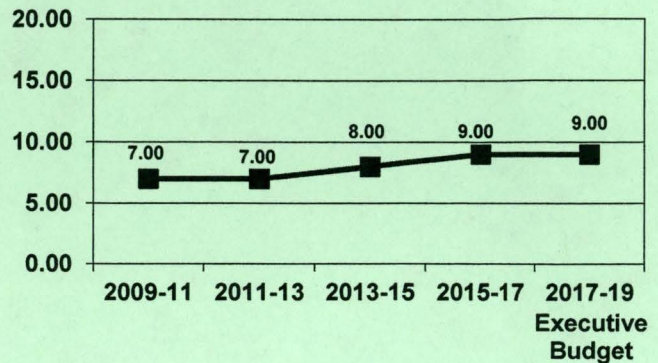
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	\$1,031,487	\$1,099,626	\$1,420,703	\$1,429,982	\$1,348,978
Increase (decrease) from previous biennium	N/A	\$68,139	\$321,077	\$9,279	(\$81,004)
Percentage increase (decrease) from previous biennium	N/A	6.6%	29.2%	0.7%	(5.7%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	6.6%	37.7%	38.6%	30.8%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

- 1. Provided funding for training of county veterans' service officers on emerging issues \$30,000

2013-15 Biennium

- 1. Added funding for 1 FTE national service officer position \$115,978

2015-17 Biennium

- 1. Added funding to purchase vans to transport veterans to medical appointments \$15,000
- 2. Added funding for the Agent Orange program \$50,000
- 3. Increased funding for stand down events to provide a total of \$20,000 from the general fund \$10,000

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

- 1. Adjusts the funding source for a portion of the salaries and wages of 2 FTE administrative positions in the transportation program (\$100,000)
- 2. Restores funding for desktop support services \$26,640
- 3. Removes funding for the Agent Orange program (\$50,000)
- 4. Removes funding for stand down events (\$20,000)
- 5. The Burgum budget removed 1 unspecified FTE position (\$130,000)

Testimony on SB 2025
House Appropriations Committee
Department of Veterans Affairs
March 2, 2017

SB2025
03-02-2017
#1

Chairman Pollert and Committee Members my name is Cathy Halgunseth and I am the Chief Administrative Officer for the Department of Veterans Affairs. I will be presenting our Department budget information today.

Our last financial audit by the State Auditor's Office was for a two-year period ending June 30, 2014. There were three findings noted from the audit:

Due Diligence (Finding 14-1): it was noted from several loan files where payments hadn't been made for over a year, late reminders were not sent and the loans weren't turned over for collection. It was also noted late fees weren't being charged consistently. The former technician responsible for the veterans' aid loan fund didn't maintain or keep up to date the individual files. The recommendation was the Department review all loans receivables and perform due diligence to collect outstanding balances on all delinquent loans, that bank reconcilements be done monthly and be reviewed and approved by the Commissioner. Bank reconcilements and transfers are current, all active loans have been reviewed and brought up to date. A change to Loan Policy #231, approved June 2014 by the Administrative Committee on Veterans Affairs, enabled late fees to be more uniformly applied to loans. As of December 31, 2016, there are 86 open loan accounts. Of the 14 accounts over 100 days: 11 are with a collection agency and 3 are making monthly payments.

Misstatement of Loan Receivables (Finding 14-2): The loan receivable closing packages were understated for fiscal years 2013 and 2014. Errors were noted for the write-off amounts, new loans, and loan repayments; no aging, support or analysis for the allowance for doubtful accounts. It was recommended the Department review all loan receivables, ensure 2015 closing packages are accurately reported to OMB and perform an aging or other analysis for the basis of the allowance for doubtful accounts percentage. The Department took corrective action and closing packages for 2015 were accurately reported. A spreadsheet is in place reconciling monthly transactions to aid in completing closing packages. The calculation for the allowance for doubtful accounts percentage is determined by a standard method.

State Vehicle Use (Finding 14-3)

A mileage log for the Bismarck office state fleet vehicle wasn't properly maintained; for fiscal year 2014 there were 931 miles that were not accounted for; and it appears the employee used the vehicle numerous times for personal use and commuting without proper authorization or approval from the Department of Transportation, Fleet

Services. The recommendations were to ensure the Bismarck office submit a complete and timely vehicle log report, ensure all vehicle logs are approved by the Commissioner and authorization and approval from D.O.T. is received for commuting and personal use of a state vehicle. The Department agreed with the recommendations. The Bismarck office will submit monthly vehicle logs. All employees are required to complete SFN 18709 -Travel Request to Supervisor and a Car Request/Report form will be completed. No requests will be made to D.O.T. to use a state fleet vehicle for commuting or personal use. These purposes are not authorized by the Commissioner.

That concludes an update on the last financial audit.

The Department's major components making up the "base level" are salaries & benefits, Information Technology (data processing, telecommunications, and software maintenance agreements), travel and rent. We have nine full-time positions in Fargo. Our funding is through general fund and federal fund dollars.

We have no major ongoing funding increases or decreases that were approved by the 2013 or 2015 Legislative Assemblies.

The areas affected by the budget reductions:
(Attachment)

Transportation Vans (\$15,000) - The cutback in Transportation Vans resulted in no replacement van for the biennium. These vans provide service to veterans throughout the State needing transportation to the Fargo VA for appointments. We now need to replace two vans in the 2017-19 biennium.

Stand Downs (\$14,207) - Stand Downs are events held in communities across North Dakota to provide services to veterans. The majority of these veterans are homeless veterans. Because of the cut, only two events received funding this biennium

Travel (28,306) - Travel cuts impact our ability to do outreach events, provide backup service to County Veterans Service Officers and training opportunities for our staff, especially the Veterans Benefits Specialists. They work extensively with veterans, County Veterans Service Officers and the Federal VA. Being knowledgeable in federal rules and VA policy is imperative in doing their job well in providing service to veterans and their families, and assisting CVSOs. The Commissioner's travel to meetings and events, which impact veterans and their families, at the State level and National level has also been impacted.

IT areas (\$22,000). Some of the funding cut was due to not being under IT Support Services until the second year of the biennium. Closing the Bismarck branch office and moving it to Fargo helped with reductions in IT areas. We were able to rent

office space directly above our Fargo Office so we are able to share IT network equipment.

The Laptops for County Veterans Service Officers program was cut (\$15,000). This enabled purchasing laptops and software for counties that didn't provide computers for the CVSOs. This was a great help for CVSOs in assisting veterans in their offices and doing outreach work. The ability to bring in national training presenters for the CVSO conference was cut by \$5,000.

Listing of proposed budgets reductions to meet 90% budget request guideline.
(Attachments)

2017-19 Budget Changes Governor Dalrymple (SB 2085):

adds funding to Salary and Benefit for 1% increase second year of biennium and for health insurance increase

restores funding for IT Desktop Support Services

removes funding for Agent Orange program and Stand Downs

adjusts funding source from general funds to federal funds (transportation program) to pay portion of salaries and wages of two administrative positions

2017-19 Budget Changes Governor Burgum (SB 2025):

continues funding for Agent Orange Grant

doesn't include federal funding for transportation grant

Budget Changes by Senate (SB 2025 Second Engrossment)

Adds funding for health insurance increase

restores funding for IT Desktop Support Services

removes funding for Agent Orange program and Stand Downs

removes funding for one FTE position

reduces operating expenses

adjust funding for base payroll cost to continue 2015-17 salaries and benefit increases and other changes

adjusts funding source from general funds to federal funds (transportation program) to pay portion of salaries and wages of two administrative positions

increases federal funding for state approving agency

includes federal funds for transportation program

includes general funds for Service Dogs

Federal Funding Changes

Under our Memorandum of Understanding with the U.S. Department of Veterans Affairs regarding our Highly Rural Transportation Grant program, part of the funding pays for a temporary position to administer the grant. This person is charged with conducting site visits on the vans that have been placed in communities throughout North Dakota; contacting providers to add their services for providing transportation to veterans who need assistance in getting to medical appointments; media coverage of the transportation program to get the word out to veterans of the program; working with veterans in getting them transportation; requesting reimbursement funding to providers; and the overall monitoring of the program. This is a full-time temporary position. Transferring these duties and funding to staff positions in the Department may cause this MOA to be revoked and the funding stopped. Since this program covers rural North Dakota, approximately 39 counties, it is extremely beneficial to those veterans in remote areas who need travel assistance.

Consider the Governor's Budget removes one full-time FTE from the Department, this would result in trying to assign the duties of two-full time positions to the remaining small staff.

Cathy Halgunseth
Chief Administrative Officer
ND DVA

Effects of Budget Reductions Compared to Estimated Expenditures

	2015-17 Budget Appropriation	Reductions August 2016	Adjusted 2015-17 Budget	2015-17 Estimated Expenditures
Website Carryover Funds	4,756		4,756	2,891
Agent Orange	50,000	0	50,000	50,000
Motor Vehicles	15,000	(15,000)	0	0
			0	
511000 Salaries - Permanent	774,966	0	774,966	364,394
513000 Temporary Salaries	0	0	0	0
516000 Fringe Benefits	353,568	0	353,568	159,816
521000 Travel	93,399	(28,306)	65,093	28,367
531000 Supplies - IT Software	16,264	(5,000)	11,264	6,900
532000 Supply/Material - Professional	1,781	0	1,781	1,781
533000 Food and Clothing	26	0	26	26
534000 Bldg, Ground, Maintenance	8,053	0	8,053	4,103
535000 Miscellaneous Supplies	273	0	273	146
536000 Office Supplies	6,346	(3,000)	3,346	3,539
541000 Postage	3,500	(1,000)	2,500	2,246
542000 Printing	2,863	0	2,863	2,863
551000 IT Equipment Under \$5,000	26,895	(10,000)	16,895	4,529
552000 Other Equip Under \$5,000	0	0	0	0
553000 Office Equip & Furn Supplies	210	(500)	-290	3
561000 Utilities	6,964	(500)	6,464	2,485
571000 Insurance	4,800	0	4,800	643
581000 Rentals/Leases-Equip & Other	9,128	0	9,128	3,616
582000 Rentals/Leases-Bldg/Land	83,546	0	83,546	38,290
591000 Repairs	1,351	(200)	1,151	1,215
601000 IT-Data Processing	42,907	(17,000)	25,907	8,805
602000 IT-Communications	8,295	(5,000)	3,295	4,743
603000 IT Contractual Services	1,500	0	1,500	17
611000 Professional Development	9,500	(2,000)	7,500	1,097
621000 Operating Fees and Services	2,471	(800)	1,671	228
623000 Fees - Professional Services	18,889	(5,000)	13,889	1,320
Operating Budget Adjustment	0	0	0	0
712000 Grants, Benefits & Claims	45,000	(14,207)	30,793	45,000
Veterans Affairs	1,522,495	(92,513)	1,429,982	686,172

