

OTAG General Fund Reduction Option

1. **Problem Statement:** How much public safety and Guard readiness can North Dakota afford?
 - a. We are significantly more cost-effective compared to other 1st responders.
 - b. \$26,961,790 buys North Dakota access to up to 4500 1st responders (\$6,000 per responder), including 10 Blackhawk Helicopters, Civil Air Patrol, heavy engineering equipment and military police.

2. **Facts Bearing on the problem.**
 - a. General funds make up only 7% of budget.
 - b. No "General Fund Like" SIIF funding in current version of SB2016.
 - c. Most Guard funding has large federal match.
 - d. With less than 2% state general funds, cuts from DES almost impossible.
 - e. State Radio significantly behind market, plus no-fail mission, make cuts almost impossible.
 - f. Civil Air Patrol already bare bones; not available for budget reduction.
 - g. Priorities for the agency are readiness and our core missions. We strive to minimize risk to public safety and our ability to support other state agencies and political sub-divisions during emergencies.

3. With the above considered, we offer the following option to maximize public safety and emergency response:

<u>Item</u>	<u>Increase/Reduction</u>	<u>Rationale</u>
Add 2 Watch Center FTEs	\$409,260	Promotes Public Safety
Add Dickinson FTE	\$20,797	Promotes Guard Readiness
*Remove Wildland Fire Training	(\$40,000)	Assume risk; just in time training
*Remove Mortuary Affairs Exercise	(\$220,000)	Not in Budget Recommendation
Reduce Armory Increases	(\$154,776)	Enough to cover utilities
*Remove Cyber Security Grants	(\$628,000)	Normally don't cover local share
Total General Fund Reduction:	(\$612,719)	

4. Other items:

a. Add OTAG Museum Amendment:

SECTION 7. BANK OF NORTH DAKOTA - LINE OF CREDIT - ADDITIONAL INCOME - LEGISLATIVE INTENT - MILITARY MUSEUM. The Bank of North Dakota shall extend a line of credit to the ~~state historical society~~ ~~adjutant general~~ to provide funding to pay costs associated with the construction of a North Dakota military museum. The line of credit may not exceed \$20,000,000, and the interest rate associated with the line of credit must be the prevailing rate charged to North Dakota governmental entities. It is the intent of the sixty-eighth legislative assembly that the ~~state historical society~~ ~~adjutant general~~ request funding from the sixty-ninth legislative assembly from the legacy earnings fund to repay the line of credit. The adjutant general may accept other funds, including private and federal funds, for the construction of a North Dakota military museum during the biennium beginning July 1, 2023, and ending June 30, 2025.

b. Amend Disaster Response language:

APPROPRIATION – NATURAL DISASTER RESPONSE AND RECOVERY – DISASTER RELIEF FUND – ONE TIME FUNDING. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of the disaster relief fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000 to the office of the adjutant general for the purpose of ~~preparing for~~, responding to and recovering from natural disasters, and ~~increasing cyber resiliency~~, for the period beginning with the effective date of this Act and ending June 30, 2025.