2017 HOUSE APPROPRIATIONS

HB 1016

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
1/12/2017
Recording Job# 26824

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachments A through D

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Major General Alan Dohrmann, Adjutant General, Office of the Adjutant General: See testimony attachment A.

Representative Delmore: On page 2 you talk about a total of $72 million in federal funds; is the $23 million for the air and army guard facilities in addition to that?

Alan Dohrmann: That's correct.

Alan Dohrmann continued with his testimony.

Representative Nathe: Why hasn't this training been set up yet; it's been almost two years?

Julie Sickler, Emergency Preparedness, Department of Health: We have worked with Representative Nathe and the federal team. We have been assisting heavily with the current response south of Mandan; which is also delayed. The training is now scheduled for May 2, 2017.

Chairman Brandenburg: Just so I understand.

Julie Sickler: We are putting together 50 representatives instate which is law enforcement, emergency services, etc. to make instate teams. We're also bringing in 30 members from the federal team into North Dakota to conduct a training out at Fort Lincoln.

Representative Nathe: This is a mass fatality training.

Chairman Brandenburg: With the dispatchers and all the things going on with the protesters, how is that going?

Greg Wills, Deputy Director, Department of Emergency Services: At the peak we were very stressed at state radio; we were bringing in double shifts. One of the things we've been watching very closely is the mental health of all our people. The calls range from local residents to calls coming out of the camp; that were in some cases fake calls. One that comes to mind is they reported a drowning victim and we dispatched the appropriate resources. At the end of the day, no one showed up and we were stuck with trying to validate whether we had a drowned victim or not.

Chairman Brandenburg: How many pods do you have in state radio?

Greg Wills: We can expand to nine but we currently run with six.

Representative Vigesaa: A couple of projects didn't have any expenditures; the message switch test server and the radio tower redundancy. Why wasn't there any activity during that biennium on those projects.

Alan Dohrmann: On the message test server, after we asked for that we found out we didn't need it. On the redundancy, we have to work with ITD. We haven't come up with the engineering solution.

Representative Kempenich: Do you have some time lines on this money? Do you know what the future looks like on radio communications?

Alan Dohrmann: As far as completing the state radio package, I think that will be done early in the next biennium. As far as the future of radio communications, during the interim we had the interim committee that looked at the future. The next generation trunking system is not in the executive budget. With my discussion with Mike Link, the state is in good shape for the near future.

Representative Kempenich: That is the concern. The state needs to be compatible.

Chairman Brandenburg: We realize that there's a problem but we really don't know how much money we need to put in to fix the problem. It's hard to figure out what the right thing to is; because not everyone is completely onboard with what they want to go to.

Alan Dohrmann continued with his testimony.

Chairman Brandenburg: If you could get who is being vacated and what towns they are.

Alan Dohrmann: We'll provide that information.

Representative Delmore: The 28 FTE's that the Air National Guard at Hector Field. They are all National Guard people.

Alan Dohrmann: They're not all National Guard, they are all state employees.

Vice Chairman Boehning: Last session we talked about some of these guardsmen getting called out during their semester at college and having to pay for their classes. Hasn't anything been done with that in the last couple of years?

Alan Dohrmann: I have not heard of any issues this time. I think the entire staff is very sensitive; especially when it comes to state active duty. As we've called soldiers out, we've tried to do it that people could finish a semester and give them enough information so they can decide if they want to enroll in the Spring. I have up to 200 National Guardsmen that are going to skip the Spring semester at college.

Alan Dohrmann continued with his testimony.

Representative Nathe: Do you have people that monitor your soldiers while they're deployed down there?

Alan Dohrmann: Absolutely. Through the years, we as a state, have put a lot of resources into this program. We have three social workers that are state funded that keep track of soldiers; check in with them. Our chaplains also come on state active duty and check in with folks.

Representative Nathe: Once they are done with their deployment and go back to school, does the Guard still follow up and stay in touch?

Alan Dohrmann: For all identified cases there will be an employee or chaplain following up.

Representative Vigesaa: If we could go back to the capitol assets section. The $32 million in federal dollars that are coming for the Fargo facility; it indicates here that it won't begin until 2019; so much of it's going to happen in the next biennium. Could you explain how that federal money flows?