Budget Reductions to Meet Governor's 90% Budget Request Guideline

Travel	\$26,233
Supplies – IT Software	\$3,549
Supply/Material Professional	\$1,000
Food and Clothing	\$26
Office Supplies	\$1,200
Postage	\$1,000
Printing	\$491
Office Equipment & Furn Supplies	\$210
Utilities	\$700
Rentals/Leases – Bldg/Land	\$18,836
	Closed Bismarck Office and moved it to Fargo in same building as Fargo office but on second floor. Renegotiated leases to extend to 2023 paying current rate.
Repairs	\$700
IT – Data Processing	\$15,475
	Removed funding for IT Desktop Support Services.
IT Contractual Srvcs and Rprs	\$1,000
Professional Development	\$5,804
Operating Fees and Services	\$1,500
Fees – Professional Services	\$15,000
	Removed funding to bring in national training for CVSO conferences
Agent Orange Grant	\$50,000
	Funding no longer needed to bring attention to Agent Orange issues.
Stand Downs	\$20,000
	Removed funding used to assist communities' in hosting veterans' events

	2015-17 Budget Appropriation	Adjustments	Reductions	2017-2019 Budget
Website Carryover Funds	4,756	(4,756.00)		0
Agent Orange	50,000		(50,000)	0
Motor Vehicles	15,000		(15,000)	0
511000 Salaries - Permanent	774,966			792,536
513000 Temporary Salaries	0			0
516000 Fringe Benefits	353,568			373,288
521000 Travel	93,399		(26,233)	67,166
531000 Supplies - IT Software	16,264		(3,549)	12,715
532000 Supply/Material - Professional	1,781		(1,000)	781
533000 Food and Clothing	26		(26)	0
534000 Bldg, Ground, Maintenance	8,053			8,053
535000 Miscellaneous Supplies	273			273
536000 Office Supplies	6,346		(1,200)	5,146
541000 Postage	3,500		(1,000)	2,500
542000 Printing	2,863		(491)	2,372
551000 IT Equipment Under \$5,000	26,895	(26,895)	0	0
552000 Other Equip Under \$5,000	0			0
553000 Office Equip & Furn Supplies	210		(210)	0
561000 Utilities	6,964		(700)	6,264
571000 Insurance	4,800			4,800
581000 Rentals/Leases-Equip & Other	9,128			9,128
582000 Rentals/Leases-Bldg/Land	83,546		(18,836)	64,710
591000 Repairs	1,351		(700)	651
601000 IT-Data Processing	42,907		(15,475)	27,432
602000 IT-Communications	8,295			8,295
603000 IT Contractual Services	1,500		(1,000)	500
611000 Professional Development	9,500		(5,804)	3,696
621000 Operating Fees and Services	2,471		(1,500)	971
623000 Fees - Professional Services	18,889		(15,000)	3,889
Operating Budget Adjustment	0			0
712000 Grants, Benefits & Claims	45,000	2 (25,000)	(20,000)	0
Veterans Affairs	1,522,495	(51,895)	(112,724)	1,395,166

SB 2085
GOVERNOR DALRYMPLE

SB 2025
GOVERNOR BURSUM

	Base Level Funding	Adjustments or Enhancements	2017-2019 Budget		Adjustments or Enhancements	2017-2019 Budget
Agent Orange	50,000	(50,000)	0	removes funding	0	50,000
692000 Motor Vehicles	0	15,000	15,000	adds funding	0	0
	0	15,000	15,000			
511000 Salaries - Permanent	792,536	0	792,536		0	792,536
511010 Salary Increase	0	3,962	3,962	Salary and Benefits Increase	0	0
511011 Benefit Increase	0	792	792		0	0
511012 Health Increase	0	22,418	22,418	Health Ins. Increase	0	0
513000 Temporary Salaries	0	0	0		0	0
516000 Fringe Benefits	373,288	0	373,288		0	373,288
521000 Travel	65,093	0	65,093		0	65,093
531000 Supplies - IT Software	11,264	0	11,264		0	11,264
532000 Supply/Material - Professional	781	0	781		0	781
533000 Food and Clothing	0	0	0		0	0
534000 Bldg, Ground, Maintenance	8,053	0	8,053		0	8,053
535000 Miscellaneous Supplies	273	0	273		0	273
536000 Office Supplies	3,346	0	3,346		0	3,346
541000 Postage	2,500	0	2,500		0	2,500
542000 Printing	2,372	0	2,372		0	2,372
551000 IT Equipment Under \$5,000	0	0	0		0	0
552000 Other Equip Under \$5,000	0	0	0		0	0
553000 Office Equip & Furn Supplies	0	0	0		0	0
561000 Utilities	6,264	0	6,264		0	6,264
571000 Insurance	4,800	0	4,800		0	4,800
581000 Rentals/Leases-Equip & Other	9,128	0	9,128		0	9,128
582000 Rentals/Leases-Bldg/Land	64,710	0	64,710		0	64,710
591000 Repairs	651	0	651		0	651
601000 IT-Data Processing	25,907	26,640	52,547	Desktop Support	0	25,907
602000 IT-Communications	8,295	0	8,295		0	8,295
603000 IT Contractual Services	500	0	500		0	500
611000 Professional Development	3,696	0	3,696		0	3,696
621000 Operating Fees and Services	971	0	971		0	971
623000 Fees - Professional Services	3,889	0	3,889		0	3,889
Operating Budget Adjustment	(8,335)	184	(8,151)		0	-8,335
712000 Grants, Benefits & Claims	0	0	0		0	0
Veterans Affairs	1,379,982	53,996	1,433,978		0	1,379,982
511000 Salaries - Permanent	160,236	(29,156)	131,080		0	160,236
599110 Salary Increase	0	656	656	Salary and Benefits Increase	0	0
599160 Benefit Increase	0	131	131		0	0
511012 Health Increase	0	3,338	3,338	Health Ins. Increase	0	0
516000 Fringe Benefits	62,227	(3,816)	58,411		0	62,227
521000 Travel	12,415	3,000	15,415		0	12,415

SB 2085
ERNOR DALRYMPLE

SB 2025
GOVERNOR BURSUM

	Base Level Funding	Adjustments or Enhancements	2017-2019 Budget	Adjustments or Enhancements	2017-2019 Budget
531000	Supplies - IT Software	2,335	0	2,335	2,335
532000	Supply/Material - Professional	490	0	490	490
534000	Bldg, Ground, Maintenance	1,274	0	1,274	1,274
535000	Miscellaneous Supplies	265	0	265	265
536000	Office Supplies	1,825	0	1,825	1,825
541000	Postage	1,187	0	1,187	1,187
542000	Printing	973	0	973	973
551000	IT Equipment Under \$5,000	3,279	3,000	6,279	3,279
552000	Other Equip Under \$5,000	54	200	254	54
553000	Office Equip & Furn Supplies	79	200	279	79
561000	Utilities	1,123	0	1,123	1,123
571000	Insurance	1,636	0	1,636	1,636
581000	Rentals/Leases-Equip & Other	3,455	1,355	4,810	3,455
582000	Rentals/Leases-Bldg/Land	20,254	(5,506)	14,748	20,254
591000	Repairs	1,030	0	1,030	1,030
601000	IT-Data Processing	4,867	11,107	15,974	4,867
602000	IT-Communications	2,873	0	2,873	2,873
603000	IT Contractual Services	685	0	685	685
611000	Professional Development	1,521	500	2,021	1,521
621000	Operating Fees and Services	315	0	315	315
623000	Fees - Professional Services	3,620	0	3,620	3,620
	Operating Budget Adjustment		0		0
	State Approving Agency	288,018	(14,991)	273,027	288,018
513000	Temporary Salaries	0	100,000	100,000	0
521000	Travel	0	450,000	450,000	0
534000	Bldg, Ground, Maintenance	0	300,000	300,000	0
535000	Miscellaneous Supplies	0	56,320	56,320	0
571000	Insurance	0	100,000	100,000	0
621000	Operating Fees and Services	0	102,000	102,000	0
623000	Fees - Professional Services	0	275,200	275,200	0
692000	Motor Vehicles	0	336,000	336,000	0
	Grants - Transportation	0	1,719,520	1,719,520	0
	TOTAL ALL FUNDS	1,718,000	1,723,525	3,441,525	1,718,000
	State Approving Grant	288,018	(14,991)	273,027	288,018
	Rural Transportation Grant	0	1,819,520	1,819,520	0
	Federal Funds	288,018	1,804,529	2,092,547	288,018
	State General Fund	1,429,982	(81,004)	1,348,978	1,429,982
	General Fund	1,429,982	(81,004)	1,348,978	1,429,982
	FTE	9.00		9.00	9.00

Adjust funding for 2
admin positions

	Base Level Funding	Budget Change	Senate Funding Changes	2017-2019 Budget	
Agent Orange	50,000		(50,000)	0	removes Agent Orange
511000 Salaries - Permanent	792,536	0	37,290	829,826	adjust funding for base payroll changes
Salaries - Permanent	0	0	(130,000)	(130,000)	removes 1 FTE position
511010 Salary Increase	0	0	0	0	
511011 Benefit Increase	0	0	0	0	
511012 Health Increase	0	0	22,418	22,418	adjust funding for health premium
513000 Temporary Salaries	0	0	0	0	
516000 Fringe Benefits	373,288	0	0	373,288	
521000 Travel	65,093	0	0	65,093	
531000 Supplies - IT Software	11,264	0	0	11,264	
532000 Supply/Material - Professional	781	0	0	781	
533000 Food and Clothing	0	0	0	0	
534000 Bldg, Ground, Maintenance	8,053	0	0	8,053	
535000 Miscellaneous Supplies	273	0	0	273	
536000 Office Supplies	3,346	0	0	3,346	
541000 Postage	2,500	0	0	2,500	
542000 Printing	2,372	0	0	2,372	
551000 IT Equipment Under \$5,000	0	0	0	0	
552000 Other Equip Under \$5,000	0	0	0	0	
553000 Office Equip & Furn Supplies	0	0	0	0	
561000 Utilities	6,264	0	0	6,264	
571000 Insurance	4,800	0	0	4,800	
581000 Rentals/Leases-Equip & Other	9,128	0	0	9,128	
582000 Rentals/Leases-Bldg/Land	64,710	0	0	64,710	
591000 Repairs	651	0	0	651	
601000 IT-Data Processing	25,907	0	26,640	52,547	restores desktop support
602000 IT-Communications	8,295	0	0	8,295	
603000 IT Contractual Services	500	0	0	500	
611000 Professional Development	3,696	0	0	3,696	
621000 Operating Fees and Services	971	0	0	971	
623000 Fees - Professional Services	3,889	0	0	3,889	
Operating Budget Adjustment	(8,335)	0	(2,106)	(10,441)	adjust base level funding
712000 Grants, Benefits & Claims	0	0	(20,000)		removes stand down events
Veterans Affairs	1,379,982	0	(65,758)	1,314,224	
511000 Salaries - Permanent	160,236	0	(32,972)	127,264	reduces salary funding
599110 Salary Increase	0	0	0	0	
599160 Benefit Increase	0	0	0	0	
511012 Health Increase	0	0	3,338	3,338	adjust funding for health premium
516000 Fringe Benefits	62,227	0	0	62,227	
521000 Travel	12,415	0	0	12,415	
531000 Supplies - IT Software	2,335	0	0	2,335	
532000 Supply/Material - Professional	490	0	0	490	
534000 Bldg, Ground, Maintenance	1,274	0	0	1,274	

