

**FISCAL NOTE**  
**Requested by Legislative Council**  
**02/02/2017**

Amendment to: Engrossed SB 2107

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

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$370,050	\$0	\$249,700	\$0	\$249,700
<b>Appropriations</b>	\$0	\$370,050	\$0	\$249,700	\$0	\$249,700

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
<b>Counties</b>	\$0	\$0	\$0
<b>Cities</b>	\$0	\$0	\$0
<b>School Districts</b>	\$0	\$0	\$0
<b>Townships</b>	\$0	\$0	\$0

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

This bill relates to pay and benefits for National Guard members performing state active duty in response to state emergencies. Fiscal impacts are for health insurance coverage (Section 1) and pay enhancements (Sections 2 & 3).

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

Fiscal impact for Section 1, health insurance reimbursement estimate:

2015-17 DAPL @ \$325,050 and 2017-19 Floods @ \$221,700 = \$546,750

Notes: 2015-17 DAPL estimate based on being retroactive to Sept 2016 (per Section 4 of SB 2107), ending in March 2017 and without external reimbursement. 2017-19 flood estimate is based upon the response to the 2011 floods and includes a 75% external reimbursement.

Fiscal impact for Sections 2 & 3, Stipend pay estimate:

2015-17 DAPL @ \$45,000 and 2017-19 Floods @ \$28,000 = \$73,000

Notes: 2015-17 DAPL estimate based on reimbursement for March 2017 only (SB 2107 becomes law and stipend is not retroactive) and with no external reimbursement. 2017-19 flood estimate is based upon the response to the 2011 floods and includes a 75% external reimbursement.

There are no fiscal impacts to the Emergency Management Assistance Compact (EMAC) provisions in Sections 2 and 3.

Sections 2. & 3. also include emergency management assistance compact pay which has no fiscal impact as all costs will be reimbursed by requesting state.

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

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

N/A

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

Health insurance (Section 1) costs for National Guard members performing state active duty is estimated at \$546,750 which includes \$325,050 for current biennium based on DAPL event and \$221,700 is an estimate for the 2017-19 biennium. Current biennium estimates assume retroactive costs to September 2016.

Pay enhancements referenced in Sections 2 & 3 is estimated at \$73,000 which includes \$45,000 for current biennium based on DAPL event and \$28,000 is an estimate for the 2017-19 biennium. Current biennium estimates only include March 2017.

Costs summarize by biennium: 2015-17 Health Insurance \$325,050 + 2015-17 Stipend \$45,000 = \$370,050 Total  
2017-19 Health Insurance \$221,700 + 2017-19 Stipend \$28,000 = \$249,700 Total

Past state disaster costs have utilized the state disaster relief fund.

The budget line is "Disaster Costs" line 65.

ND National Guard soldiers are activated as temporary state employees with no direct affect to FTE positions.

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

This bill affects the Office of Adjutant General. No appropriations as it pertains to this bill is included in the executive budget. As emergencies/disasters occur, appropriations are increased through the State Emergency Commission.

**Name:** Holly Gaugler

**Agency:** Adjutant General

**Telephone:** 333-2079

**Date Prepared:** 12/28/2016

FISCAL NOTE SUMMARY  
SAD PAY

HEALTH INSURANCE

DAPL (PAY IN CURRENT BIENNIUM)	\$ 325,050.00
ESTIMATES FOR 2017-19	<u>\$ 221,700.00</u>
	\$ 546,750.00

STIPEND - \$300

DAPL (PAY IN CURRENT BIENNIUM)	\$ 45,000.00
ESTIMATES FOR 2017-19	<u>\$ 28,000.00</u>
	\$ 73,000.00

- 1/ DAPL ESTIMATES ARE BASED ON NO EXTERNAL REIMBURSEMENT.
- 2/ DAPL ESTIMATES ARE BASED UPON HEALTH INSURANCE RETROACTIVE TO 9/2016 AND CONTINUING THROUGH 3/2017
- 3/ ESTIMATES FOR 2017-19 IS BASED ONLY UPON 2011 FLOOD AND WITH A 25% STATE COST SHARE.

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/23/2016**

Bill/Resolution No.: SB 2107

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

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$828,930	\$0	\$508,350	\$0	\$508,350
<b>Appropriations</b>	\$0	\$828,930	\$0	\$508,350	\$0	\$508,350

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
<b>Counties</b>	\$0	\$0	\$0
<b>Cities</b>	\$0	\$0	\$0
<b>School Districts</b>	\$0	\$0	\$0
<b>Townships</b>	\$0	\$0	\$0

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

This bill relates to pay and benefits for National Guard members performing state active duty in response to state emergencies. Fiscal impacts are for health insurance coverage (Section 1.) and pay enhancements (Sections 2.& 3.).

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

Fiscal impact for health insurance, to include current biennium and 2017-19,(Section 1.) is estimated at \$989,700. Fiscal impact for pay enhancements in Sections 2. & 3. for the current biennium and the 2017-19 biennium is estimated at \$347,580.

Sections 2. & 3. also include emergency management assistance compact pay which has no fiscal impact as all costs will be reimbursed by requesting state.

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

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

N/A

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

Health insurance(Section 1.)costs for National Guard members performing state active duty is estimated at \$989,700 which includes \$546,300 for current biennium based on DAPL event and \$443,400 is an estimate for the 2017-19 biennium. Current biennium estimates assume retroactive costs to September 2016.

Pay enhancements referenced in Section 1. & 2. is estimated at \$347,580 which includes \$282,630 for current



biennium based on DAPL event and \$64,950 is an estimate for the 2017-19 biennium. Current biennium estimates assume retroactive costs to September 2016.

Past state disaster costs have utilized the state disaster relief fund.

The budget line is "Disaster Costs" line 65.

ND National Guard soldiers are activated as temporary state employees with no direct affect to FTE positions.

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

This bill affects the Office of Adjutant General. No appropriations as it pertains to this bill is included in the executive budget. As emergencies/disasters occur, appropriations are increased through the State Emergency Commission.

**Name:** Holly Gaugler

**Agency:** Adjutant General

**Telephone:** 333-2079

**Date Prepared:** 12/28/2016

**FISCAL NOTE SUMMARY  
SAD PAY**

**HEALTH INSURANCE**

DAPL (PAY IN CURRENT BIENNIUM)	\$ 546,300.00
ESTIMATES FOR 2017-19	<u>\$ 443,400.00</u>
	\$ 989,700.00

**STIPEND - \$300**

DAPL (PAY IN CURRENT BIENNIUM)	\$ 282,630.00
ESTIMATES FOR 2017-19	<u>\$ 64,950.00</u>
	\$ 347,580.00

- 1/ DAPL ESTIMATES ARE BASED ON NO REIMBURSEMENT.
- 2/ DAPL ESTIMATES ARE BASED UPON RETROACTIVE TO 9/2016.  
AND CONTINUING THROUGH 3/2017.
- 3/ ESTIMATES FOR 2017-19 IS BASED UPON 2011  
FLOOD WITH A 25% STATE COSTS SHARE.

**2017 SENATE GOVERNMENT AND VETERANS AFFAIRS**

**SB 2107**

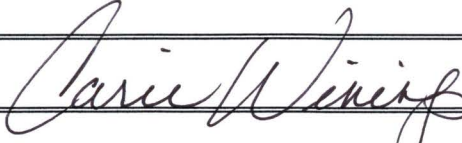
# 2017 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee  
Sheyenne River Room, State Capitol

SB 2107  
1/12/2017  
Job Number 26821

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact section 37-01-47 of the North Dakota Century Code, relating to health insurance coverage for national guard service members; to amend and reenact sections 37-04-08 and 37-07-05 of the North Dakota Century Code, relating to pay and benefits of national guard members; and to declare an emergency.

Minutes:

Attachments: 1

**Chairman Poolman:** Opened the hearing on SB 2107.

**Brigadier General Robert Becklund, Deputy Adjutant General:** See Attachment #1 for testimony to explain and in support of the bill.

**(5:15) Command Sergeant Major Brad L. Heim, State Command Sergeant Major, ND National Guard:** Due to the nature of our missions, our service members, along with law enforcement, are often exposed to some of the most adverse weather conditions and harsh environments. Ailments such as colds, flus, bronchitis, and minor physical injuries such as wrists, broken fingers, Achilles tendon tear, shoulder, knee, etc. are often a result. Some have avoided going to medical providers due to the potential out of pocket expenses. We do have cases where our members don't go to the doctor and they go to the store and purchase these items over the counter at their own expense. We do feel that if medical treatment was available at no out of pocket cost to the service member, more would have sought out treatment.

