TESTIMONY OF

BRIGADIER GENERAL MITCH JOHNSON

ADJUTANT GENERAL

NORTH DAKOTA NATIONAL GUARD

BEFORE THE

HOUSE GOVERNMENT AND VETERANS AFFAIRS

17 JANUARY 2025

HOUSE BILL 1029

Good morning, Chairman Schauer, members of the committee, I am Brigadier General Mitch Johnson, Adjutant General of the North Dakota National Guard. I am here today to testify in opposition to HB 1029. As written, this bill creates a new procedural requirement that will compromise my office's ability to ensure the state receives the full benefit of at least 23 million dollars in federal funding each biennium.

My primary concerns with this bill are focused on two issues. First, this bill adds additional administrative requirements that jeopardize my ability to utilize federal funds provided to this state for our federal mission requirements. This places us at risk of losing the benefits of these funds. Second, the funds our agency receives are used for federal requirements that typically come with very specific federal design requirements. These federal requirements negate any input the proposed committee may have regarding design, cost, and location, delaying necessary projects without achieving the policy goals sought by the bill.

As the Adjutant General, I am responsible for 330 buildings on 12 separate complexes. I rely heavily on federal funds executed under state authority to perform much needed maintenance and modernization projects every year. In addition to preserving the state's investment, these federal funds ensure our facilities continue to meet the requirements of our federal and state missions. Over the last two years, the state has received approximately 23 million dollars in federal reimbursement for 56 separate projects to maintain and modernize North Dakota National Guard facilities. Not included in that 23-million-dollar figure are major military construction projects such as our new armory in Dickinson, or our upcoming project for a new billeting wing addition at Camp Grafton. These two projects alone represent an additional 50 million dollars of federal funding flowing into North Dakota.

The key to maximizing these federal funds is prompt execution of these projects. The federal funds available for these projects are typically only appropriated for a single federal fiscal year (October 1 – September 30). Although the funds are federal, the authority to execute those funds often falls under state law. This leaves us trying to execute federal fiscal year funds using a state procurement process that is based on the state's biennium budget cycle. Navigating these processes efficiently is extremely important if we are to ensure full execution of those funds. With such a limited timetable already, waiting for a quarterly meeting only increases the risk of losing federal funds. If we fail to execute our federal funds, the state not only loses the benefit of those

funds, but we also risk losing future federal dollars, as a lack of execution often leads to a reduction in funds the next fiscal year.

While I can appreciate the intent behind this bill and the desire to ensure legislative oversight and input, it is important to understand that federal funds obtained for modernization or new facility construction projects are based on federal missions. As such, even for projects that require state matching funds, these requirements typically come with predetermined federal design specifications that we have little or no ability to change. This potentially transforms the procedures outlined in this bill into a rubber stamp process that adds questionable value to the state, all while increasing the time to complete these projects, and with it, increasing the risk of missing out on federal dollars.

I want to conclude today by emphasizing how critical the timely use of federal funds is to my agency. This bill, in its current form, compromises my ability use much needed federal funding to the benefit of my federal and state mission. It is for that reason I ask for your support in opposing HB 1029. Thank you for the opportunity to appear before you today. I am happy to stand for any questions you may have.