	Base Level Funding	Budget Change	Senate Funding Changes	2017-2019 Budget
535000	Miscellaneous Supplies	265	0	265
536000	Office Supplies	1,825	0	1,825
541000	Postage	1,187	0	1,187
542000	Printing	973	0	973
551000	IT Equipment Under \$5,000	3,279	0	3,279
552000	Other Equip Under \$5,000	54	0	54
553000	Office Equip & Furn Supplies	79	0	79
561000	Utilities	1,123	0	1,123
571000	Insurance	1,636	0	1,636
581000	Rentals/Leases-Equip & Other	3,455	0	3,455
582000	Rentals/Leases-Bldg/Land	20,254	0	20,254
591000	Repairs	1,030	0	1,030
601000	IT-Data Processing	4,867	0	4,867
602000	IT-Communications	2,873	0	2,873
603000	IT Contractual Services	685	0	685
611000	Professional Development	1,521	0	1,521
621000	Operating Fees and Services	315	0	315
623000	Fees - Professional Services	3,620	0	3,620
	Operating Budget Adjustment		13,856	
	State Approving Agency	288,018	(15,778)	272,240
513000	Temporary Salaries	0	100,000	100,000
521000	Travel	0	450,000	450,000
534000	Bldg, Ground, Maintenance	0	300,000	300,000
535000	Miscellaneous Supplies	0	56,320	56,320
571000	Insurance	0	100,000	100,000
621000	Operating Fees and Services	0	102,000	102,000
623000	Fees - Professional Services	0	275,200	275,200
692000	Motor Vehicles	0	336,000	336,000
	Grants - Transportation	0	1,719,520	1,719,520
	TOTAL ALL FUNDS	1,718,000	1,587,984	3,305,984
	State Approving Grant	288,018	(15,778)	272,240
	Rural Transportation Grant	0	1,819,520	1,819,520
	Federal Funds	288,018	1,803,799	2,091,817
	State General Fund	1,429,982	(215,815)	1,214,167
	General Fund	1,429,982	(215,815)	1,214,167
				0
	AUTHORIZED EMPLOYEES			
	FTE	9.00	(1.00)	8.00

restores operating funding

adjust funding to 2 administrative positions to reduce funding from general fund and increase federal funds through transportation grant

Base Level Funding

Budget Change

Senate Funding
Changes

2017-2019
Budget

712000	Grants, Benefits & Claims	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	Floor Vote
	Contingent Service Dogs	0	0	50,000	50,000	

3B2025
03.02.2017
#2

Van	VAN PLATE	Type	Mileage	VIN	annual average	est. mileage in fall 2017	est. mileage in fall 2018	est. mileage in fall 2019	est. mileage in fall 2020	est. mileage in fall 2021
Bismarck	VA22336	2012 Ford 12 Passenger	100,164	1FBNE3BLXCDA91425	19,987	120,151	140,138	160,125	180,112	200,099
Bismarck	VA22337	2012 Ford 12 Passenger	88,324	1FBNE3BL1CDA91426	9,480	97,804	107,284	116,764	126,244	135,724
Minot	VA23117	2013 Ford 12 Passenger	46,326	1FBNE3BL8DDA98438	31,000	77,326	108,326	139,326	170,326	201,326
Stanley	VA23663	2014 Ford 12 Passenger	25,843	1FBNE3BL1EDB05778	30,624	56,467	87,091	117,715	148,339	178,963
Lidgerwood/Wahpeton	VA23606	2014 Ford Flex 7 passenger	34,349	2FMGK5B85EBD33689	15,240	49,589	64,829	80,069	95,309	110,549
Pembina/Cavaler	VA23909	2015 Ford Flex 7 Passenger	14,818	2FMHK6C80FBA08104	11,268	26,086	37,354	48,622	59,890	71,158
Beach	VA20330	2009 Ford 12 passenger	132,624	1FBNE31L19DA66164	23,304	155,928	179,232	202,536	225,840	249,144
Fargo	VA20331	2009 12 Passenger	Retired	1FBNE31L39DA66165		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Fargo	VA23116	2013 Ford Explorer 7 passenger	51,868	1FM5K8B83DGC63934	15,240	67,108	82,348	97,588	112,828	128,068
Fargo	VA15588	2005 Ford Free Star 7 Passenger	Retired	2FMZA51625BA74347		#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
Fargo	VA23806	Ford Winstar 7 passenger	104,971	2FMZA51645BA74348	7,500	112,471	119,971	127,471	134,971	142,471

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#3

1. Restore Base Budget Funding: \$98,900

To restore base budget funding to maintain operating levels for the 2017-2019 biennium. Travel: decreased impacts the agency's ability to participate and attend Outreach events throughout the State, as well as conduct CVSO training. IT Data Processing: our agency was placed under ITD's Desktop Support Services for the 2015-2017 biennium. The one-time fees for all hardware (laptop and desktop computers) have been paid to ITD. The on-going monthly fees for device support and management were provided for in the 2015-2017 biennium; however, the fees have been cut from the 2017-2019 base budget. Without the support from ITD, our agency is again left on its own to handle all IT functions. Fees – Professional Services: the funding cut took away the ability to bring in diverse training for the County Veterans Service Officers, \$98,900

2. Salary Equity Funding: \$96,143

Recruiting and retention of employees: During the current biennium we have experience 50% staff turnover. The Majority of staff turn-over was attributed to their salary/compensation amounts. Civilian, County and Federal employers are paying higher compensation packages. We had four of our top candidates refuse employment due to the compensation package we could offer, this was for just one position we were trying to fill. It is unacceptable that we cannot afford to recruit the qualified staff we need. We need to provide funding to move these employees closer to a compensation package which is more reflective of the work that they are doing and competitive with the civilian, county and Federal employment markets. In looking at the 63rd legislative session and the target goal to have state employees compensated at 95% of the MPP we would need an additional \$96,143.

3. Funding for Stand Downs: \$20,000

This appropriation is to provide funding for Stand Down events in communities across North Dakota. These events bring many organizations together in one place to provide service to our veteran's in need. The main focus is directed at homeless veterans. The veteran's service organizations in North Dakota conduct fund raising and use other resources for these events also. This funding is needed to ensure these events continue. During the current biennium the funding for stand down events were cut due to the budgetary allotment. Historically, \$20,000 has been sufficient for the biennium. We are requesting \$20,000 be appropriated back into our budget for the 2017-2019 biennium.

4. Service Dogs for Veterans with PTSD: \$50,000

Post-Traumatic Stress Disorder (PTSD) is a real illness which greatly affects the quality of lives for well over 35% of our veterans. PTSD is also a large contributing factor in the alarming rate of suicides within our veteran community. Nationally it is estimated that a veteran will successfully commit suicide every 80 minutes which results in over 6,000 suicides per year. The 2013 Suicide numbers for North Dakota have not been released yet.

2017-2019 NDDVA Budget optional budget requests.

But in 2012 North Dakota had 18 Veteran Suicides and 25 in 2011. As a comparison we have lost 26 North Dakotans in the wars in Afghanistan and Iraq since 2001. We have lost over 230 North Dakotan Veterans to suicide since 2001 (without the 2013 numbers). These service dogs can greatly improve the quality of lives of veterans who have many hidden injuries from their war experiences. The 63rd legislative assemblies SB 2344 appropriated \$50,000 to the NDDVA for the purchase of service dogs for our veterans and the 64th legislative assembly continued that funding. We would like to continue this appropriation in our budget for the 2017-2019 biennium.

5. Training Position: \$145,152

In an attempt to meet the demand for training we are proposing one new FTE to act as the training officer & benefits specialist. 70% of the training officer's time would be spent attending training, producing training programs, creating training kits and binders and conducting training with CVSO's. This would include complete initial training for new CVSO's as well as continued training on basic and advanced levels of knowledge for current CVSO's. 30% of the training officer's time would be spent doing hands on work helping veterans obtain benefits such as filing claims, as they will need to be proficient at what they are instructing and changes happen frequently. One of the biggest concerns our CVSO's seem to have revolves around training. We need more staff dedicated to training in order to properly accomplish this objective. Better trained and informed CVSO's will result in much better services to our veterans and their dependents. This will greatly improve the lives of many of our veteran' and their dependents. \$145,152

An added note: the Federal VA expended over \$386,285,000.00 in 2015 and over \$367,003,000.00 in 2014. That is over three quarters of a Billion Dollars (\$753,288,000) in Federal funds coming into North Dakota during the last Biennium. Without VSO's this does not happen. Also this is an increase of over \$19,000,000.00 in just one year. Better trained VSO's will be able to improve on this.

6. Veterans Organizations NSO Office: \$300,000

Currently the North Dakota Department of Veterans Affairs (NDDVA) acts as the Power of Attorney (POA) for Veteran Service Organizations which cannot support a POA in the state of North Dakota. Some of these organizations are the Blinded Veterans Association, Military Order of the Purple Heart, NCO Association of the USA, The Retired Enlisted Association and the Vietnam Veterans of America (VVA) and most recently the American Veterans (AMVETS). By providing representation for these organizations, Veterans who have chosen one of these organizations as their POA will have representation through the NDDVA. Over half of the states in the country have contracts and/or working relationships to provide state funding to these organizations. For instance our neighboring states; Montana-represent American legion, VVA; South Dakota-SDVA represents all organizations- DAV is the only organization not staffed by state employees in South Dakota; Minnesota-represents the American Legion.

2017-2019 NDDVA Budget optional budget requests.

The North Dakota Chapters of the American Legion and the VFW have indicated that they are no longer financially situated to fund their POA positions at the Fargo VA Regional Office. The VFW has indicated that 60% of this year's entire states budget went to the POA's at the Fargo VA Regional Office, their memberships are down and they foresee, with the trend of the past years, the department will not be capable of funding these positions in the very near future.

The Fargo Veterans Affairs Regional Office (VARO) claim inventory historically shows the VFW and American Legion have over 55% of the total claims at the Fargo VARO. The VFW and American Legion POA officers are funded only by their state organizations.

The DAV also provides POA services at the Fargo VARO. They are funded by their National organizations, which have shown some concern over funding as well.

During the last biennium the National AMVETS eliminated their POA in North Dakota. The POA was taken over by the NDDVA which increased our workload.

If the VFW, DAV and American Legion cannot fund these positions-this will fall on the NDDVA to provide services to these veterans.