**(7:15) Senator Marcellais:** How many guard members are you talking about covering with this health insurance?

**Brigadier General Robert Becklund:** That is almost impossible to predict but we do have some vague estimates. It is really due to the nature of the emergency. The fiscal note gives some data on the dollar figures for the current DAPL response where we have actual data dating back to September of 2016 and the predictions between now and expecting it to be over in March of this year. The other data that we provided is based on our response to the flood of 2011. It is a total estimate. We have a dollar estimate for 2017-2019 biennium. We are estimating a 75%/25% reimbursement from FEMA in that. It is also important to note that

the DAPL estimate does not reflect any federal reimbursement right now but we are anticipating some sort of payroll or other reimbursement to the DAPL cost.

**Senator Marcellais:** Have you processed the FEMA requests or is it in the works?

**Brigadier General Robert Becklund:** I assume you are referring to DAPL?

**Chairman Poolman:** I believe this is looking forward.

**Senator Marcellais:** So you are estimating that we are going to have a flood?

**Brigadier General Robert Becklund:** Yes. Typically, we are called out every year. These estimates are for the 2017/2019 biennium.

**Senator Marcellais:** How many National Guard members do we have?

**Brigadier General Robert Becklund:** We are authorized right around 4,000. The Army National Guard right now is about 3,000, and our air guard is around 900. We are a touch under strength. It is our Adjutant General's goal to increase our readiness which means increasing our ranks.

**Chairman Poolman:** So we are projecting that DAPL will take you into March just in time for flooding to begin and your numbers reflect that we are expecting all of that to happen.

**Brigadier General Robert Becklund:** Yes. We really have no idea how long our law enforcement support to DAPL will continue.

**Senator Vedaa:** Years ago I was in the guard and I was fortunate to have an employer that took care of a lot of my healthcare at the time. You have in the bill employer sponsored healthcare; is that one that the employer pays for? Are we looking at reimbursing that employer for that?

**Brigadier General Robert Becklund:** No. For the situation where an employer is going to continue to pay benefits for their members, that would be a situation where the member would not be reimbursed. Our members actually have to come with out of pocket expenses and provide them to the AG's office for monthly reimbursement. We do appreciate many employers who do continue benefits for their members when we get deployed.

**Senator Vedaa:** Let me be more specific, if a member gets deployed and he has an employer sponsored health benefit that his employer does not really want to pay for it for those three months, is that employee able to stay on that plan but pay his employer or is he going to have to purchase different health care?

**Brigadier General Robert Becklund:** I would think in that situation that we would work with that employer. If they do not want to pay, then yes, this bill would be the opportunity for the employer to not pay those bills and have the member reimbursed so he can continue to pay and keep his policy. That is the exact intent here.



**(14:25) Megan Smith, Director, Government Relations for Blue Cross Blue Shield of ND:** Testified in neutral capacity of the bill. I want to first say that we are very proud of our National Guardsmen and we are very happy to cover a large part of those folks. We have a couple of concerns of unintended consequences that we would like to speak with the guard folks about and work out.

**Chairman Poolman:** Closed the hearing on SB 2107. We will give time for some things to be discussed and worked out.

# 2017 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee  
Sheyenne River Room, State Capitol

SB 2107  
1/20/2017  
Job Number 27175

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A BILL for an Act to create and enact section 37-01-47 of the North Dakota Century Code, relating to health insurance coverage for national guard service members; to amend and reenact sections 37-04-08 and 37-07-05 of the North Dakota Century Code, relating to pay and benefits of national guard members; and to declare an emergency.

## Minutes:

No Attachments

**Chairman Poolman:** Opened SB 2107 for committee discussion. In my discussions with the insurance industry, who initially were concerned about the bill, I am under the understanding that they have met with the National Guard and they no longer have any concerns. The bill is good as it is and it does not need to be amended. It does have a fiscal note so it will have to be referred to Appropriations.

**Senator Meyer:** Moved a Do Pass and Re-refer to Appropriations.

**Senator Marcellais:** Seconded.

**A Roll Call Vote Was Taken: 5 yeas, 0 nays, 1 absent.**

**Motion Carried.**

**Senator Vedaa will carry the bill.**

**2017 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2107**

Senate Government and Veterans Affairs 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 Meyer    Seconded By Marcellais

Senators	Yes	No	Senators	Yes	No
Chairman Poolman	✓		Senator Marcellais	✓	
Vice Chairman Davison	Ab				
Senator Bekkedahl	✓				
Senator Meyer	✓				
Senator Vedaa	✓				

Total (Yes) 5    No 0

Absent 1

Floor Assignment Vedaa

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



**REPORT OF STANDING COMMITTEE**

**SB 2107: Government and Veterans Affairs Committee (Sen. Poolman, Chairman)**  
recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee**  
(5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2107 was rereferred to the  
**Appropriations Committee.**

**2017 SENATE APPROPRIATIONS**

**SB 2107**

# 2017 SENATE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Harvest Room, State Capitol

SB 2107  
1/25/2017  
Job # 27345

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

Relating to pay, benefits and health insurance coverage for national guard service members.

## Minutes:

Testimony Attached # 1.

**Legislative Council: Brady Larson**  
**OMB: Becky Deichert**

**Chairman Holmberg** called the committee to order on SB 2107.

**Major General Alan Dohrmann, Adjutant General, North Dakota National Guard**  
Introduced the bill and testified in favor of SB 2107.

This bill is my #1 priority for this session. We've talked about providing health insurance for the National Guard for many years. We've tried to tie it to the PERS plan, that's always been too hard to do; bringing them on the health plan, bringing them off the health plan, some have private plans, some have employer provided plans. To address the problem, we've taken a different approach this time. This bill will give the adjutant general the authority to reimburse soldiers and airmen for their out-of-pocket expenses for health insurance when they are on state active duty. Often when they go on state active duty, it may be floods, snowstorms, even pipeline protests that sometimes go on into the winter months. Soldiers and airmen get sick, and if they don't have adequate health insurance or they don't want to pay the deductible or the co-pay because its money out of their pocket, they don't get the medical care they need.

Early on, during the pipeline protests when a lot of Guardsmen were brought in, they have cases of pneumonia, bronchitis, colds, twist, been involved in crowd and riot control. That is a full contact sport and people get hurt. In just this past week, we had 6 or 7 guardsmen and law enforcement officers with minor injuries just because of the nature of trying to control a crowd that is coming at you like that.

It's the right time to do this. We are asking more and more of our Guard. I haven't figured out the man hours lately, but since this pipeline protest started, we probably have 30,000 man days of Guard support to it. We don't hear much about it because law enforcement is in the lead, but on a typical day, there will be 5-10 Guardsmen for every law enforcement officer down there. As you are probably aware, statewide we have less than 2000 licensed



peace officers. Most states would want to call up their guard to handle a law enforcement issue, but because of the situation we have in North Dakota, being a small state and not a lot of law enforcement, that is a good thing. That we don't need that many. An event like this that draws international attention and because of the politics of it, we can't get EMAC from other states to come here and support us. As time goes on, it gets more and more difficult for other jurisdictions to support us because every sheriff is elected and every police chief works for a city commission, so we find ourselves in a situation where we're essentially relying on the Guard for a law enforcement issue in Morton County. The time is now to provide this benefit to the National Guardsmen.

I want to address the fiscal note. Those numbers are based on what Tri-Care, which is the military health insurance, would cost a family for a month. We figured about \$300/month to pay the premium. A single soldier or airman would be a lot less. The last two times we have had major deployment of National Guard and state active duty was 2009 and 2011 floods. With both of those events, this fiscal note would be cut by 90% because there is a 90-10 split with the federal government as far as cost of disaster response. So in a typical situation, this fiscal note which I think is already inflated a little bit, because we didn't survey every service member to find out how much their actual insurance premiums cost them. It's overstated in its current form and if this was a 911 type of event where the federal government was picking up 90% of the cost, this fiscal note would be reduced drastically.

We have prepared testimony but I just wanted to come in and let you know where I stand on this. I think now is the time to get this in place. We owe it to those folks that are on the front line in these conditions. I think it puts them more in par with what we're asking for other first responders. Right now law enforcement officers are costing the state \$500-600 a day to be on the front lines in Morton County. It's costing the state about \$250/day to have a guardsman down there. We are cost effective in this scenario, but just like the law enforcement officers are down there, I would like our guardsmen down there to have full health insurance coverage while they are on state active duty.

(5:40) **Senator Sorvaag:** It's just the premium for their own policy that you're picking up?

