

Sixty-sixth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2016

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the
2 adjutant general; ~~and~~ to amend and reenact sections 37-07.1-03 and 37-07.2-01 of the North
3 Dakota Century Code, relating to the national guard tuition waiver and national guard tuition
4 grants; to provide for a transfer; to provide for a report; to provide a statement of legislative
5 intent; to provide an exemption; and to declare an emergency.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the office of the adjutant general for the purpose of defraying the expenses of
11 the office of the adjutant general, for the biennium beginning July 1, 2019, and ending June 30,
12 2021, as follows:

13 Subdivision 1.

NATIONAL GUARD

| | <u>Governor's</u> | | |
|--|--------------------|-----------------------|----------------------|
| | <u>Base Level</u> | <u>Recommendation</u> | <u>Appropriation</u> |
| 15 <u>Salaries and wages</u> | <u>\$6,666,525</u> | <u>\$6,897,187</u> | <u>\$6,666,525</u> |
| 16 <u>Operating expenses</u> | <u>3,525,934</u> | <u>2,767,321</u> | <u>3,525,934</u> |
| 17 <u>Capital assets</u> | <u>224,046</u> | <u>15,224,046</u> | <u>224,046</u> |
| 18 <u>Grants</u> | <u>318,553</u> | <u>210,916</u> | <u>318,553</u> |
| 19 <u>Civil air patrol</u> | <u>299,580</u> | <u>305,319</u> | <u>299,580</u> |
| 20 <u>Tuition, recruiting, and retention</u> | <u>2,617,500</u> | <u>4,617,500</u> | <u>2,617,500</u> |
| 21 <u>Air guard contract</u> | <u>8,098,582</u> | <u>8,593,083</u> | <u>8,098,582</u> |
| 22 <u>Army guard contract</u> | <u>57,717,944</u> | <u>47,048,074</u> | <u>57,717,944</u> |

| | | | | |
|----|------------------------------------|--------------|---------------|---------------|
| 1 | Veterans' cemetery | 881,284 | 981,850 | 881,284 |
| 2 | Reintegration program | 1,261,384 | 1,061,027 | 1,261,384 |
| 3 | Total all funds | \$81,611,332 | \$87,706,323 | \$81,611,332 |
| 4 | Less estimated income | 65,174,778 | 54,341,204 | 65,174,778 |
| 5 | Total general fund | \$16,436,554 | \$33,365,119 | \$16,436,554 |
| 6 | Adjustments or | | | |
| 7 | | Base Level | Enhancements | Appropriation |
| 8 | Salaries and wages | \$6,666,525 | \$147,083 | \$6,813,608 |
| 9 | Operating expenses | 3,525,934 | (758,613) | 2,767,321 |
| 10 | Capital assets | 224,046 | 0 | 224,046 |
| 11 | Grants | 318,553 | (107,637) | 210,916 |
| 12 | Civil air patrol | 299,580 | 4,295 | 303,875 |
| 13 | Tuition, recruiting, and retention | 2,617,500 | 2,164,572 | 4,782,072 |
| 14 | Air guard contract | 8,098,582 | 443,544 | 8,542,126 |
| 15 | Army guard contract | 57,717,944 | (10,818,059) | 46,899,885 |
| 16 | Veterans' cemetery | 881,284 | 91,388 | 972,672 |
| 17 | Reintegration program | 1,261,384 | (213,635) | 1,047,749 |
| 18 | Camp Grafton expansion | 0 | 600,000 | 600,000 |
| 19 | Total all funds | \$81,611,332 | (\$8,447,062) | \$73,164,270 |
| 20 | Less estimated income | 65,174,778 | (10,426,348) | 54,748,430 |
| 21 | Total general fund | \$16,436,554 | \$1,979,286 | \$18,415,840 |

Subdivision 2.