To ensure that each organization can continue to fund their POA's at the Fargo VARO we are requesting a \$50,000 per year per organization grant from the NDDVA budget to supplement their operating expenses. This would be \$50,000 x 3 organizations or \$150,000 per year or \$300,000 per biennium.

7. Temp Employees: \$49,500

Temporary employee needed to assist NDDVA in collecting data, researching available resources, and contacting stakeholders required to complete projects and programs NDDVA's is working on. Such as Coordination of Mental health providers, improving our Veterans Court, establishing help for veterans with barriers to education due to; PTSD, reintegration issues, and Traumatic Brain Injuries; coordinating opportunities for veteran entrepreneurs, employment opportunities, addressing veteran homelessness, transportation to medical services, establishing a Fischer House for the ND Veterans, Website data, healthcare and other benefits available to veterans. \$49,500

8. Marketing/Advertising: \$20,000

The North Dakota Department of Veterans Affairs has never had marketing -advertising funds to let our Veteran know who we are, where we are and what we do. Much less that we exist. One of the biggest comments we hear from veterans when we do our outreach events is they did not know there were state and county veteran service officers. From that many do not know of the benefits they have earned and the services that are available to them.

2017-2019 NDDVA Budget optional budget requests.

The continuing war on terror we will see more and more young veterans returning home with physical and mental disabilities. One of the main concerns we have is for those who go untreated. Many veterans do not want to admit that a year or more in a combat zone seeing and taking part in unspeakable acts will cause mental health issues. These issues if not treated can become disorders which will affect them and their families the rest of their lives. Treatments are available and from various sources. We need to be able to reach out to the Veterans and their families to educate them on these illnesses and the resources available to help them deal with them.

The quickest and most efficient method to get the word out to our Veterans is through marketing and advertising. As the agency charged with the care of our veterans we need to be the forefront in making contact with our veterans and their families. \$20,000

9. Funding for Vans: \$30,000

NDDVA's budget for 2013-2015 included \$30,000 for the purchase of transportation vans. This funding along with funding from the Columbia Trust is used to purchase vans to transport veterans from across ND to the VAMC in Fargo. In working with the Columbia Trust NDDVA's has been able to purchase a van for \$14,000-\$14,500 during the last two bienniums. During the current biennium NDDVA purchased no vans as the funding was cut due to the budgetary allotments. When we submit applications to the Columbia Trust we also request that the trust consider us for a free van, the trust provides 1 or 2 free vans nationwide each year. We received a free van in 2014 and not anticipate ND getting another free van again in the near future. It is our expectation that we will need to purchase two more vans in the next biennium. We are requesting that the \$30,000 funding for vans be appropriated for the 2017-2019 biennium.

10. Increase to the Principal of the Post War Trust Fund (PWTF): \$1,750,000

The PWTF is defined in the NDCC as follows:

37-14-14. Veterans' postwar trust fund. The veterans' postwar trust fund is a permanent trust fund of the state of North Dakota and consists of moneys transferred or credited to the fund under this chapter and other laws. Investment of the fund is the responsibility of the state treasurer who shall invest the fund only in those legal investments authorized by section 21-10-07. All income received from investments is to be utilized only for programs of benefit and service to veterans or their dependents, and all income earned in a biennium is appropriated to the administrative committee on veterans' affairs on a continuing basis in the following biennium and not in the biennium the income is earned for expenditure on these programs as authorized by law.

The PWTF has only begun to grow in the last two biennium'. Prior to that time the fund stayed at \$4.1Million dollars. The buying power of interest earnings of \$4.1Million dollars when the fund was set up and the buying power today are quite different. With a portion of the funds interest earnings going back into principal to grow the

2017-2019 NDDVA Budget optional budget requests.

fund along with the lower rate of interest combined with the lower buying power of the interest earned we are in need of a higher principal balance. The funding available for service to benefits from the PWTF is not enough to fully fund all programs and properly care for our veteran's. In the interest of caring for our veterans of today and ensuring we can provide for the un-met needs of our veterans in the future we have determined that an additional \$2,000,000 in principal is needed. This principal amount will never be spent-only invested so the interest earnings can be distributed. During the 62nd, 63rd. and the 64th legislative assembly we have requested the \$2,000,000. \$250,000 was appropriated and added to the principal of the PWTF during the 63rd legislative assembly. Under the direction and advice of the 63rd legislative assembly leadership we added the remaining \$1,750,000 to our budget with the 64th legislative assembly, but this was not approved. We are once again requesting this funding.

11. Website Upgrade: \$67,689

During the last two legislative sessions we asked for our website upgrade stating the following...

"This would convert our agency website to Drupal CMS enabling department staff to make content changes to the pages on the website. Previously we had to submit all changes through ITD which was not cost efficient. It would give more control in to the agency in terms of content and management of the website. "The website is still hosted by ND ITD and held to the Web Standards in place."

ND ITD representatives spoke to the appropriations committees explaining what the conversion would entail and what the cost would be. It was estimated that at the new rates the cost would be \$15,593. Once the analysis and estimates were completed during the 2011-2013 biennium the bid was \$30,411 for the full Drupal conversion. I asked for a "base level" estimate to get us started and that came to \$18,285. I approved the base level amount because our website is and will be the main tool for resources for North Dakota Veterans and it needs to be completed. ITD estimates that it will cost a little more than the total \$30,411 bid to finish the Drupal conversion during the 2013-2015 biennium. During the 2013-15 biennium we needed to have ITD analyze and estimate the cost to finish the website. The project is not completed and an estimated \$67,689 is needed to complete.

12. Agent Orange Outreach: \$50,000

Agent Orange is a highly toxic herbicide used by the U.S. military during the Vietnam War to defoliate hiding places used by the Viet Cong, rice paddies and fields that provided them with food, and to clear the perimeters of military bases to give service members a clear line of fire. Although colorless, it is known as "Agent Orange" because of an orange band painted on the drums used to store and transports it. Over 50 diseases are linked to Agent Orange exposure to include diabetes, Parkinson's, heart diseases, many cancers and birth defects.

Upon returning from Vietnam our veterans were not treated well and the US Government did not recognize these diseases as connected to Agent Orange Exposure. The VA was not equipped to care for these service members.

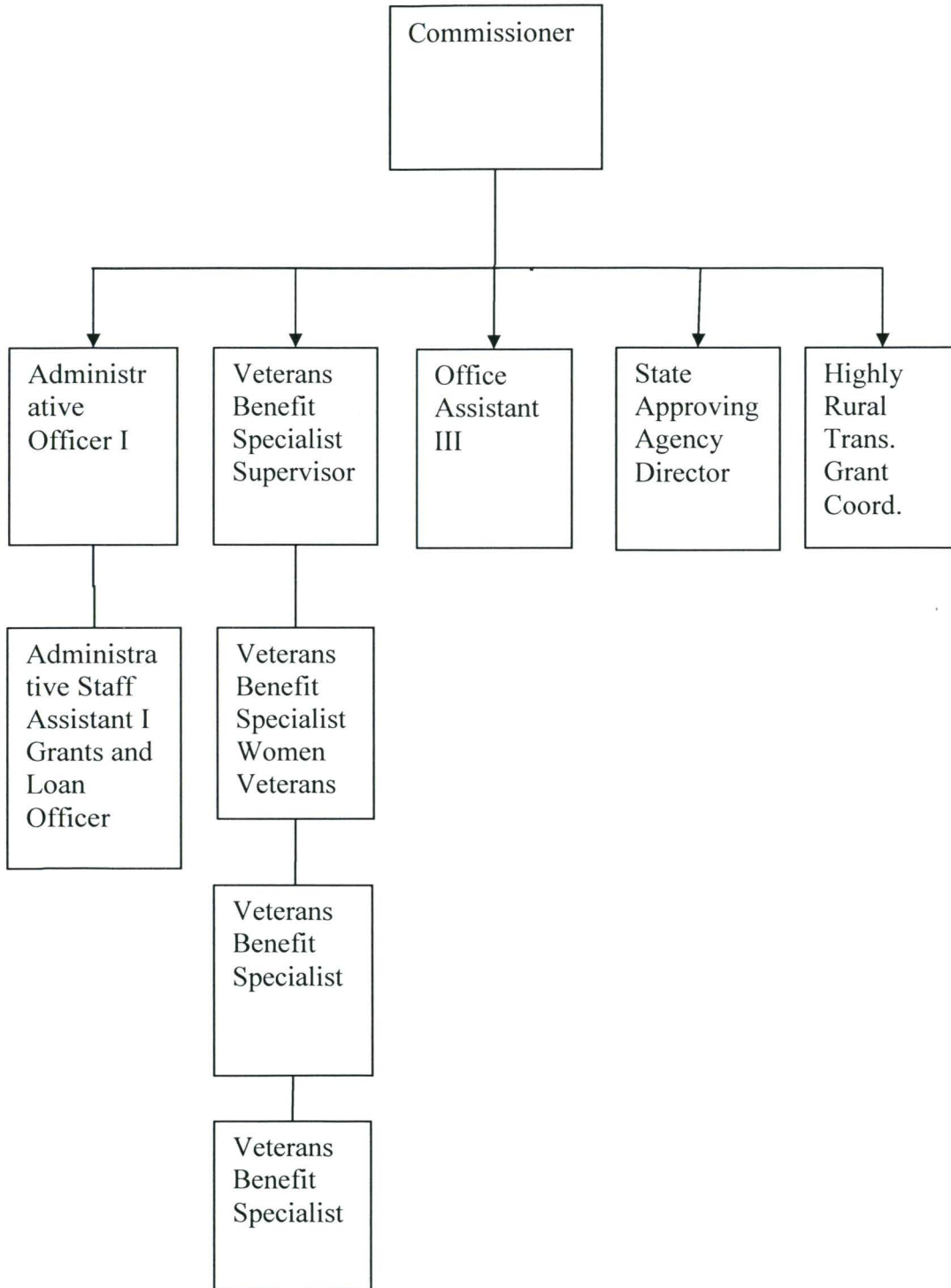
2017-2019 NDDVA Budget optional budget requests.

Now many of our Vietnam veterans are suffering from these diseases and are not aware that the Veterans affairs has changed immensely since their return and care is available. This grant is important to maintain in our budget so we can continue to reach out to these veterans who suffer from the effects of Agent Orange and are now facing an average life expectancy of 65 years of age due to this exposure. Korean War vets life expectancy is 75 years and WWII veterans life expectancy is 77.5 years.

North Dakota's 63rd and 64th legislative assemblies appropriated \$50,000 to NDDVA as grant funding to provide outreach to our Vietnam Veterans. NDDVA would like to continue the appropriation as part of its budget.