**Gen. Dohrmann:** We're not paying insurance companies. We're not paying an employers' share of the premium. We're just reimbursing soldiers for out of pocket expenses. There may be tax consequences to that but certainly less.

**Senator Sorvaag:** A lot of these policies have high deductible. Is the idea to cover part of that?

**Gen. Dohrmann:** We call a soldier in for 1 month. Their employee share of their health policy for that month is \$100. They happen to go to the doctor that month and they have a \$50 co-pay and they have to pay \$25 for their prescription. If they could show us proof of those expenses, we would reimburse them \$175 to cover their premium, their co-pay and deductible for that hospital visit.

(7:02) **Senator Mathern:** Are they not eligible for the federal military insurance?



**Gen. Dohrmann:** For state active duty, no. The minute they mobilize for a federal mission, if they deploy overseas or domestically, or if they are mobilized on a federal title X status, they will have full up health insurance with no conditions on day one.

**Senator Mathern:** We can't buy into that voluntarily?

**Gen. Dohrmann:** They can. If they were to choose that option for their health insurance, they still have a premium because if they're not on a federal status, they have to pay for that health insurance.

**Senator Mathern:** Why don't we just pay that? Every soldier that was called up for state duties, we just pay their premium.

**Gen. Dohrmann:** That's what I'm suggesting, but we can't restrict it to Tri-Care because most of my soldiers probably do not have Tri-Care.

**Senator Mathern:** Why not put them on Tri-Care the day they show up?

**Gen. Dohrmann:** It's an option, but I think it would be more expensive.

**Chairman Holmberg:** For OMB - Is this something that the Governor has addressed?

**Becky Deichert (OMB):** No, it's not in the executive recommendation.

**Gen. Dohrmann:** We have worked with Governor's office on this. This does not require general funds. Whether it's a flood or the current crisis we're in now, this would just be another response expense. If I have to borrow from BND to pay the expenses, this would just be part of that expense of the current event.

(10:05) **Senator Krebsbach:** If we allow the National Guard to pick up their deductible and we have other people, say at DAPL (Dakota Access Pipeline), they have to pay their deductibles. Are we creating an inequitable situation?

**Gen. Dohrmann:** It's going to be hard to make these equal because law enforcement wouldn't have to respond to something like this. There's always some incentives there. I know they're calling them in from around the state but I would venture to say that every law enforcement officer down there is on overtime. For National Guard, it's just a paycheck and there is no overtime. The pay inequity is already there. There are incidental things from being called in from their civilian job in Fargo. A lot of families do shift work so they don't have to have daycare. If you get called up, now you have to find daycare.

**Senator Mathern:** Have we asked the pipeline companies to pay this?

**Gen. Dohrmann:** I have not discussed this with the pipeline companies at all. If there is any effort on the part of the state to go after the pipeline company for the cost, I would submit this would just be part of the cost.

(12:26) **Chairman Holmberg:** That's up to the state and the executive branch to explore that because the money is essentially coming out of that line of credit. The discussion has been that we are not going to pay those bills, we're just borrowing the money and then they will go after whomever.

(13:04) **Senator Hogue:** What you're asking for is coverage for routine office visits. If there was a trauma or specific injury, then they would be covered under Workforce Safety for that event?

**Gen. Dohrmann:** Yes. The coverage up to this point was workforce safety, but it disincentivizes soldiers and airman to go to the hospital for routine medical care.

**Brigadier General Robert Becklund, Deputy Adjutant General, North Dakota National Guard**

Testified in favor of SB 2107. Testimony Attached # 1.

**Chairman Holmberg:** This is permanent law and will be codified in the Century Code?

**Dep. Adj. Gen. Becklund:** Yes. This is not about DAPL. It just so happens that because we've had guardsmen mobilized out there since September and it just gets highlighted with people not having health insurance coverages. The WSI question – if someone gets hurt while they are on duty, they're covered. But if they're not on duty or they get pneumonia, they're not covered at all. It's discouraging people to go to the doctor. We just want to keep their existing health insurance in place so they can maintain their health.

**Chairman Holmberg:** When they're called up, are they called for a specific length of time?

**Dep. Adj. Gen. Becklund:** We try to call them up for a specific time because it's good to provide their employers knowledge of when they'll be back. Often times its impossible, floods are uncertain, DAPL is uncertain. The emergencies we respond to are uncertain.

(21:53) **Senator Grabinger:** On sections 2 & 3, when our soldiers get called up to other states, how often are they called to other states to respond? And it seems to me there would be a lot of issues with the logistics of paying for a deficiency compared to other states with different grades, different scales. How is that achieved?

**Dep. Adj. Gen. Becklund:** Through the Emergency Management Assistance Compact (EMAC), a governor will reach out to another governor and request help. In the process of those conversations, their reimbursement figures from the receiving state are made available. So ahead of time, our adjutant general will know if it is above or below our rate and they cut that deal ahead of time.

Regarding how often we are called up to other states, that whole EMAC process is relatively new – since Hurricane Katrina, so not very often. The example I provided was a very specific one that we discovered in ND when our BlackHawks got mobilized out to California to fight wild fires out there. There was a noticeable pay difference there and led to some discontent in our helicopter pilots. It's typically regional when a general's office gets overwhelmed.



**Senator Grabinger:** In those flood cases and they came to our state, did we reimburse them at their rate or our lower rate?

**Dep. Adj. Gen. Becklund:** In absence of any law like this, we would be reimbursing them at their states' rate – even if it's higher.

(24:55) **Senator G. Lee:** The emergency clause is on there so it will take affect early, but I was looking for, if it needed to say anything about being retroactive to September. Is there something in the bill?

**Dep. Adj. Gen. Becklund:** I asked that question of our budget analyst and I'm not 100% familiar with that, but I think the emergency clause is the terminology that will allow us to go back into this biennium which implies that we can go back to the beginning of the DAPL mobilization in September.

**Chairman Holmberg:** We'll double check that with our staff to make sure.

(26:11) **Senator Wanzek:** What typically happens with private employers when their employees are deployed? Do they usually drop their insurance for that time period?

**Dep. Adj. Gen. Becklund:** It varies. Some employers continue their employees pay and benefits while they are mobilized as a good patriotic gesture. A member like that would not have any personal out-of-pocket expenses to continue health insurance and therefore, would not present a bill to the general's office for reimbursement. It's the ones who are forced to drop and don't have payroll deductions or they're not there.

(27:50) **Senator Robinson:** How many guardsmen are at Cannonball and have we been averaging the same number?

**Dep. Adj. Gen. Becklund:** Today, we have 299 guardsmen mobilized. They're not all physically down there. The real core of the mission is 14 people armed personnel with the CRC (Crowd & Riot Control) gear with shields and batons. Nobody is armed and we're there in support of law enforcement. Behind that is the logistics trail. We are manning the camp at Fort Rice where everything is set up. And they run three eight hour shifts for most people and we are manning, with law enforcement, the traffic control points.

(29:45) **Senator Robinson:** We've got the National Guard there, the Highway Patrol there, Morton County Sheriff there. What other entities have a significant presence?

**Dep. Adj. Gen. Becklund:** This comes to law enforcement, and we always fall under civil control. The Morton County sheriff is in charge, but we have arranged ourselves into a leadership team; the Morton County Sheriff, the Adjutant General and the commander of the Highway Patrol. They meet every day. It's a law enforcement civil response.

**Senator Robinson:** The full time people in the Guard are primarily administrative personnel?

**Dep. Adj. Gen. Becklund:** Yes. About 30% of the National Guard nationwide are full time. They get paid with federally reimbursed or active duty resources and those people are there

to train and equip the National Guard. There are some laws that will prevent us from using some of those fulltime people.

**Senator Robinson:** We have 299 called up on this effort. How many guardsmen do we have called up on overseas duty at this time?

**Dep. Adj. Gen. Becklund:** That varies, depending on the needs of the federal government. As an example, my guard unit in Fargo, we traded in our F-16s on (inaudible) aircraft a few years ago. Ever since then, we've had people mobilized on federal title X and doing a mission in place in Fargo. Deployed in place. Starting this month, we have 180 guardsmen going to Washington DC, and we also have an equal amount of Army National Guardsmen going to Afghanistan. The Minot National Guard will be leaving in the next couple months for yearlong deployments. This will be the largest deployment of North Dakota National Guard since Korea.

(32:45) **Senator Oehlke:** We need a mike check, so who is cooler – air guard or army national guard?