DEPARTMENT OF EMERGENCY SERVICES

| | | | | |
|----|----------------------|--------------|----------------|---------------|
| 24 | Governor's | | | |
| 25 | | Base Level | Recommendation | Appropriation |
| 26 | Salaries and wages | \$12,551,119 | \$11,427,985 | \$12,551,119 |
| 27 | Operating expenses | 6,988,451 | 9,400,060 | 6,988,451 |
| 28 | Capital assets | 0 | 660,000 | 0 |
| 29 | Grants | 16,889,159 | 16,273,425 | 16,889,159 |
| 30 | Disaster costs | 51,445,841 | 32,467,562 | 51,445,841 |
| 31 | Radio communications | 0 | 785,000 | 0 |

| | | | | |
|----|----------------------------------|-------------------------|-------------------------|-------------------------|
| 1 | Total all funds | \$87,874,570 | \$71,014,032 | \$87,874,570 |
| 2 | Less estimated income | 78,424,702 | 61,740,664 | 78,424,702 |
| 3 | Total general fund | \$9,449,868 | \$9,273,368 | \$9,449,868 |
| 4 | | Adjustments or | | |
| 5 | | Base Level | Enhancements | Appropriation |
| 6 | Salaries and wages | \$12,551,119 | (\$1,226,414) | \$11,324,705 |
| 7 | Operating expenses | 6,988,451 | 2,379,149 | 9,367,600 |
| 8 | Capital assets | 0 | 660,000 | 660,000 |
| 9 | Grants | 16,889,159 | (615,734) | 16,273,425 |
| 10 | Disaster costs | 51,445,841 | (18,992,521) | 32,453,320 |
| 11 | Radio communications | 0 | 785,000 | 785,000 |
| 12 | Total all funds | \$87,874,570 | (\$17,010,520) | \$70,864,050 |
| 13 | Less estimated income | 78,424,702 | (16,757,646) | 61,667,056 |
| 14 | Total general fund | \$9,449,868 | (\$252,874) | \$9,196,994 |

Subdivision 3.

BILL TOTAL

| | | | | |
|----|--------------------------------|----------------|----------------|---------------|
| 17 | | Governor's | | |
| 18 | | Base Level | Recommendation | Appropriation |
| 19 | Grand total general fund | \$25,886,422 | \$42,638,487 | \$25,886,422 |
| 20 | Grand total special funds | 143,599,480 | 116,081,868 | 143,599,480 |
| 21 | Grand total all funds | \$169,485,902 | \$158,720,355 | \$169,485,902 |
| 22 | Full-time equivalent positions | 234.00 | 224.00 | 234.00 |
| 23 | | Adjustments or | | |
| 24 | | Base Level | Enhancements | Appropriation |
| 25 | Grand total general fund | \$25,886,422 | \$1,726,412 | \$27,612,834 |
| 26 | Grand total special funds | 143,599,480 | (27,183,994) | 116,415,486 |
| 27 | Grand total all funds | \$169,485,902 | (\$25,457,582) | \$144,028,320 |
| 28 | Full-time equivalent positions | 234.00 | (10.00) | 224.00 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items

approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21
biennium one-time funding items included in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2017-19</u> | <u>2019-21</u> |
|---|-------------------------|--------------------|
| National guard readiness center | 33,000,000 | \$0 |
| Emergency response equipment | 569,000 | 0 |
| Dakota access pipeline law enforcement | 21,000,000 | 0 |
| Mobile repeaters and programming radios | 300,000 | 0 |
| Total all funds | \$54,869,000 | \$0 |
| Total other funds | 54,869,000 | 0 |
| Total general fund | \$0 | \$0 |
| <u>Emergency response equipment</u> | <u>569,000</u> | <u>660,000</u> |
| <u>Camp Grafton expansion</u> | <u>0</u> | <u>600,000</u> |
| <u>Uninterruptible power supply battery replacement</u> | <u>0</u> | <u>20,000</u> |
| <u>Computer-aided dispatch equipment</u> | <u>0</u> | <u>516,000</u> |
| <u>Message switch system upgrade</u> | <u>0</u> | <u>335,000</u> |
| <u>Dispatching service fee shortfall</u> | <u>0</u> | <u>1,212,253</u> |
| <u>Dakota access pipeline law enforcement</u> | <u>21,000,000</u> | <u>0</u> |
| <u>Mobile repeaters and programming radios</u> | <u>300,000</u> | <u>0</u> |
| <u>Total all funds</u> | <u>\$54,869,000</u> | <u>\$3,343,253</u> |
| <u>Total other funds</u> | <u>54,869,000</u> | <u>3,162,253</u> |
| <u>Total general fund</u> | <u>\$0</u> | <u>\$181,000</u> |