ND DVA ORGANIZATIONAL CHART

SB2025
03.16.2017
#1



SB2025
03.16.2017
2

Stand Down expenditures

Bismarck

2014:	\$2,226.79
2015:	\$4,511.45
2016:	\$0 (Due to Allotment)

Minot

2013:	\$831.18
2014:	\$1,100.00
2015:	\$1,075.00
2016:	\$0 (Due to Allotment)

BISMARCK: 2014

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2014 Central Dakota Veterans Stand Down Statistics			
Intakes Completed by Veterans:	128	Total intakes was 128	33 % of the the Veterans has VA rating

Guest's Age	Veterans	Disability	Disability of Long Duration	VA Service Connected Disability
Male 65+	80	29	29	29
Female 65+	3	1	1	1
Male 55-64	24	9	9	9
Female 55-64	1	0	0	0
Male 26-54	15	2	2	2
Female 26-54	4	2	2	2
Male 18-25	1	0	0	0
Female 18-25	0	0	0	0
Male (Age Not Given)	0	0	0	0
Female (Age Not Given)	0	0	0	0
Don't Know Age		0	0	0
Refused to list Age		0	0	0
No Age listed		0	0	0
Left Blank		0	0	0
Totals	128	43	43	43

Sex	Totals	% of Totals
Males	120	94%
Females	8	6%
Totals	128	100%

VA SC Disability	Totals	
	Yes	No
Totals	43	85
% of Total	100%	198%

Homeless: 17 13%

Military Branch:	#	% of Total
Army	87	68%
Navy	16	13%
Air Force	12	9%
National Guard	4	3%
Coast Guard	0	0%
Marines	9	7%
Totals	128	100%

Veterans have served in more then one Branch

48 of the 128 Veterans Served in a Combat Zone

Combat Zone	#	% of Total
South Pacific	2	2%
Korea	10	8%
Vietnam	25	20%
Persian Gulf	6	5%
OEF/OIF	5	4%
Zone Not Given	0	0%
Non Combat Zone	80	63%
Total	128	100%

2015 Central Dakota Veterans Stand Down Statistics			
Intakes Completed by Veterans:	182	Total intakes was 182	37 % of the the Veterans has VA rating

Guest's Age	Veterans	Disability	Disability of Long Duration	VA Service Connected Disability
Male 65+	120	48	48	48
Female 65+	1	0	0	0
Male 55-64	20	6	6	6
Female 55-64	2	1	1	1
Male 26-54	37	12	12	12
Female 26-54	2	1	1	1
Male 18-25	0	0	0	0
Female 18-25	0	0	0	0
Male (Age Not Given)	0	0	0	0
Female (Age Not Given)	0	0	0	0
Don't Know Age		0	0	0
Refused to list Age		0	0	0
No Age listed		0	0	0
Left Blank		0	0	0
Totals	182	68	68	68

Sex	Totals	% of Totals
Males	177	97%
Females	5	3%
Totals	182	100%

VA SC Disability	Yes	No
	Totals	68
% of Total	37%	63%

Homeless: 13 7%

Military Branch:	#	% of Total
Army	110	60%
Navy	24	13%
Air Force	21	12%
National Guard	10	5%
Coast Guard	1	1%
Marines	16	9%
Totals	182	100%

Veterans have served in more then one Branch

48 of the 128 Veterans Served in a Combat Zone

Combat Zone	#	% of Total
South Pacific	6	3%
Korea	6	3%
Vietnam	44	24%
Persian Gulf	7	4%
OEF/OIF	13	7%
Zone Not Given	0	0%
Non Combat Zone	106	58%
Total	182	100%

2016 Central Dakota Veterans Stand Down Statistics

Intakes Completed by Veterans:	170	Total intakes was 170	29 % of the the Veterans has VA rating
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Guest's Age	Veterans	Disability	Disability of Long Duration	VA Service Connected Disability
Male 65+	111	50	50	50
Female 65+	1	0	0	0
Male 55-64	28	7	7	7
Female 55-64	3	0	0	0
Male 26-54	26	10	10	10
Female 26-54	1	0	0	0
Male 18-25	0	0	0	0
Female 18-25	1	0	0	0
Male (Age Not Given)	0	0	0	0
Female (Age Not Given)	0	0	0	0
Don't Know Age		0	0	0
Refused to list Age		0	0	0
No Age listed		0	0	0
Left Blank		0	0	0
Totals	170	67	67	67

Sex	Totals	% of Totals
Males	164	96%
Females	6	4%
Totals	170	100%

VA SC Disability	Totals	
	Yes	No
Totals	67	103
% of Total	39%	61%

Homeless: 5 3%

Military Branch:	#	% of Total
Army	99	58%
Navy	20	12%
Air Force	16	9%
National Guard	20	12%
Coast Guard	0	0%
Marines	15	9%
Totals	170	100%

Veterans have served in more than one Branch

48 of the 128 Veterans Served in a Combat Zone

Combat Zone	#	% of Total
South Pacific	8	5%
Korea	8	5%
Vietnam	32	19%
Persian Gulf	8	5%
OEF/OIF	9	5%
Zone Not Given	0	0%
Non Combat Zone	105	62%
Total	170	100%

2014 North Central Veterans Stand Down Report

Attendance:

138 Veterans
50 Family/friends
1 Homeless
4 Seeking information on housing

How did you hear about the Stand Down?

Flyer 17
Friend 40
VA 13
Radio 11
Newspaper 5
TV 10
Other 26

What services are you seeking?

Medical (flu shot) 37
Employment 8
Alcohol/drug counseling 3
Housing 4
ID cards 14
Hearing aid assistance 33
Meal 6
Social Security info 3
Clothing 29
Depression/TBI/PTSD 10
VA benefits 24
Emotional concerns 16

Branch of Service:

Army 55
Navy 23
Marines 7
Air Force 53
Coast Guard 0

War Time Service:

12/7/1941 to 12/31/1946 1
6/27/1950 to 1/31/1955 4
8/5/1964 to 5/7/1975 40
8/2/1990 to present 68

Sex:

Male	121
Female	17

Combat Zone?

Yes	78
No	56

Do you consider yourself homeless at this time?

Yes	1
No	124

Are you currently seeking employment at the present time?

Yes	12
No	84

Are you currently enrolled in the VA Health Care System?

Yes	80
No	31

Do you have access to transportation for services?

Yes	96
No	10

Do you have a current driver's license or State ID card?

Yes	111
No	2

MINOT: 2015

2015 Stand Down Information

Veterans attended	172
Air Guard Guests/Active Duty/Veterans	50
Family members	29 Spouse / 20 youth
Homeless at time of event	2
Seeking information on housing	8
Flu Shots	43
Booths	36

How did you hear about the Stand Down?

Flyer	17
Friend	50
VA	39
Radio	15
Newspaper	15
TV	14
Other	24

Check the services you are seeking:

Medical	40
Employment	16
Alcohol/drugs	1
Housing	8
ID Cards	18
Hearing	22
A meal	8
Soc Sec	13
Clothing	26
Depression/ PTSD/TBI	16
VA Benefits	50

Branch of service:

Army	66
Navy	29
Marines	11
Air Force	47
Coast Guard	0

War Time:

12-7-1941 to 12-31-1946	1
6-27-1950 to 1-31-1955	3
8-5-1964 to 5-7-1975	53
8-2-1990 to current	61

Sex:

Male	154
Female	18

Combat Zone:

Yes	81
No	79

Do you consider yourself homeless at this time?

Yes	2
No	154

Are you currently seeking employment at the present time?

Yes	19
No	126

Are you currently enrolled in the VA Health Care system?

Yes	113
No	42

Do you have access to transportation for services?

Yes	138
No	15

Do you have a current driver's license or State Identification card?

Yes	153
No	3

2016 Stand Down Information: MINOT

Veterans attended	177
Family members	34
Homeless at time of event	4
Seeking information on housing	4
Booths	38

How did you hear about the Stand Down?

Flyer	22
Friend	45
VA	28
Radio	22
Newspaper	30
TV	14
Other	28

Check the services you are seeking:

Medical	42
Employment	15
Alcohol/drugs	0
Housing	4
ID Cards	22
Hearing	58
A meal	34
Soc Sec	6
Clothing	24
Depression/ PTSD/TBI	13
VA Benefits	53
Emotional Concerns	12
Dental	1
Feet issues	13

Branch of service

Army	81
Navy	24
Marines	9
Air Force	56
Coast Guard	0

War Time

12-7-1941 to 12-31-1946	0
6-27-1950 to 1-31-1955	7
8-5-1964 to 5-7-1975	78
8-2-1990 to current	58

Sex

Male	170
Female	7

Combat Zone

Yes	70
No	88

Do you consider yourself homeless at this time?

Yes	4
No	163

Are you currently seeking employment at the present time?

Yes	24
No	133

Are you currently enrolled in the VA Health Care system?

Yes	121
No	46

Do you have access to transportation for services?

Yes	155
No	20

Do you have a current driver's license or State Identification card?

Yes	163
No	3

3B2025
03.16.2017
4

NORTH DAKOTA VETERAN HOMELESSNESS

- Current Unsheltered Veterans:.....2
 - As Per the Point in Time homeless count in 2017

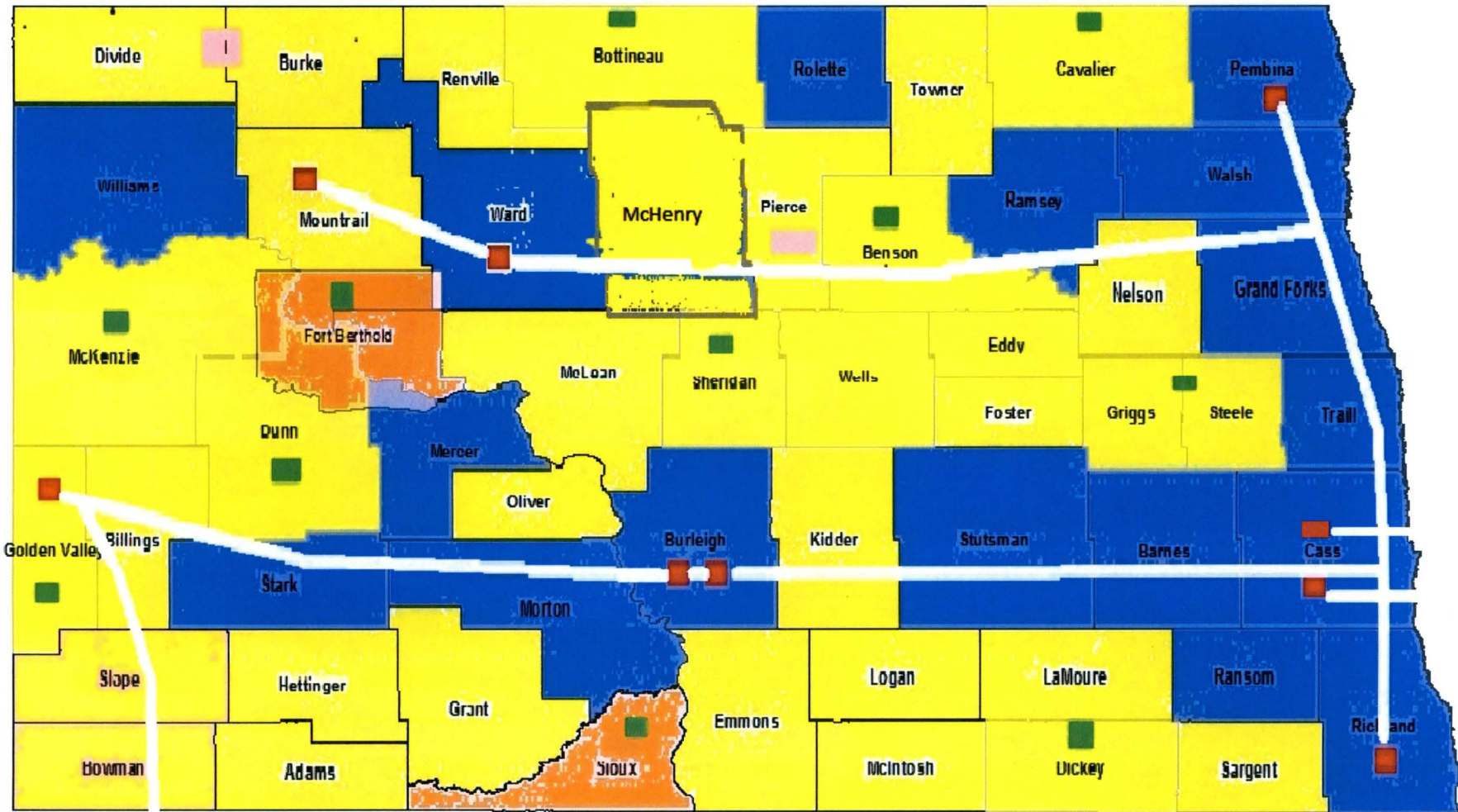
- Veterans housed in VA homeless programs transitional housing:.....47