**Dep. Adj. Gen. Becklund:** I have to say we're equally cool.

**Senator Mathern:** What would happen if someone has no employer health insurance?

**Dep. Adj. Gen. Becklund:** This bill allows for a person to pick up ex. Tri-Care and could do so at no cost.

I believe there are requirements in the US for people to have health insurance. If a person wanted to enroll in any insurance policy, then we would cover their out of pocket expenses during the time they are on state active duty. They are covered with WSI in Bismarck with DAPL.

(35:59) **Senator Erbele:** A friends' daughter will be deployed to DC in March, but she could be under her parent's health insurance so it's a moot point.

**Dep. Adj. Gen. Becklund:** That's a federal Title X deployment, so that doesn't apply. A person under their parents plan would not have any personal bills that they could submit to the adjutant general's office for reimbursement.

(36:38) **Senator Dever:** I recall that 2, 3 or 4 sessions ago, we had a bill that did something regarding health with guardsmen on temporary active duty. Do you recall what it might have been?

**Dep. Adj. Gen. Becklund:** I think it's this one. We're just modifying this. I think the one you might be thinking about is this one that created the \$100 for 14 days of active duty. At that time, it was envisioned that it would help offset costs for guardsmen. It was talk about as health insurance premiums. I'm not 100% sure about that.



(37:48) **Senator Dever:** Reading from Century Code:  
37-01-44

**NDCC 37-01-44.** Reimbursement of certain medical expenses for North Dakota national guard members while on state active duty. The North Dakota national guard is authorized to pay medical expenses for national guard members who are called to state active duty when the member sustains an injury or illness that is found to have occurred within the line of duty and is not covered by workforce safety and insurance and when such treatment occurred while on state active duty. Payments shall be made only for costs not covered by other health insurance. Coverage of qualifying medical expenses is subject to rules set forth by the office of the adjutant general and subject to available funds.

**Dep. Adj. Gen. Becklund:** This SB 2107 made it thru committee, but in response to discussion with BC/BS, we are looking at that. It very well might be that that law that the adjutant general already has the authority that he needs to do this. I believe the adjutant general's office was going to look at whether or not we actually really need section 1 of this bill. It could be that we may already have the authority to do what we're intending here to reimburse people's health insurance premiums based on that language right there and it's possible we don't need this.

**Senator Dever:** It sounds a little different to me. If you're injured and it's not covered, but what you're looking at is paying for insurance for someone that is in a long term state activation.

**Dep. Adj. Gen. Becklund:** We don't really want to get involved with actual costs of the medical... we prefer to just pay the health insurance premium.

**Chairman Holmberg:** We could have attorney's look at it, but they can touch base with the adjutant general.

(40:43) **Senator Bowman:** Thank you for what you do.

**Dep. Adj. Gen. Becklund:** Glad to do it. Thank you.

**Chairman Holmberg:** Closed the hearing on SB 2107.

# 2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee  
Harvest Room, State Capitol

SB 2107  
2/1/2017  
SB 27693

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A DO PASS on the Bill relating to pay, benefits and health insurance coverage for national guard service members

## Minutes:

1. Proposed Amendment #17.8046.01001

**Chairman Holmberg:** called the Committee to order on SB 2107. All committee members were present. Michael Johnson, Legislative Council and Becky J. Keller, OMB were also present.

Chairman Holmberg: Remember the question came up about the retroactivity and Council checked and Senator Dever had it drafted so Senator Dever will you comment on this amendment?

**Senator Dever:** During the hearing I asked if it needed to be retroactive in order to cover the cost already expended and the answer was yes.

**Senator Dever:** moved on the amendment # 17.8046.01001. 2<sup>nd</sup> by Senator Robinson.

**Chairman Holmberg:** Discussion on the amendment. Remember the Adjutant General thought it was covered but it wasn't. Would you call the roll on the amendment on SB 2107. **A Roll Call vote was taken. Yea: 14; Nay: 0; Absent: 0.**

**Senator Robinson:** Moved a Do Pass as Amended. Seconded by Senator Wanzek.

**Senator Mathern:** I did bring up this bill when I visited the camp Medic tent down at Standing Rock. They have a full tent services, full range of care, and they offer that care free of charge even to the soldiers. Anybody needing care were provided care from this unit. I would like to remind people this bill has been before us many other times I have supported it through the years. It's a part of universal health care.

**Chairman Holmberg:** Call the roll on a do pass as amended. A Roll Call vote was taken. **Yea: 14; Nay: 0; Absent: 0. This goes back to GVA to carry the bill.**  
The Hearing was closed on SB 2107.

January 26, 2017

CM 2/1/17

PROPOSED AMENDMENTS TO SENATE BILL NO. 2107

Page 1, line 4, after the semicolon insert "to provide for retroactive application;"

Page 3, after line 5, insert:

**"SECTION 4. RETROACTIVE APPLICATION.** Section 1 of this Act applies retroactively to eligible expenses incurred by national guard service members called to state active duty in response to protest activities since August 19, 2016."

Renumber accordingly



**2017 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2107**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 17.8046.01001

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 Senator Dever                           Seconded By Senator Robinson

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

Total    (Yes) 14                           No 0

Absent 0

Floor Assignment \_\_\_\_\_

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

To retroactively pay expenses to the National Guard for protest activities.

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

**2017 SENATE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2107**

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 Robinson Seconded By Wanzek

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 EVA

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

**REPORT OF STANDING COMMITTEE**

**SB 2107: 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 2107 was placed on the Sixth order on the calendar.

Page 1, line 4, after the semicolon insert "to provide for retroactive application;"

Page 3, after line 5, insert:

**"SECTION 4. RETROACTIVE APPLICATION.** Section 1 of this Act applies retroactively to eligible expenses incurred by national guard service members called to state active duty in response to protest activities since August 19, 2016."

Renumber accordingly

**2017 HOUSE GOVERNMENT AND VETERANS AFFAIRS**

**SB 2107**

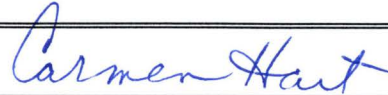
# 2017 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee  
Fort Union, State Capitol

SB 2107  
3/2/2017  
28645

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

Relating to health insurance coverage for national guard service members; relating to pay and benefits of national guard members; and to declare an emergency

## Minutes:

Attachment 1

**Chairman Kasper** opened the hearing on SB 2107.

**Adjutant General Alan Dohrmann, Office of the Adjutant General**, appeared in support. Attachment 1. (:18-06:50)

**Chairman Kasper:** Thank you for all you have done for the state especially the last few months.

**Adjutant General Alan Dohrmann:** Thank you, and I will pass that on.

**Rep. Laning:** Does the state active duty include the two-week summer duty? Are they expected to find their own health insurance during that two weeks?

**Adjutant General Alan Dohrmann:** It would not apply to any federally funded training or deployments. Their drill weekends are all federal duty. Their annual training in the summer is all federal duty. This would only be when called to active duty under the emergency powers that the governor has for those reasons listed in the Century Code.

**Rep. Laning:** There are some employers who continue to pay the employee's insurance all the way through. Is this going to encourage them to not carry that?

**Adjutant General Alan Dohrmann:** The way we have managed this particular emergency and based on my experience in past flood fights, we typically try to limit any state activation of a guardsman to 30 days. The reason for that is there are huge impacts on our employers. These guardsmen don't do this for a living. We have activated about 1,500 guardsmen since September 2016. We do know there are some employers that after a month, they will no longer pay the employer share. That is something we have been able to work around too by



making sure that members that get into that situation don't go past that one-month period and have an opportunity to go back to work.

**Rep. Schneider:** Is there any situation where an individual would be uninsured? This only applies if you already have insurance. Would anybody be falling through the gaps?

**Adjutant General Alan Dohrmann:** A couple sessions ago we asked for authority to take care of just that exact situation. There still are uninsured guardsmen out there, but we do have separate authority. When we looked at this, arguably, the authority you gave us a couple sessions ago would be enough for us to do exactly what we are asking to do here, but that is not how we presented the bill. That is not the legislative history of that bill. That bill was strictly designed for that minority of our population that is uninsured and has a health care requirement during state active duty.

**Rep. Schneider:** What happens to them? Do they have to purchase insurance and get reimbursed or do you purchase it for them? Do you just pay their medical bills if they are injured?

**Adjutant General Alan Dohrmann:** We do not purchase insurance. If they were an uninsured guardsman, that would be the authority we would use if they had to go to a walk-in clinic to get some meds for a cold or something like that. My goal with this whole thing is it would be like it is on the federal side. The day you come on active duty, you have a state provided health insurance policy in place. Because of the short duration of many of our missions and not knowing what all the rules are now with ACA and everything else and after talking with the insurance and tax departments, providing them a state policy during state active duty was a real challenge, so we went the route we did with this bill.