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget
for the 2021-23 biennium. The adjutant general shall report to the appropriations committees of
the sixty-seventh legislative assembly on the use of this one-time funding for the biennium
beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION. In
addition to the amount appropriated to the adjutant general in the veterans' cemetery line item
in subdivision 1 of section 1 of this Act, there is appropriated any additional funds that are
received and deposited in the veterans' cemetery maintenance fund pursuant to sections
37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the
biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS

FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$600,000 of one-time funding from the strategic investment and improvements fund for the camp Grafton expansion. The estimated income line item in subdivision 2 of section 1 of this Act includes \$1,902,253 of one-time funding from the strategic investment and improvements fund for computer-aided dispatch equipment, message switch system upgrades, and 911 dispatching service operations due to a revenue shortfall.

SECTION 5. CAMP GRAFTON EXPANSION - LEGISLATIVE INTENT. It is the intent of the sixty-sixth legislative assembly that:

1. The adjutant general purchase options during the period beginning with the effective date of this Act and ending June 30, 2021, for the purchase or long-term lease of land for the camp Grafton expansion, including the purchase of no more than one thousand six hundred acres and the long-term lease of the remainder, not to exceed six thousand acres in total.
2. If the adjutant general secures options to purchase or lease all necessary land for the camp Grafton expansion, the sixty-seventh legislative assembly provide funding and authority for the purchase or long-term lease of land for the camp Grafton expansion during the biennium beginning July 1, 2021, and ending June 30, 2023.
3. The adjutant general not use eminent domain for the expansion of camp Grafton.

SECTION 6. AMENDMENT. Section 37-07.1-03 of the North Dakota Century Code is amended and reenacted as follows:

37-07.1-03. Tuition waiver - Terms.

A qualifying member of the national guard who enrolls in any state-controlled school, subject to rules adopted by the adjutant general, is entitled to receive a ~~twenty-five~~thirty-five percent waiver of the tuition from the state-controlled school, conditioned on the adjutant general having sufficient appropriations for tuition reimbursement under section 37-07.1-06.2. The tuition waiver is valid only so long as the member of the national guard maintains satisfactory performance with the guard, meets the qualification requirements of rules adopted by the adjutant general, and pursues a course of study in a manner that satisfies the normal requirements of the school.

SECTION 7. AMENDMENT. Section 37-07.2-01 of the North Dakota Century Code is amended and reenacted as follows:

37-07.2-01. National guard ~~tuition~~member grants and tuition waivers - Terms of grants.

~~Any~~

1. Subject to legislative appropriation and rules adopted by the adjutant general, a
qualifying member of the national guard who enrolls in an accredited postsecondary institution in North Dakota which is not controlled by the state may, ~~subject to the limitations of available appropriated funds and subject to national guard rules adopted by the adjutant general,~~ receive a grant in an amount not to exceed the cost of tuition and fees for similar courses and credit hours for ~~each~~a qualifying member of the national guard who is enrolled ~~at~~in the North Dakota university system ~~school~~institution with the highest tuition and fee rate.

2. Any accredited postsecondary institution that ~~agrees to participate in such~~is not controlled by the state and which participates in the national guard member grant program ~~must~~shall waive twenty-five percent of the tuition ~~for that otherwise would be charged to each enrolled,~~ qualifying member of the national ~~guardsmen~~guard. ~~These grants must be distributed according to rules promulgated by the adjutant general and are available only so-~~

3. The adjutant general shall adopt rules for distributing grants under this section and establishing qualification requirements for grant recipients.