- Veterans housed in VA permanent supported housing:.....260

- Veterans who have been permanently house in ND through VA housing programs in the past 6 years:.....980

SB2025
03.16.2017
5

ND Veterans Transportation Services Map



Legend

- | | |
|---|---|
|  Not Eligible for HRTG |  Current VA/DAV Vans |
|  Current HRTG grant services |  HRTG VAN LOCATIONS |
|  Working On New Agreement |  TRIBES WITH HRTG VANS |

SB2025
 03.16.2017
 #1
 Job 29343

Department of Veterans' Affairs - Budget No. 321
 Senate Bill No. 2025
 Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Revised Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	9.00	\$1,429,982	\$288,018	\$1,718,000	9.00	\$1,429,982	\$288,018	\$1,718,000	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes												
Base payroll changes		\$37,290	(\$32,972)	\$4,318		\$37,290	(\$32,972)	\$4,318				\$0
Salary increase - Performance				0				0				0
Health insurance increase		22,361	3,395	25,756		22,361	3,395	25,756				0
Employee portion of health insurance		(10,494)	(1,499)	(11,993)				0		10,494	1,499	11,993
Adjusts funding for administrative positions		(100,000)	100,000	0		(100,000)	100,000	0				0
Removes 1 FTE position	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)				0
Reduces funding for operating expenses		(2,106)		(2,106)		(2,106)		(2,106)				0
Removes funding for stand down events		(20,000)		(20,000)		(20,000)		(20,000)				0
Restores funding for desktop support services		26,640		26,640		26,640		26,640				0
Removes funding for the Agent Orange program		(50,000)		(50,000)		(50,000)		(50,000)				0
Increases funding for the State Approving Agency			13,856	13,856			13,856	13,856				0
Adds federal funding for the transportation program			1,719,520	1,719,520			1,719,520	1,719,520				0
Adds funding for service dogs				0		50,000		50,000		50,000		50,000
Total ongoing funding changes	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984	0.00	\$60,494	\$1,499	\$61,993
One-time funding items				\$0				\$0				\$0
No one-time funding items				\$0				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984	0.00	\$60,494	\$1,499	\$61,993
2017-19 Total Funding	8.00	\$1,203,673	\$2,090,318	\$3,293,991	8.00	\$1,264,167	\$2,091,817	\$3,355,984	0.00	\$60,494	\$1,499	\$61,993
										5.0%	0.1%	1.9%

Other Sections in Department of Veterans' Affairs - Budget No. 321

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)			
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Health insurance increases

Service Dogs

	Senate Version			
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Section 3 provides an appropriation of \$50,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder.

House Version				House Changes to Senate Version			
FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
9.00	\$1,429,982	\$288,018	\$1,718,000	0.00	\$0	\$0	\$0
	\$37,290	(\$32,972)	\$4,318				\$0
	20,948	3,149	24,097		(1,413)	(246)	(1,659)
	(100,000)	100,000	0				0
(1.00)	(130,000)		(130,000)				0
	(2,106)		(2,106)				0
	(20,000)		(20,000)				0
	26,640		26,640				0
	(50,000)		(50,000)				0
		13,856	13,856				0
		1,719,520	1,719,520				0
	50,000		50,000				0
(1.00)	(\$167,228)	\$1,803,553	\$1,636,325	0.00	(\$1,413)	(\$246)	(\$1,659)
			\$0				\$0
0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
(1.00)	(\$167,228)	\$1,803,553	\$1,636,325	0.00	(\$1,413)	(\$246)	(\$1,659)
8.00	\$1,262,754	\$2,091,571	\$3,354,325	0.00	(\$1,413)	(\$246)	(\$1,659)

House Version

Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.

Section 4 provides an appropriation of \$50,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder.

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue		2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Decription	Code						
51 Technology Project Carry							
IT Contractual Svcs and Rprs	603000	7,933	4,756	2,891	0	0	0
TOTAL		7,933	4,756	2,891	0	0	0
MEANS OF FUNDING							
State General Fund	001	7,933	4,756	2,891	0	0	0
General Fund TOTAL		7,933	4,756	2,891	0	0	0
TOTAL		7,933	4,756	2,891	0	0	0
52 Transport Vans							
Equipment Over \$5000	691000	0	0	0	15,000	0	15,000
Motor Vehicles	692000	30,000	15,000	0	0	0	0
TOTAL		30,000	15,000	0	15,000	0	15,000
MEANS OF FUNDING							
State General Fund	001	30,000	15,000	0	15,000	0	15,000
General Fund TOTAL		30,000	15,000	0	15,000	0	15,000
TOTAL		30,000	15,000	0	15,000	0	15,000
60 Grants - Agent Orange							
Grants, Benefits & Claims	712000	50,000	50,000	50,000	(50,000)	0	0
TOTAL		50,000	50,000	50,000	(50,000)	0	0
MEANS OF FUNDING							
State General Fund	001	50,000	50,000	50,000	(50,000)	0	0
General Fund TOTAL		50,000	50,000	50,000	(50,000)	0	0
TOTAL		50,000	50,000	50,000	(50,000)	0	0
70 Veterans' Affairs Administration							
Salaries - Permanent	511000	668,487	774,966	364,394	0	0	792,536
Salary Increase	511010	0	0	0	0	3,962	3,962
Benefit Increase	511011	0	0	0	0	792	792
Health Increase	511012	0	0	0	0	22,418	22,418
Temporary Salaries	513000	11,059	0	0	0	0	0
Fringe Benefits	516000	300,807	353,568	159,816	0	0	373,288
Travel	521000	103,292	93,399	28,367	(26,233)	0	67,166
Supplies - IT Software	531000	16,033	16,264	6,900	(3,549)	0	12,715
Supply/Material-Professional	532000	2,358	1,781	1,781	(1,000)	0	781
Food and Clothing	533000	185	26	26	(26)	0	0
Bldg, Ground, Maintenance	534000	8,009	8,053	4,103	0	0	8,053
Miscellaneous Supplies	535000	6,415	273	146	0	0	273
Office Supplies	536000	8,070	6,346	3,539	(1,200)	0	5,146
Postage	541000	3,007	3,500	2,246	(1,000)	0	2,500
Printing	542000	4,905	2,863	2,863	(491)	0	2,372

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue		2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Description	Code						
IT Equip Under \$5,000	551000	10,635	26,895	4,529	0	0	0
Office Equip & Furn Supplies	553000	3,332	210	3	(210)	0	0
Utilities	561000	5,370	6,964	2,485	(700)	0	6,264
Insurance	571000	2,195	4,800	643	0	0	4,800
Rentals/Leases-Equip & Other	581000	7,151	9,128	3,616	0	0	9,128
Rentals/Leases - Bldg/Land	582000	77,247	83,546	38,290	(18,836)	0	64,710
Repairs	591000	822	1,351	1,215	(700)	0	651
IT - Data Processing	601000	22,500	42,907	8,805	11,165	0	54,072
IT - Communications	602000	15,781	8,295	4,743	0	0	8,295
IT Contractual Svcs and Rprs	603000	12,080	1,500	17	(1,000)	0	500
Professional Development	611000	7,375	9,500	1,097	(5,804)	0	3,696
Operating Fees and Services	621000	601	2,471	228	(1,500)	0	971
Fees - Professional Services	623000	14,691	18,889	1,320	(15,000)	0	3,889
Operating Budget Adjustment	699000	0	0	0	(15,000)	0	(15,000)
Grants, Benefits & Claims	712000	59,900	45,000	45,000	(20,000)	0	0
TOTAL		1,372,307	1,522,495	686,172	(101,084)	27,172	1,433,978
MEANS OF FUNDING							
Rural Transportation Grant	H1345	0	0	0	100,000	0	100,000
Federal Funds TOTAL		0	0	0	100,000	0	100,000
State General Fund	001	1,372,307	1,522,495	686,172	(201,084)	27,172	1,333,978
General Fund TOTAL		1,372,307	1,522,495	686,172	(201,084)	27,172	1,333,978
TOTAL		1,372,307	1,522,495	686,172	(101,084)	27,172	1,433,978
72 Contingent Service Dogs							
Grants, Benefits & Claims	712000	0	25,000	25,000	0	0	0
TOTAL		0	25,000	25,000	0	0	0
MEANS OF FUNDING							
State General Fund	001	0	25,000	25,000	0	0	0
General Fund TOTAL		0	25,000	25,000	0	0	0
TOTAL		0	25,000	25,000	0	0	0
73 State Approving Agency							
Salaries - Permanent	511000	0	160,236	114,050	0	0	131,080
Salary Increase	511010	0	0	0	0	656	656
Benefit Increase	511011	0	0	0	0	131	131
Health Increase	511012	0	0	0	0	3,338	3,338
Fringe Benefits	516000	0	62,227	34,030	0	0	58,411
Travel	521000	0	12,415	1,469	3,000	0	15,415
Supplies - IT Software	531000	0	2,335	0	0	0	2,335
Supply/Material-Professional	532000	0	490	0	0	0	490
Bldg, Ground, Maintenance	534000	0	1,274	0	0	0	1,274