**Vice Chair Louser:** Since September, how many people lost some insurance because they were on active duty?

**Adjutant General Alan Dohrmann:** I don't have that number. I did have a soldier that had 30 days and had to get back home, or he was going to have to pick up his employer's share of the insurance premium. It is those chronic colds, flu, and things like that where workers' compensation doesn't work for them.

**Rep. Rohr:** You indicate on your last page of testimony that it is important to highlight that in years where there are no natural disasters or civil unrest requiring state active duty, the fiscal impact would be zero. Have we ever had that?

**Adjutant General Alan Dohrmann:** I am guessing there was a year. The fiscal impact of this in 2015 was really low. We had the Bismarck fire that year, and we deployed some black hawk helicopters by U of Mary to put that fire out. The total bill on that was \$90,000, and we probably had 12 people on state active duty for three days.

**Rep. B. Koppelman:** Is there any cap to the amount each individual can receive toward their health insurance and copays and so on?

**Adjutant General Alan Dohrmann:** The caps, if there were any, would be based on policy we wrote. If it was a catastrophic type of injury, that would be more likely a work related injury under workers' compensation.

**Rep. B. Koppelman:** Would you pay the entire family plan for the individual that is serving if they are paying for that premium out of pocket?

**Adjutant General Alan Dohrmann:** If they have a family plan and they are the primary, we would reimburse them for that plan. The reimbursement would be about \$350/month per guardsman.

**Chairman Kasper** closed the hearing.

**Rep. Karls** made a motion for a DO PASS on SB 2107 and rerefer to Appropriations.

**Rep. Vetter** seconded the motion.

A roll call vote was taken. 13 Yeas, 0 Nays, 1 Absent.

**Rep. Karls** will carry the bill.

Date: 3-2-17  
 Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. 2107**

House Government and Veterans Affairs 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 Karls Seconded By Vetter

Representatives	Yes	No	Representatives	Yes	No
Jim Kasper-Chairman	X		Pamela Anderson	X	
Scott Louser-Vice Chairman	X		Mary Schneider	X	
Jason Dockter	X				
Craig A. Johnson	X				
Daniel Johnston	X				
Karen Karls	X				
Ben Koppelman	X				
Vernon Laning	X				
Christopher D. Olson	X				
Karen M. Rohr	X				
Vicky Steiner	X				
Steve Vetter	X				

Total (Yes) 13 No 0

Absent 1

Floor Assignment Karls

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

**REPORT OF STANDING COMMITTEE**

**SB 2107, as engrossed: Government and Veterans Affairs Committee (Rep. Kasper, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2107 was rereferred to the Appropriations Committee.**

**2017 HOUSE APPROPRIATIONS**

**SB 2107**

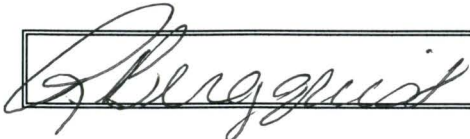


# 2017 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2107  
3/14/2017  
29176

- Subcommittee  
 Conference Committee



## Explanation or reason for introduction of bill/resolution:

Relating to health insurance coverage for national guard service members

## Minutes:



**Representative Jim Kasper, District 46, Fargo:** SB 2107 deals with the Adjutant General's request to change a ND statute that deals with health insurance for ND guardsmen who are called to active duty. When a ND guardsman is called to active duty by federal deployment their health insurance is paid by the federal government. When they are called for active duty for a state response disaster, DAPL, the floods, their health insurance is not paid for while in active duty and in many cases creates a burden for the guardsman. DAPL for example, many guardsmen were down there for 6 months. So the adjutant general was asked to amend ND statute to allow for the payment for the guardsmen's' health insurance premiums when they are called on state active duty. He's also increasing the existing allowance of \$100 for each 14 days and asking that to be increased to \$300 for each 14 days. I provided the written testimony of General Dohrmann.

**Chairman Delzer:** I had heard somewhere that most of the employers carry them for 30 days, what if they only go out for two weeks.

**Representative Kasper:** No they said that it is the exception.

**Chairman Delzer:** The reason for the 100 and the 300. What is the reason for that?

**Representative Kasper:** (last paragraph of page 1 of attachment 1)

**3:40 Representative J. Nelson:** During the DAPL situation did you get a number of how many guardsmen were affected by the health insurance situation? What was the total number of people affected?

**Representative Kasper:** We did not get a number but in the fiscal note you can see (page 5 of attachment 1) 2B it was estimated that for the 2015-17 DAPL it would be 325 thousand dollars cost to reimburse. This would be retroactive to cover the DAPL expense.

**Representative J. Nelson:** Is that the total number for all the troops that where there or is that the broke out by those that didn't carry their employer health care with them while deployed?

**Representative Kasper:** I am not sure; I am going from what's on the fiscal note.

**5:40 Representative Nathe:** I see section 3 about the EMAC, (page 2 of attachment 1) I know they are preparing to maybe be called into Keystone and that sort of thing, **was** there any discussion about the guardsmen and EMAC being called in for Keystone?

**Representative Kasper:** No, that would be funded by the out of state sources not by us.

**Chairman Delzer:** Would they be covered if they went out of state?

**Representative Kasper:** Again we don't need to cover it when they are out of state.

**7:00 Major General Alan Dohrmann, ND National Guard:**

**Chairman Delzer:** We are concerned about employees dropping health insurance as soon as they get called to active duty instead of them carrying them for 1 month. Where does it say that even with like the two-week deployment, that wouldn't happen?

**General Dohrmann:** This would not apply to the two weeks training or the weekend monthly training, the federal government covers that. They also pay for the weekend drills; this just applies for in state.

**Chairman Delzer:** What happens to the health insurance for those two weeks? Feds don't pay any part of that?

**General Dohrmann:** Whatever they already have in place would just continue, whether it's private insurance or through hen employer. Federal government pays when we are mobilized under call up statues. It would always be for deployment, typically overseas in support of combat. This would be in response to DAPL and also for the floods of 2009 and 2011.

**Chairman Delzer:** So even though the federal government called them up for the flood, they didn't pay?

**9:50 General Dohrmann:** No, when it's a presidential declared disaster, it's very rare that they would be coming in in a federal statute. It has happened on occasion, in the regional disaster, hurricane Sandy, it was authorized.

**Chairman Delzer:** So with the flood, how long were they deployed?

**General Dohrmann:** Typically, we didn't have anyone on more than 30 days because these guys all have regular jobs that we want to get them back to, but sometimes there are occasions when it's a specialty skill and they may only be called up for a matter of days.



**Chairman Delzer:** Why do we need it? Most would be covered by their regular insurance for those 30 days?

**General Dohrmann:** You can look at it two ways; one they are first responders just like law enforcement or a firefighter. Guardsmen would run us about 175/day because we don't have to pay retirement or health insurance and other benefits. You compare a highway patrolman next to a guardsmen and they would cost us 700/day with all his benefits.

During floods, for example, we are often called out in bad weather, we are working in a close proximity of each other.

**Chairman Delzer:** Aren't they covered by worker's comp?

**General Dohrmann:** They are but we are finding that we have guardsman that aren't wanting to go to the hospital for bronchitis, for example, not wanting to go because they are not wanting to pay the co-pay or the deductible. Some cases they are uninsured. They would have to be reimbursed, they would have to show expenses of the out of pocket health insurance.

**Chairman Delzer:** So what is stopping the employers from dropping them from the insurance as soon as they are deployed?

**General Dohrmann:** I think there are certain cobra policies that they would have to keep it in place. We just want to encourage our guys to keep up with routine health issues while they are in active duty and not have to worry about the expenses they are acquiring.

**12:30 Representative Meier:** Did a lot of guardsmen come and ask for this?

**General Dohrmann:** This is a number one concern of guardsmen on state active duty.

**Chairman Delzer:** What about the 100 and 300?

**General Dohrmann:** We just want to make it consistent no matter how long they are called out for.

**Chairman Delzer:** Where is the money coming from?

**General Dohrmann:** This would be rolled up into the cost of the disaster.

**Chairman Delzer:** We are going to have to gather some more information on COBA and how that works. If we are just talking less than 30 days, I don't know that we are doing anyone any good with this. The 100 and 300, you can make that argument, it depends on how you want to look at that.

If there's no further discussion, we will close this hearing.