Alan Dohrmann: It will come in through the regular cooperative agreement. Where that facility is going to be built is in the flood plain. In order to build that $32 million facility, we have to provide the land. The airport authority has been very gracious; they're giving us a $1/year lease for that land. We believe we will start the process within this biennium.

Alan Dohrmann continued with his testimony.

Chairman Brandenburg: Recessed the hearing.

Attachments B through D were submitted but not discussed.

2017 HOUSE STANDING COMMITTEE MINUTES

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HB1016
1/12/2017
Recording Job# 26829

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Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachment A

Chairman Brandenburg: Reopened the hearing on HB1016 and HB1076.

Alan Dohrmann: Continued with his testimony recording job# 26824. See attachment A.

Representative Vigesaa: Have we gotten all those costs paid from the 2009 and 2011 disasters?

Holly Gaugler, Budget Manager, Office of the Adjutant General: We currently have seven disasters that are still open. We're looking at having them all closed out by the fourth quarter of 2018. The 2009 flood is due to close in the third quarter of 2017. The 2010 flood will close the second quarter of 2017. The 2011 flood will close the fourth quarter of 2018. The 2013 spring flood will close the fourth quarter of 2018. The 2013 flood that occurred later on in that year will close the fourth quarter of 2018. The 2013 snowstorm will close the second quarter of 2018. The 2014 flood will close out the fourth quarter of 2018.

Representative Vigesaa: Will that list also have dollar associated with each of those?

Holly Gaugler: Yes.

Chairman Brandenburg: What is the timeline of when they have to have these closed out?

Holly Gaugler: It's highly dependent on the completion of the project. With each disaster you have the public assistance; but you then have the hazard mitigation program.

Chairman Brandenburg: Working with the townships and the counties, they have to put together their money. A lot of times these are projects that don't cover the whole cost.

Holly Gogler: It has to go through a closeout review and we do that here; but it also goes through a closeout review at FEMA.

Alan Dohrmann continued with his testimony.

Representative Nathe: Are we looking at one tanker or was it a wing? If it is approved to come to Grand Forks, what's the effects on the UAV stuff that's going on up there?

Alan Dohrmann: It would be a wing. It's a classic association; where the air force is in the lead and the guard supports. There might be three squadrons within that wing and two squadrons might be active duty and the third might be National Guard. For the second part of the question, I don't see how it would impact the use of the runway by the tankers. There is real estate there to expand that.

Representative Nathe: I was wondering about the competition for air space.

Alan Dohrmann: Yes.

Chairman Brandenburg: On the tuition carry over, what are you looking at for carrying over? Do you have a number for section six and how much was in the Grand Forks?

Alan Dohrmann: It's on the first page of the bill, line 19. Right now that's at $2,517,500.00; the carry over from the current biennium, we're not anticipating a lot of carry over.

Chairman Brandenburg: In section seven, the Grand Forks piece of it, how much recruiting did you have in there? How many dollars are you looking at there?

Alan Dohrmann: It's $375,000.00 contingent appropriation. As far as this being an incentive to help support the state of North Dakota to bring in these federal missions, I believe I need to provide the same benefit.

Chairman Brandenburg: How much is carried over in section 6 in the new biennium? Do you have an idea on that?

Holly Gogler: I expect nothing.

Alan Dohrmann continued with his testimony.

Chairman Brandenburg: Where are we at with the disaster relief fund? Where are we at with amounts that have been spent or obligated?

Mike Lynk, Director, ND State Radio: I have had communications with Representative Porter. Representative Porter is heavily involved with EMS in the state of North Dakota. At the protest site; because it's rural Morton county, we have limited services. We're building out towers in different areas to fill those mobile area gaps. Most communications from public and emergency services come either on a mobile radio or a portable. There has been a need in that area to put up a repeater tower. We have in the cash at the department of emergency services; two of those such trailers. They help us repeat so that those radios can reach those

towers and get back to state radio. When they want to reach back to medical services they have a channel that they use. When we talked to Representative Porter, we felt there needed to be something for EMS. You also need to have a repeated channel. We have identified two that are licensed in the state; so that's taken care of. The other part of this is the radios in EMS would need to be programmed to have those new frequencies in them and also it would be the purchase of a repeater tower. Representative Porter wanted to move this amendment forward; it's about $300,000.00. We think the tower cost is about $180,000.00 and the rest of that money would be used for programming EMS radios.