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue		2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Decription	Code						
Miscellaneous Supplies	535000	0	265	0	0	0	265
Office Supplies	536000	0	1,825	126	0	0	1,825
Postage	541000	0	1,187	228	0	0	1,187
Printing	542000	0	973	75	0	0	973
IT Equip Under \$5,000	551000	0	3,279	0	3,000	0	6,279
Other Equip Under \$5,000	552000	0	54	0	200	0	254
Office Equip & Furn Supplies	553000	0	79	0	200	0	279
Utilities	561000	0	1,123	104	0	0	1,123
Insurance	571000	0	1,636	1,560	0	0	1,636
Rentals/Leases-Equip & Other	581000	0	3,455	1,135	1,355	0	4,810
Rentals/Leases - Bldg/Land	582000	0	20,254	12,060	(5,506)	0	14,748
Repairs	591000	0	1,030	647	0	0	1,030
IT - Data Processing	601000	0	4,867	3,105	11,107	0	15,974
IT - Communications	602000	0	2,873	1,085	0	0	2,873
IT Contractual Svcs and Rprs	603000	0	685	0	0	0	685
Professional Development	611000	0	1,521	500	500	0	2,021
Operating Fees and Services	621000	0	315	150	0	0	315
Fees - Professional Services	623000	0	3,620	1,140	0	0	3,620
TOTAL		0	288,018	171,464	13,856	4,125	273,027
MEANS OF FUNDING							
State Approving Grant	F100	0	288,018	171,464	13,856	4,125	273,027
Federal Funds TOTAL		0	288,018	171,464	13,856	4,125	273,027
TOTAL		0	288,018	171,464	13,856	4,125	273,027
74 Grants - Transportation Program							
Temporary Salaries	513000	0	0	0	100,000	0	100,000
Travel	521000	747	450,000	28,005	0	0	450,000
Bldg, Ground, Maintenance	534000	0	139,432	3,466	160,568	0	300,000
Miscellaneous Supplies	535000	0	0	0	56,320	0	56,320
Insurance	571000	0	139,433	3,643	(39,433)	0	100,000
Operating Fees and Services	621000	0	482,415	1,522	(380,415)	0	102,000
Fees - Professional Services	623000	0	0	0	275,200	0	275,200
Motor Vehicles	692000	315,000	117,585	117,585	336,000	0	336,000
TOTAL		315,747	1,328,865	154,221	508,240	0	1,719,520
MEANS OF FUNDING							
Rural Transportation Grant	H1345	315,747	1,328,865	154,221	508,240	0	1,719,520
Federal Funds TOTAL		315,747	1,328,865	154,221	508,240	0	1,719,520
TOTAL		315,747	1,328,865	154,221	508,240	0	1,719,520
79 General Fund Transfer							
Transfers Out	722000	250,000	0	0	0	0	0
TOTAL		250,000	0	0	0	0	0

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue Description Code	2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
MEANS OF FUNDING						
State General Fund 001	250,000	0	0	0	0	0
General Fund TOTAL	250,000	0	0	0	0	0
TOTAL	250,000	0	0	0	0	0
Agency TOTALS						
TOTAL EXPENDITURES	2,025,987	3,234,134	1,089,748	386,012	31,297	3,441,525
Federal Funds						
State Approving Grant F100	0	288,018	171,464	13,856	4,125	273,027
Rural Transportation Grant H1345	315,747	1,328,865	154,221	608,240	0	1,819,520
TOTAL	315,747	1,616,883	325,685	622,096	4,125	2,092,547
General Fund						
State General Fund 001	1,710,240	1,617,251	764,063	(236,084)	27,172	1,348,978
TOTAL	1,710,240	1,617,251	764,063	(236,084)	27,172	1,348,978
TOTAL FUNDING	2,025,987	3,234,134	1,089,748	386,012	31,297	3,441,525
AUTHORIZED EMPLOYEES						
FTE	8.00	9.00	9.00	0.00	0.00	7.00
Vacant	0.00	0.00	0.00	0.00	0.00	2.00
TOTAL AUTHORIZED EMPLOYEES	8.00	9.00	9.00	0.00	0.00	9.00

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00000000

SB2025 03.23.2017 #1

1 Object/Revenue		2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Decription	Code						
51 Technology Project Carry IT Contractual Svcs and Rprs	603000	7,933	4,756	2,891	0	0	0
TOTAL		7,933	4,756	2,891	0	0	0
MEANS OF FUNDING							
State General Fund	001	7,933	4,756	2,891	0	0	0
General Fund TOTAL		7,933	4,756	2,891	0	0	0
TOTAL		7,933	4,756	2,891	0	0	0
52 Transport Vans Equipment Over \$5000	691000	0	0	0	15,000	0	15,000
Motor Vehicles	692000	30,000	15,000	0	0	0	0
TOTAL		30,000	15,000	0	15,000	0	15,000
MEANS OF FUNDING							
State General Fund	001	30,000	15,000	0	15,000	0	15,000
General Fund TOTAL		30,000	15,000	0	15,000	0	15,000
TOTAL		30,000	15,000	0	15,000	0	15,000
60 Grants - Agent Orange Grants, Benefits & Claims	712000	50,000	50,000	50,000	(50,000)	0	0
TOTAL		50,000	50,000	50,000	(50,000)	0	0
MEANS OF FUNDING							
State General Fund	001	50,000	50,000	50,000	(50,000)	0	0
General Fund TOTAL		50,000	50,000	50,000	(50,000)	0	0
TOTAL		50,000	50,000	50,000	(50,000)	0	0
70 Veterans' Affairs Administration							
Salaries - Permanent	511000	668,487	774,966	364,394	0	0	792,536
Salary Increase	511010	0	0	0	0	3,962	3,962
Benefit Increase	511011	0	0	0	0	792	792
Health Increase	511012	0	0	0	0	22,418	22,418
Temporary Salaries	513000	11,059	0	0	0	0	0
Fringe Benefits	516000	300,807	353,568	159,816	0	0	373,288
Travel	521000	103,292	93,399	28,367	(26,233)	0	67,166
Supplies - IT Software	531000	16,033	16,264	6,900	(3,549)	0	12,715
Supply/Material-Professional	532000	2,358	1,781	1,781	(1,000)	0	781
Food and Clothing	533000	185	26	26	(26)	0	0
Bldg, Ground, Maintenance	534000	8,009	8,053	4,103	0	0	8,053
Miscellaneous Supplies	535000	6,415	273	146	0	0	273
Office Supplies	536000	8,070	6,346	3,539	(1,200)	0	5,146
Postage	541000	3,007	3,500	2,246	(1,000)	0	2,500
Printing	542000	4,905	2,863	2,863	(491)	0	2,372

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue		2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Decription	Code						
IT Equip Under \$5,000	551000	10,635	26,895	4,529	0	0	0
Office Equip & Furn Supplies	553000	3,332	210	3	(210)	0	0
Utilities	561000	5,370	6,964	2,485	(700)	0	6,264
Insurance	571000	2,195	4,800	643	0	0	4,800
Rentals/Leases-Equip & Other	581000	7,151	9,128	3,616	0	0	9,128
Rentals/Leases - Bldg/Land	582000	77,247	83,546	38,290	(18,836)	0	64,710
Repairs	591000	822	1,351	1,215	(700)	0	651
IT - Data Processing	601000	22,500	42,907	8,805	11,165	0	54,072
IT - Communications	602000	15,781	8,295	4,743	0	0	8,295
IT Contractual Srvcs and Rprs	603000	12,080	1,500	17	(1,000)	0	500
Professional Development	611000	7,375	9,500	1,097	(5,804)	0	3,696
Operating Fees and Services	621000	601	2,471	228	(1,500)	0	971
Fees - Professional Services	623000	14,691	18,889	1,320	(15,000)	0	3,889
Operating Budget Adjustment	699000	0	0	0	(15,000)	0	(15,000)
Grants, Benefits & Claims	712000	59,900	45,000	45,000	(20,000)	0	0
TOTAL		1,372,307	1,522,495	686,172	(101,084)	27,172	1,433,978
MEANS OF FUNDING							
Rural Transportation Grant	H1345	0	0	0	100,000	0	100,000
Federal Funds TOTAL		0	0	0	100,000	0	100,000
State General Fund	001	1,372,307	1,522,495	686,172	(201,084)	27,172	1,333,978
General Fund TOTAL		1,372,307	1,522,495	686,172	(201,084)	27,172	1,333,978
TOTAL		1,372,307	1,522,495	686,172	(101,084)	27,172	1,433,978
72 Contingent Service Dogs							
Grants, Benefits & Claims	712000	0	25,000	25,000	0	0	0
TOTAL		0	25,000	25,000	0	0	0
MEANS OF FUNDING							
State General Fund	001	0	25,000	25,000	0	0	0
General Fund TOTAL		0	25,000	25,000	0	0	0
TOTAL		0	25,000	25,000	0	0	0
73 State Approving Agency							
Salaries - Permanent	511000	0	160,236	114,050	0	0	131,080
Salary Increase	511010	0	0	0	0	656	656
Benefit Increase	511011	0	0	0	0	131	131
Health Increase	511012	0	0	0	0	3,338	3,338
Fringe Benefits	516000	0	62,227	34,030	0	0	58,411
Travel	521000	0	12,415	1,469	3,000	0	15,415
Supplies - IT Software	531000	0	2,335	0	0	0	2,335
Supply/Material-Professional	532000	0	490	0	0	0	490
Bldg, Ground, Maintenance	534000	0	1,274	0	0	0	1,274