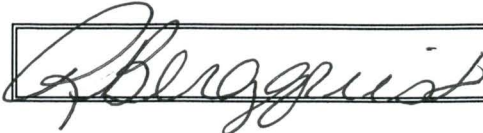


# 2017 HOUSE STANDING COMMITTEE MINUTES

**Appropriations Committee**  
Roughrider Room, State Capitol

SB 2107  
3/28/2017  
29769

- Subcommittee  
 Conference Committee



## **Explanation or reason for introduction of bill/resolution:**

Relating to health insurance coverage for national guard service members; relating to pay and benefits of national guard members

## **Minutes:**



**Chairman Delzer:** This deals with the issue or not to pay for insurance premiums for our national guard service members while they are called to active duty. Coverage is subject to rules set by the adjutant general's office and subject to available funds. There's nothing in here about the funds but from my understanding would come from the declared emergency.

**Representative Kempenich:** The expenditures say 370 thousand and going forward they're estimating 249 thousand.

**Chairman Delzer:** If it's a declared emergency they come before the commission and ask for borrowing authority. The money is borrowed from the Bank of ND. The bill also changes the pay for officers in the national guard, it adds a percentage, I think that is where the amount on the fiscal notes coming from. This will be retroactive so it'll go back through the DAPL situation.

**Representative Boe:** I was wondering if we would cover the retroactive pay, would that go to the employer or the guardsman?

**Chairman Delzer:** It would all go to the guard's men.

**Representative Boehning:** I think they would have to bring in a voucher to prove they acquired expenses.

**Representative Boe:** If they were covered by their employer while they were providing service, there would be not reimbursable expense.

**Representative Boehning:** I think it's after the 30 days when the employer could possibly drop them. This is going to help them out, so if they are making some of the payments or a share of their premium that's where this is coming from.

**Chairman Delzer:** I think General Dorman sent everyone an email, I think that we will also be paying any doctor bills and copayments. Some of this is pretty questionable.

**6:35 Representative Schatz:** Page 2, section 2, line 3; enhancement of cross out 100 to 300 and for every cross out 14 consecutive days' underline month. How do you determine how many days that month is?

**Chairman Delzer:** I would guess it would go with whatever days they are active for.

**Brady Larson, Legislative Council:** Correct, and to clarify section 3 where it's says an E3 is 55%, that is already in statute, the only thing that is being changed is renumbering those from subsections to subdivisions. That's because subsection 2 is being added and that relates to when our guardsmen get called to another state and the guardsmen in that state get paid more than ours then their pay would get bumped up. The other state is acutely paying for that.

**Chairman Delzer:** What are your wishes?

**Representative Boehning: Moved Do Pass**

**Representative Nathe: Second that motion**

**Representative Delmore:** Are we not going to require any kind of proof that they paid for this? It's an awfully big check that we are writing for this one.

**Chairman Delzer:** The way it's written it's would be subject to the rules of the adjutant general's office.

**Representative Boehning:** I would think they are doing a lot of this already, I think they already have this in place that they have to have reporting requirements.

**10:40 Representative Boe:** From the discussion that I am reading here, this comes out of his budget?

**Chairman Delzer:** This would be cases where there is an emergency either federal or state. They would come to the commission and ask for borrowing authority from the Bank of ND and we as state would either grant it or not. They would expend the funds and then the state would have to repay that loan.

**Representative Vigesaa:** I do see in the testimony that it does say provides authority to reimburses members for their out of pocket insurance premium costs, so pays and deductibles (testimony see attachment 1 from March 14<sup>th</sup>) but I don't see that anywhere in the bill.



**Chairman Delzer:** What you are reading in the bill is probably more right than what they are talking about but their plan is to broaden that issue of premium.

**Representative Brandenburg:** They went longer than the 30 days and the premiums weren't paid I am not sure that we should keep this going in the future.

**Chairman Delzer:** If it valid to do it in the DAPL then why not in a flood or something else?

**Representative Brandenburg:** When he was talking he made it sound like a flood would be for a 14-day deployment.

**Representative Kempenich:** They are using a high number for this estimation, I wouldn't think we would need this much and wouldn't we have to appropriate funds?

**Chairman Delzer:** They would come to the emergency commission and if they are approved it is a question if you want to cover, if you only want it to go two years we can do that too. When would the emergency commission ever say no if it's an actual emergency?

**Representative Boehning:** Could we amend this for only at governor declared emergencies.

**Chairman Delzer:** It already is written that way; he was point blanked asked that question.

**Representative Schatz:** I still think we could get into trouble where it says month, I think maybe it should say 30 consecutive days.

**Chairman Delzer:** What they are trying to do here is to only pay once a month if you put 30 days you would have to be there the full 30 days before it would be activated.

**Representative Boehning:** It's prorated.

**Chairman Delzer:** Further discussion on the motion for a Do Pass?

**A Roll Call vote was taken. Yea: 15      Nay: 5      Absent: 1**

**Representative Karls will carry the bill**

Date: 3/28/2017  
 Roll Call Vote #: 1

**2017 HOUSE STANDING COMMITTEE  
 ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2107**

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 Boehning Seconded By Representative Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich	X		Representative Streyle		X
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	X		Representative Boe		X
Representative Kreidt	A		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	X				

Total (Yes) 15 No 5

Absent 1

Floor Assignment Representative Karls

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

**Motion Carries**



**REPORT OF STANDING COMMITTEE**

**SB 2107, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)**  
recommends **DO PASS** (15 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING).  
Engrossed SB 2107 was placed on the Fourteenth order on the calendar.

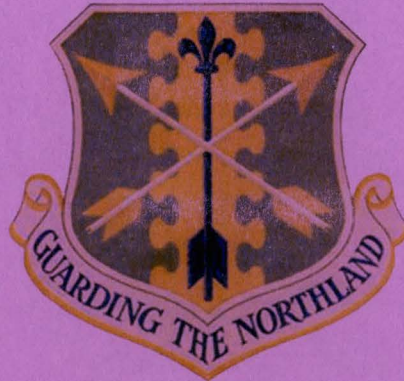
**2017 TESTIMONY**

**SB 2107**



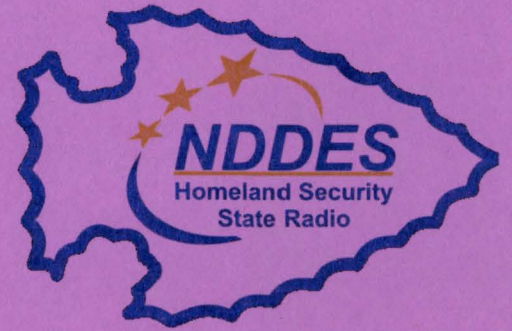
*Army National Guard*

*“The Straight Arrows”*



*Air National Guard*

*“The Happy Hooligans”*



*Department of  
Emergency Services  
Homeland Security &  
State Radio*

*The  
Office of the  
Adjutant General*

*Testimony of  
Brigadier General Robert Becklund  
Deputy Adjutant General*

*before the*

*Senate Government and Veteran Affairs  
Committee*

*January 12, 2017*

*SENATE BILL 2107*



**TESTIMONY OF  
BRIGADIER GENERAL ROBERT BECKLUND  
DEPUTY ADJUTANT GENERAL  
NORTH DAKOTA NATIONAL GUARD  
BEFORE THE  
SENATE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE  
12 JANUARY 2017  
SENATE BILL 2107**

Good morning Madam Chair, I am Brigadier General Robert Becklund, the Deputy Adjutant General of the North Dakota National Guard. Senate Bill 2107 addresses some pay and benefits issues for our National Guard members mobilized to State Active Duty (SAD). The need for these benefits are coincidentally highlighted by the present period of extended SAD mobilization we are experiencing – a period that is likely to be extended into the spring to deal with possible flooding across state. I am here today to testify in support of SB 2107.

Section 1 amends Chapter 37-01 of the North Dakota Century Code to provide for the payment of a National Guard member's out-of-pocket primary health insurance premium costs for the days the member is on State Active Duty. While mobilized for SAD, National Guard members are called away from their civilian employment, typically in a non-paid status, and therefore risk lapse of their health insurance coverage due to loss of payroll deductions for their employer-provided health insurance premiums or personal payments for independently acquired coverage. Similarly, college students mobilized into extended periods of SAD risk loss of their student-status and therefore face a similar risk of lapse from their coverage.

North Dakota does not have a mechanism to provide health insurance coverage for our National Guard members. Therefore, it is important for our personnel to maintain their pre-existing health insurance plans or purchase new coverage during periods of extended SAD. This bill provides the authority to reimburse our National Guard member's out-of-pocket primary health insurance premium costs, pro-rated for each day they are on SAD. The Office of the Adjutant General (OTAG) will develop policies and procedures for individual reimbursement and oversee administration of the program.