4. A member of the national guard may receive a grant under this section only as long as
the member maintains satisfactory performance with the national guard, meets the qualification requirements of the rules adopted under this section, and pursues a course of study ~~which satisfies~~satisfying the normal requirements of the ~~school~~postsecondary institution in which the member is enrolled.

5. For purposes of calculating the grant amount under subsection 1, the "cost of tuition and fees for similar courses and credit hours for a qualifying member of the national guard who is enrolled in the North Dakota university system institution with the highest tuition and fee rate" may not be reduced by more than twenty-five percent pursuant to section 37-07.1-03.

1 **SECTION 8. MAINTENANCE AND REPAIRS - TRANSFERS.** The director of the office of
2 management and budget may transfer up to \$500,000 of appropriation authority to the
3 operating expenses and capital assets line items contained in section 1 of this Act from the
4 various other line items contained in section 1 of this Act, as requested by the adjutant general
5 to provide for the maintenance and repair of state-owned armories in this state during the
6 biennium beginning July 1, 2019, and ending June 30, 2021. The adjutant general shall notify
7 the legislative council of any transfers made pursuant to this section.

8 **SECTION 9. EXEMPTION.** Any amounts carried over in the radio communications line item
9 for the state radio tower package, in section 7 of chapter 15 of the 2017 Session Laws is not
10 subject to section 54-44.1-11 and any unexpended funds are available for completing these
11 projects or for technology upgrade costs required to implement the statewide interoperable
12 radio network during the biennium beginning July 1, 2019, and ending June 30, 2021.

13 **SECTION 10. EXEMPTION.** The amount appropriated in the tuition, recruiting, and
14 retention line item in subdivision 1 of section 1 of chapter 15 of the 2017 Session Laws is not
15 subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used
16 to provide tuition assistance, recruiting, and retention incentives to eligible members of the
17 North Dakota national guard during the biennium beginning July 1, 2019, and ending June 30,
18 2021.

19 **SECTION 11. EXEMPTION.** Any amounts carried over pursuant to section 11 of chapter 15
20 of the 2017 Session Laws which are unexpended as of June 30, 2019, are not subject to
21 section 54-44.1-11 and are available for payment of adjusted compensation to veterans. Any
22 unexpended funds from this appropriation must be transferred to the veterans' cemetery trust
23 fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

24 **SECTION 12. EXEMPTION.** The amount of \$300,000 from the strategic investment and
25 improvements fund appropriated in the operating expenses line item in subdivision 2 of
26 section 1 of chapter 15 of the 2017 Session Laws for mobile repeaters and programming radios
27 is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be
28 used to complete this project during the biennium beginning July 1, 2019, and ending June 30,
29 2021.

30 **SECTION 13. EXEMPTION.** Any amounts carried over in the disaster costs line item for
31 grants to political subdivisions for amounts required to match federal dollars on road grade

1 raising projects and federal emergency relief funding pursuant to section 13 of chapter 15 of the
2 2017 Session Laws which are unexpended as of June 30, 2019, are not subject to section
3 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes
4 during the biennium beginning July 1, 2019, and ending June 30, 2021.

5 **SECTION 14. EXEMPTION.** The amount of \$8,530,116 from the state disaster relief trust
6 fund appropriated in the disaster costs line item in subdivision 2 of section 1 of chapter 15 of the
7 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this
8 appropriation may be used to provide the required state share for the purposes of reimbursing
9 costs under section 37-17.1-27 during the biennium beginning July 1, 2019, and ending
10 June 30, 2021.

11 **SECTION 15. EMERGENCY.** Sections 4 and 5 and the camp Grafton expansion and
12 tuition, recruiting, and retention line items in subdivision 1 of section 1 of this Act are declared to
13 be an emergency measure.