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00000000

1 Object/Revenue		2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Decription	Code						
Miscellaneous Supplies	535000	0	265	0	0	0	265
Office Supplies	536000	0	1,825	126	0	0	1,825
Postage	541000	0	1,187	228	0	0	1,187
Printing	542000	0	973	75	0	0	973
IT Equip Under \$5,000	551000	0	3,279	0	3,000	0	6,279
Other Equip Under \$5,000	552000	0	54	0	200	0	254
Office Equip & Furn Supplies	553000	0	79	0	200	0	279
Utilities	561000	0	1,123	104	0	0	1,123
Insurance	571000	0	1,636	1,560	0	0	1,636
Rentals/Leases-Equip & Other	581000	0	3,455	1,135	1,355	0	4,810
Rentals/Leases - Bldg/Land	582000	0	20,254	12,060	(5,506)	0	14,748
Repairs	591000	0	1,030	647	0	0	1,030
IT - Data Processing	601000	0	4,867	3,105	11,107	0	15,974
IT - Communications	602000	0	2,873	1,085	0	0	2,873
IT Contractual Svcs and Rprs	603000	0	685	0	0	0	685
Professional Development	611000	0	1,521	500	500	0	2,021
Operating Fees and Services	621000	0	315	150	0	0	315
Fees - Professional Services	623000	0	3,620	1,140	0	0	3,620
TOTAL		0	288,018	171,464	13,856	4,125	273,027
MEANS OF FUNDING							
State Approving Grant	F100	0	288,018	171,464	13,856	4,125	273,027
Federal Funds TOTAL		0	288,018	171,464	13,856	4,125	273,027
TOTAL		0	288,018	171,464	13,856	4,125	273,027
74 Grants - Transportation Program							
Temporary Salaries	513000	0	0	0	100,000	0	100,000
Travel	521000	747	450,000	28,005	0	0	450,000
Bldg, Ground, Maintenance	534000	0	139,432	3,466	160,568	0	300,000
Miscellaneous Supplies	535000	0	0	0	56,320	0	56,320
Insurance	571000	0	139,433	3,643	(39,433)	0	100,000
Operating Fees and Services	621000	0	482,415	1,522	(380,415)	0	102,000
Fees - Professional Services	623000	0	0	0	275,200	0	275,200
Motor Vehicles	692000	315,000	117,585	117,585	336,000	0	336,000
TOTAL		315,747	1,328,865	154,221	508,240	0	1,719,520
MEANS OF FUNDING							
Rural Transportation Grant	H1345	315,747	1,328,865	154,221	508,240	0	1,719,520
Federal Funds TOTAL		315,747	1,328,865	154,221	508,240	0	1,719,520
TOTAL		315,747	1,328,865	154,221	508,240	0	1,719,520
79 General Fund Transfer							
Transfers Out	722000	250,000	0	0	0	0	0
TOTAL		250,000	0	0	0	0	0

Agency Department of Veterans Affairs
 Program 100 Veterans Affairs Administration
 Reporting Level 00-321-100-00-00-00-00000000

1 Object/Revenue	2 2013-15 Biennium Expenditures	3 2015-17 Biennium Appropriation	4 2015-17 First Year Expenditures	5 2017-19 Base Budget Changes	6 Compensation	7 2017-19 Recommendation
Description Code						
MEANS OF FUNDING						
State General Fund 001	250,000	0	0	0	0	0
General Fund TOTAL	250,000	0	0	0	0	0
TOTAL	250,000	0	0	0	0	0
Agency TOTALS						
TOTAL EXPENDITURES	2,025,987	3,234,134	1,089,748	386,012	31,297	3,441,525
Federal Funds						
State Approving Grant F100	0	288,018	171,464	13,856	4,125	273,027
Rural Transportation Grant H1345	315,747	1,328,865	154,221	608,240	0	1,819,520
TOTAL	315,747	1,616,883	325,685	622,096	4,125	2,092,547
General Fund						
State General Fund 001	1,710,240	1,617,251	764,063	(236,084)	27,172	1,348,978
TOTAL	1,710,240	1,617,251	764,063	(236,084)	27,172	1,348,978
TOTAL FUNDING	2,025,987	3,234,134	1,089,748	386,012	31,297	3,441,525
AUTHORIZED EMPLOYEES						
FTE	8.00	9.00	9.00	0.00	0.00	7.00
Vacant	0.00	0.00	0.00	0.00	0.00	2.00
TOTAL AUTHORIZED EMPLOYEES	8.00	9.00	9.00	0.00	0.00	9.00

SB2025
03.23.2017
#2

ND DVA Highly Rural Transportation Grant

- The amount of the grant each year it has been received
(Federal Fiscal year is October 1-September 30.)
 - 2013-2015 FFY: \$379,612 (awarded in June of 2014)
 - 2015-2016 FFY: \$1,264,612
 - 2016-2017 FFY: \$859,760
- Amount spent each year
 - 2013-2015 FFY: \$316,399.50
 - 2015-2016 FFY: \$174,964.03
 - 2016-2017 FFY: 294,393.34 (to today's date)
- Reimbursements each year
 - Number of sites receiving reimbursement: 18
 - Location of sites receiving reimbursement:
 - Cavalier county transit
 - Wildrose Public Transportation
 - McKenzie County Veterans Office
 - Cavalier County Veterans office
 - Dickey County Veterans office
 - Standing Rock Sioux Tribe
 - Cando Public Transit
 - Dunn County
 - South Central Adult Services
 - Southwest Public Transit
 - Bottineau County Veterans
 - Steele County
 - Sheridan County Veterans office
 - Golden Valley County Veterans Office
 - Griggs County Veterans Office
 - Kidder/Emmons Senior Services
 - Three Affiliated Tribes
 - West River Transit
 - Description of reimbursement: Driver wages - meals – hotel; rider reimbursement; fuel – repairs – maintenance; vehicle insurance; administrative fees for sub recipient-background check; advertising; vans
- Projected grant expenditures for the 2017-19 biennium
 - Budgeted/projected Office Expenditures
 - \$60,000 (Coordinator and expenses)
 - Budgeted/projected Reimbursements to sites
 - \$650,000

SB2025
03.31.2017
#1

Department of Veterans' Affairs - Budget No. 321
Senate Bill No. 2025
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	9.00	\$1,429,982	\$288,018	\$1,718,000	9.00	\$1,429,982	\$288,018	\$1,718,000	9.00	\$1,429,982	\$288,018	\$1,718,000	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes																
Base payroll changes		\$37,290	(\$32,972)	\$4,318		\$37,290	(\$32,972)	\$4,318		\$37,290	(\$32,972)	\$4,318				\$0
Salary increase - Performance				0				0				0				0
Health insurance increase		22,361	3,395	25,756		22,361	3,395	25,756		21,156	3,149	24,305		(1,205)	(246)	(1,451)
Employee portion of health insurance		(10,494)	(1,499)	(11,993)				0				0				0
Adjusts funding for administrative positions		(100,000)	100,000	0		(100,000)	100,000	0		(100,000)	100,000	0				0
Removes 1 FTE position	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)				0
Reduces funding for operating expenses		(2,106)		(2,106)		(2,106)		(2,106)		(2,106)		(2,106)				0
Removes funding for stand down events		(20,000)		(20,000)		(20,000)		(20,000)		(20,000)		(20,000)				0
Restores funding for desktop support services		26,640		26,640		26,640		26,640		26,640		26,640				0
Adjusts funding for transport vans				0				0		3,600		3,600		3,600		3,600
Removes funding for the Agent Orange program		(50,000)		(50,000)		(50,000)		(50,000)		(50,000)		(50,000)				0
Increases funding for the State Approving Agency			13,856	13,856			13,856	13,856			13,856	13,856				0
Adds federal funding for the transportation program			1,719,520	1,719,520			1,719,520	1,719,520			1,719,520	1,719,520				0
Adds funding for service dogs				0		50,000		50,000		25,000		25,000		(25,000)		(25,000)
Removes 1 additional FTE position				0				0	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)
Total ongoing funding changes	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984	(2.00)	(\$318,420)	\$1,803,553	\$1,485,133	(1.00)	(\$152,605)	(\$246)	(\$152,851)
One-time funding items				\$0				\$0		\$18,600		\$18,600		\$18,600		\$18,600
Adds funding for 1 transport van				\$0				\$0		\$18,600		\$18,600		\$18,600		\$18,600
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0	0.00	\$18,600	\$0	\$18,600	0.00	\$18,600	\$0	\$18,600
Total Changes to Base Level Funding	(1.00)	(\$226,309)	\$1,802,300	\$1,575,991	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984	(2.00)	(\$299,820)	\$1,803,553	\$1,503,733	(1.00)	(\$134,005)	(\$246)	(\$134,251)
2017-19 Total Funding	8.00	\$1,203,673	\$2,090,318	\$3,293,991	8.00	\$1,264,167	\$2,091,817	\$3,355,984	7.00	\$1,130,162	\$2,091,571	\$3,221,733	(1.00)	(\$134,005)	(\$246)	(\$134,251)

Other Sections in Department of Veterans' Affairs - Budget No. 321

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				House Version								
Health insurance increases																	Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.
Service Dogs																	Section 3 provides an appropriation of \$50,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder.
																	Section 4 provides an appropriation of \$25,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to two service dogs to assist North Dakota veterans with posttraumatic stress disorder.

SB 2025 Conference
4-11-17
#1

Department of Veterans' Affairs - Budget No. 321
Senate Bill No. 2025
Base Level Funding Changes

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	9.00	\$1,429,982	\$288,018	\$1,718,000	9.00	\$1,429,982	\$288,018	\$1,718,000	0.00	\$0	\$0	\$0
2017-19 Ongoing Funding Changes												
Base payroll changes		\$37,290	(\$32,972)	\$4,318		\$37,290	(\$32,972)	\$4,318				\$0
Health insurance increase		22,361	3,395	25,756		21,156	3,149	24,305		(1,205)	(246)	(1,451)
Adjusts funding for administrative positions		(100,000)	100,000	0		(100,000)	100,000	0				0
Removes 1 FTE position	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)				0
Reduces funding for operating expenses		(2,106)		(2,106)		(2,106)		(2,106)				0
Removes funding for stand down events		(20,000)		(20,000)		(20,000)		(20,000)				0
Restores funding for desktop support services		26,640		26,640		26,640		26,640				0
Adjusts funding for transport vans				0		3,600		3,600		3,600		3,600
Removes funding for the Agent Orange program		(50,000)		(50,000)		(50,000)		(50,000)				0
Increases funding for the State Approving Agency			13,856	13,856			13,856	13,856				0
Adds federal funding for the transportation program			1,719,520	1,719,520			1,719,520	1,719,520				0
Adds funding for service dogs		50,000		50,000		25,000		25,000		(25,000)		(25,000)
Removes 1 additional FTE position				0	(1.00)	(130,000)		(130,000)	(1.00)	(130,000)		(130,000)
Total ongoing funding changes	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984	(2.00)	(\$318,420)	\$1,803,553	\$1,485,133	(1.00)	(\$152,605)	(\$246)	(\$152,851)
One-time funding items												
Adds funding for 1 transport van				\$0		\$18,600		\$18,600		\$18,600		\$18,600
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$18,600	\$0	\$18,600	0.00	\$18,600	\$0	\$18,600
Total Changes to Base Level Funding	(1.00)	(\$165,815)	\$1,803,799	\$1,637,984	(2.00)	(\$299,820)	\$1,803,553	\$1,503,733	(1.00)	(\$134,005)	(\$246)	(\$134,251)
2017-19 Total Funding	8.00	\$1,264,167	\$2,091,817	\$3,355,984	7.00	\$1,130,162	\$2,091,571	\$3,221,733	(1.00)	(\$134,005)	(\$246)	(\$134,251)

Other Sections in Department of Veterans' Affairs - Budget No. 321

	Senate Version	House Version
Health insurance increases		Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.

Service Dogs

Senate Version

Section 3 provides an appropriation of \$50,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder.

House Version

Section 4 provides an appropriation of \$25,000 from the general fund to the Department of Veterans' Affairs for the purpose of training up to two service dogs to assist North Dakota veterans with posttraumatic stress disorder.