Sections 2 and 3 amends North Dakota Century Code §§37-04-08 and 37-07-05, and provides the authorization for our members, when responding to another state under the Emergency Management Assistance Compact (EMAC), to be compensated at that state's active duty pay rate if higher than North Dakota's. Compensation at the higher rate is contingent upon the requesting state reimbursing North Dakota at the higher rate of pay.



Sections 2 and 3 also amend the existing benefit of one hundred dollars for each fourteen days of consecutive SAD, to a more fair and equitable three hundred dollars per month, pro-rated per day. The original benefit, as well as this modification, is intended to off-set additional costs incurred while mobilized for SAD. Assisting our National Guard members cover the extra costs associated with the unique and often 24/7 missions under SAD, provides some relief for our soldiers, airmen and their families during very stressful and challenging times.

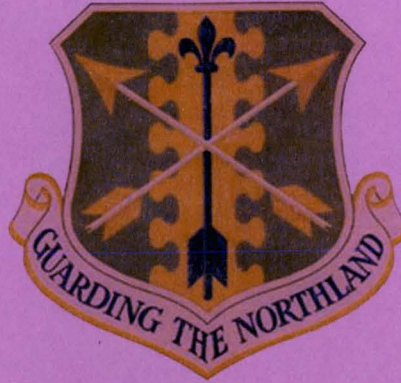
It is important to note that this bill would not normally increase the budget of the OTAG, it only authorizes more fair and equitable pay and benefits for National Guard members when mobilized in response to a declared emergency – whether in North Dakota or elsewhere in the United States.

Thank you for your consideration of these important issues and we would appreciate your support for SB2107. I will be glad to answer any questions you may have at this time.



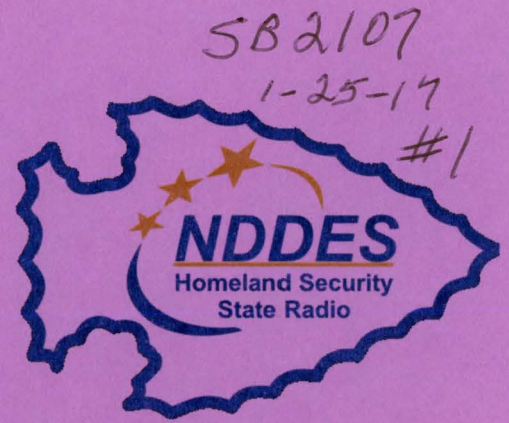
*Army National Guard*

*“The Straight Arrows”*



*Air National Guard*

*“The Happy Hooligans”*



*Department of  
Emergency Services  
Homeland Security &  
State Radio*

*The  
Office of the  
Adjutant General*

*Testimony of  
Brigadier General Robert Becklund  
Deputy Adjutant General*

*before the*

*Senate Appropriations  
Committee*

*January 25, 2017*

*SENATE BILL 2107*



**TESTIMONY OF**  
**BRIGADIER GENERAL ROBERT BECKLUND**  
**DEPUTY ADJUTANT GENERAL**  
**NORTH DAKOTA NATIONAL GUARD**  
**BEFORE THE**  
**SENATE APPROPRIATIONS COMMITTEE**  
**25 JANUARY 2017**  
**SENATE BILL 2107**

Good morning Mr. Chairman and Members of the Committee, I am Brigadier General Robert Becklund, the Deputy Adjutant General of the North Dakota National Guard. Senate Bill 2107 addresses some pay and benefits issues for our National Guard members mobilized to State Active Duty (SAD). The need for these benefits are coincidentally highlighted by the present period of extended SAD mobilization we are experiencing – a period that is likely to be extended into the spring to deal with possible flooding across state. I am here today to testify in support of SB 2107.

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It is important to note that this bill would not normally increase the budget of the OTAG, it only authorizes more fair and equitable pay and benefits for National Guard members when mobilized in response to a declared emergency – whether in North Dakota or elsewhere in the United States.

Thank you for your consideration of these important issues and we would appreciate your support for SB2107. I will be glad to answer any questions you may have at this time.



2-1-17 SB2107

17.8046.01001  
Title.

Prepared by the Legislative Council staff for  
Senator Dever

January 26, 2017

#1  
P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2107

Page 1, line 4, after the semicolon insert "to provide for retroactive application;"

Page 3, after line 5, insert:

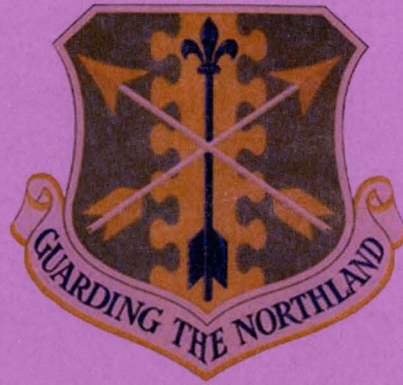
**"SECTION 4. RETROACTIVE APPLICATION.** Section 1 of this Act applies retroactively to eligible expenses incurred by national guard service members called to state active duty in response to protest activities since August 19, 2016."

Renumber accordingly



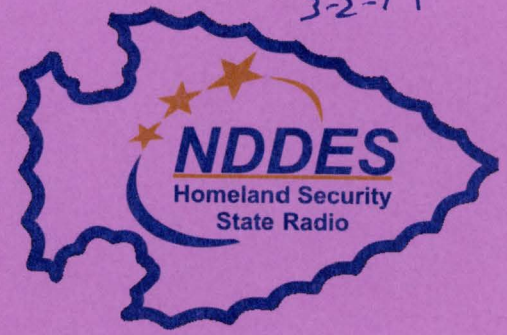
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*Department of  
Emergency Services  
Homeland Security &  
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*The  
Office of the  
Adjutant General*

*Testimony of  
Major General Alan Dohrmann  
Adjutant General*

*before the*

*House Government Veteran  
Affairs Committee  
March 2, 2017*

*SENATE BILL 2107*



**TESTIMONY OF  
 MAJOR GENERAL ALAN DOHRMANN  
 THE ADJUTANT GENERAL  
 NORTH DAKOTA NATIONAL GUARD  
 BEFORE THE  
 HOUSE GOVERNMENT VETERAN AFFAIRS COMMITTEE  
 2 MARCH 2017  
 SENATE BILL 2107**

Mr. Chairman and Members of the Committee, I am Al Dohrmann, The Adjutant General of the North Dakota National Guard. Senate Bill 2107 addresses the pay and benefits of our National Guard when mobilized to State Active Duty. I am here today to testify in support of SB 2107.

Section 1 amends Chapter 37-01 of the North Dakota Century Code by providing for the payment of a National Guard member's out-of-pocket health care costs while serving on State Active Duty. When called to Federal active duty, health insurance is in place on day one of any mobilization. Conversely, when on State Active Duty, a service member has no health insurance unless he or she maintains private insurance coverage.

Because Guard members are often activated during inclement weather, often performing hazardous duty in challenging environments, it is important for our personnel to maintain their pre-existing health insurance plans or purchase new coverage during periods of extended duty. The cost of these existing plans often increases if employer contributions lapse, resulting in our members being responsible for both the employee and the employer's share of the premium. We believe it is time for the state to provide this benefit in recognition of the service our National Guard provides to our communities and state. We believe it is only fair and equitably for our members to have a government provided health benefit similar to the other first responders when responding to disasters and emergencies.

This bill does not provide insurance to our members, rather, it provides the authority to reimburse our members for their out-of-pocket insurance premium costs, co-pays and deductibles when on State Active Duty. The Office of the Adjutant General will develop policies and procedures for individual reimbursement and oversee administration of the program.

Sections 2 and 3 amend Section 37-04-08 and 37-07-05 of the North Dakota Century Code which set the pay and allowances of officers and enlisted members when called to State Active Duty. First, it adjust the existing allowance of one hundred dollars for each fourteen days of consecutive duty, to a more fair and equitable three hundred dollars per month, pro-rated based on the actual days spent on duty. This benefit is intended to off-set additional costs incurred while mobilized, such as additional child care expenses and

potential reduction in take-home pay, among other expenses experienced when families are separated.

These sections also provide for a higher rate of pay when a Guardsmen is deployed to another state under the Emergency Management Assistance Compact (EMAC) if that state pays at a higher rate. The need for this change was highlighted when we deployed our aviators to fight wildfires in California. Because California pays its members more while on State Active Duty, our pilots, crew chiefs and maintainers, ended up making less money when performing the same mission. This provision requires no general funding since all expenses are covered by the requesting state under EMAC.

While this bill has a large fiscal note, it is important to highlight that in years where there are no natural disasters or civil unrest requiring State Active Duty, the fiscal impact of this bill would be zero. The fiscal note for this bill reflects the extended State Active Duty we've experienced this biennium, over 35,000 man-days, for the Dakota Access Pipeline protest. The cost of this bill for the current civil unrest and future emergencies, would be included in the over-all cost of each response and, therefore, requires no general fund appropriations to the office of Adjutant General.

Section 4 was added by the Senate to ensure the health benefit contained in this bill is applied retroactively back to the beginning of the Dakota Access Pipeline protest.

Finally, Section 5, declares this an emergency to allow us to provide these benefits to Guardsmen who are serving even as I speak today.

Thank you for your consideration. In a time of increased demand for our National Guard, both here at home and overseas, this bill recognizes the service and sacrifice of our members, and helps ensure they are "always ready – always there" when called to service. I ask your support for SB2107. I will be glad to answer any questions you may have.



TESTIMONY OF  
MAJOR GENERAL ALAN DOHRMANN  
THE ADJUTANT GENERAL  
NORTH DAKOTA NATIONAL GUARD  
BEFORE THE  
HOUSE GOVERNMENT VETERAN AFFAIRS COMMITTEE  
2 MARCH 2017  
SENATE BILL 2107

Mr. Chairman and Members of the Committee, I am Al Dohrmann, The Adjutant General of the North Dakota National Guard. Senate Bill 2107 addresses the pay and benefits of our National Guard when mobilized to State Active Duty. I am here today to testify in support of SB 2107.

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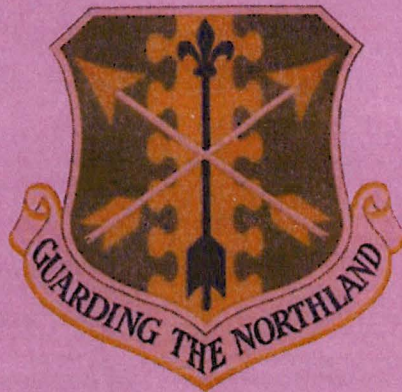
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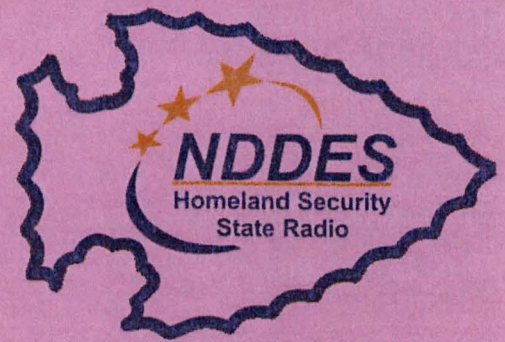
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*Testimony of  
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Adjutant General*

*before the*

*House Government Veteran  
Affairs Committee  
March 2, 2017*

*SENATE BILL 2107*



**Kasper, Jim M.**

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**From:** Dohrmann, Alan S MG USARMY NG NDARNG (US) <alan.s.dohrmann.mil@mail.mil>  
**Sent:** Wednesday, March 8, 2017 7:04 PM  
**To:** Kasper, Jim M.  
**Cc:** Gaugler, Holly A.  
**Subject:** SB 2107 Request for information (UNCLASSIFIED)  
**Attachments:** 0072\_001.pdf

\*\*\*\*\* CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe. \*\*\*\*\*

CLASSIFICATION: UNCLASSIFIED

Rep Kasper,

This is in response to your request for fiscal information for SB 2107.

The funding for SB 2107 will always be tied to an activation of the National Guard in response to a state disaster or emergency, such as the 2011 floods or 2016-17 pipeline protest.

Normally, as in the 2009 and 2011 floods, funding of this program will be part of a presidential disaster where the state pays 25% and FEMA pays 75% of costs. Therefore, the state cost for the National Guard health benefit contained in SB 2107 would be only 25% of the actual cost.

If it is a state disaster or emergency without a presidential declaration, such as the pipeline protest, the state would pay 100% of the costs (typically there is a local share to Guard support, but that was waived for the DAPL protest). I need to note that we are pursuing reimbursement from responsible parties to the pipeline protest which could bring our cost down significantly, potentially to zero.

Any state share will be funded with the State Disaster Relief fund or BND loan funds with a state deficiency appropriation in the next legislative session. The current fiscal note entered on 2/2/2017 shows a fiscal effect of \$370,050 for the 2015-17 biennium. However, that amount should be reduced to \$307,425 as the NDNG numbers have been significantly reduced for March 2017. Again, this amount would assume that we are totally unsuccessful in recouping some of our expenses from responsible third parties.

The projected costs for the 2017-19 is a worst case presidential disaster scenario of \$249,700, based on the 2011 flood. If there are no disaster in 2017-19, the fiscal impact is zero.

I hope this addresses your information requirements. If not, please let me know. I can be reached at the above email, or 701.426.0185.

Respectfully, Al Dohrmann

CLASSIFICATION: UNCLASSIFIED

4

**FISCAL NOTE**  
 Requested by Legislative Council  
 02/02/2017

Amendment to: Engrossed SB 2107

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

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$370,050	\$0	\$249,700	\$0	\$249,700
Appropriations	\$0	\$370,050	\$0	\$249,700	\$0	\$249,700

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

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

This bill relates to pay and benefits for National Guard members performing state active duty in response to state emergencies. Fiscal impacts are for health insurance coverage (Section 1) and pay enhancements (Sections 2 & 3).

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

Fiscal impact for Section 1, health insurance reimbursement estimate:

2015-17 DAPL @ \$325,050 and 2017-19 Floods @ \$221,700 = \$546,750

Notes: 2015-17 DAPL estimate based on being retroactive to Sept 2016 (per Section 4 of SB 2107), ending in March 2017 and without external reimbursement. 2017-19 flood estimate is based upon the response to the 2011 floods and includes a 75% external reimbursement.

Fiscal impact for Sections 2 & 3, Stipend pay estimate:

2015-17 DAPL @ \$45,000 and 2017-19 Floods @ \$28,000 = \$73,000

Notes: 2015-17 DAPL estimate based on reimbursement for March 2017 only (SB 2107 becomes law and stipend is not retroactive) and with no external reimbursement. 2017-19 flood estimate is based upon the response to the 2011 floods and includes a 75% external reimbursement.

There are no fiscal impacts to the Emergency Management Assistance Compact (EMAC) provisions in Sections 2 and 3.

Sections 2. & 3. also include emergency management assistance compact pay which has no fiscal impact as all costs will be reimbursed by requesting state.



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

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

N/A

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

Health insurance (Section 1) costs for National Guard members performing state active duty is estimated at \$546,750 which includes \$325,050 for current biennium based on DAPL event and \$221,700 is an estimate for the 2017-19 biennium. Current biennium estimates assume retroactive costs to September 2016.

Pay enhancements referenced in Sections 2 & 3 is estimated at \$73,000 which includes \$45,000 for current biennium based on DAPL event and \$28,000 is an estimate for the 2017-19 biennium. Current biennium estimates only include March 2017.

Costs summarize by biennium: 2015-17 Health Insurance \$325,050 + 2015-17 Stipend \$45,000 = \$370,050 Total  
2017-19 Health Insurance \$221,700 + 2017-19 Stipend \$28,000 = \$249,700 Total

Past state disaster costs have utilized the state disaster relief fund.

The budget line is "Disaster Costs" line 65.

ND National Guard soldiers are activated as temporary state employees with no direct affect to FTE positions.

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

**This bill affects the Office of Adjutant General.** No appropriations as it pertains to this bill is included in the executive budget. As emergencies/disasters occur, appropriations are increased through the State Emergency Commission.

**Name:** Holly Gaugler

**Agency:** Adjutant General

**Telephone:** 333-2079

**Date Prepared:** 12/28/2016



FISCAL NOTE SUMMARY  
SAD PAY

HEALTH INSURANCE

DAPL (PAY IN CURRENT BIENNIUM)	\$ 325,050.00
ESTIMATES FOR 2017-19	<u>\$ 221,700.00</u>
	\$ 546,750.00

STIPEND - \$300

DAPL (PAY IN CURRENT BIENNIUM)	\$ 45,000.00
ESTIMATES FOR 2017-19	<u>\$ 28,000.00</u>
	\$ 73,000.00

- 1/ DAPL ESTIMATES ARE BASED ON NO EXTERNAL REIMBURSEMENT.
- 2/ DAPL ESTIMATES ARE BASED UPON HEALTH INSURANCE RETROACTIVE TO 9/2016 AND CONTINUING THROUGH 3/2017
- 3/ ESTIMATES FOR 2017-19 IS BASED ONLY UPON 2011 FLOOD AND WITH A 25% STATE COST SHARE.