Chairman Brandenburg: This is just a temporary fix dealing with the protest camp down there. It gets us by; is that a fair statement?

Mike Lynk: This isn't just a temporary. It's a condition that's happening down there; when we have floods we move these repeater towers that we have. In those, they are generally geared for response.

Chairman Brandenburg: Can you give us a snapshot of numbers?

Alan Dohrmann: As the committee is aware we have borrowed $17 million from the Bank of North Dakota. My understanding is there is a bill in now for another $8 million; to cover obligations going forward. To date we have drawn down $7,894,964.49 of the money we've borrowed. As far as money that is obligated, at this point, we're sitting at $22.5 million. The unobligated balance on the DURF is $19,054,557.00.

Representative Nathe: Is there a way we can come down and see the forward operating base?

Alan Dohrmann: Absolutely. We were lining that up.

Chairman Brandenburg: My district is on the east side of the river and my concern is the people that I represent that the same thing doesn't happen over there.

Alan Dohrmann: We're concerned about that also. We have contingency plans in place; but, it takes a long to respond over there right now. We also have to look at Sioux county and at some point clearing the camp and restoring law and order in all ungoverned territories of the United States of America. We'll need federal assistance to do that in Sioux county. We'll likely need federal assistance to get that camp cleared out and mitigate the environmental hazards that are done there. That needs to be done in 30 days.

Representative Nathe: Is there anything else that we can do as a state to help with your mission?

Alan Dohrmann: In the last couple of weeks we've done a better job of getting our story out there and getting the truth out there. The highway patrol has been a great partner.

Chairman Brandenburg: Closed the hearing.

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Minutes:

Attachments A through C

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Major General Alan Dohrmann, Adjutant General, Office of the Adjutant General: See attachment A.

Chairman Brandenburg: Looking at line 13 we have $198,000.00 difference between the two to adjustments and enhancements.

Alan Dohrmann: The difference between HB1016 and HB1076 on salaries and wages was $198,140.00. That is for the 1% pay increases and increased health benefits.

Vice Chairman Boehning: To me that $198,000.00 seems awfully low. Are there some other funding sources in there?

Alex Cronquist, Fiscal Analyst, ND Legislative Council: So that $198,000.00 is just for the national guard number; that doesn't include the DES. The department of emergency services is in the second subdivision.

Representative Nathe: So, the $198,000.00 , is that in the general fund?

Alex Cronquist: Yes. For number one under the executive highlights, that includes the salary increase for both DES and the national guard. Also included in the national guard number, if you go to number seven on the second page, there is restores funding for salaries and wages. That was a restoration of an allotment item; where they had left a couple of positions vacant for a time in order to help meet the allotment, but, they feel they need to refill those positions.

Chairman Brandenburg: Which two positions are they?

Alan Dohrmann: My deputy adjutant general and temporary military funeral honors position.

Chairman Brandenburg: The total for salaries and benefits is $473,000.00. Is that correct?

Holly Gaugler, Budget Manager, Office of the Adjutant General: That's for both.

Chairman Brandenburg: The second thing on the green sheet, reducing funding for operating expenses. We have $1,153,000.00 for EMS; can you explain that.

Alex Cronquist: In our change packages they had a decrease of about $2.9 million. That was netted against various allotment items.

Chairman Brandenburg: Number three, reducing grants.

Greg Wills, Director, Homeland Security: If you recall we've had some really large disasters since 2009. There is a significant amount less of the federal dollars coming in. We still have a lot of work to do, they're not closed out yet. See attachment B.

Chairman Brandenburg: We had $22 million in there didn't we?

Holly Gaugler: It includes both federal and special funds. This is just the special fund portion of it.

Chairman Brandenburg: Does this include the bucket for the disaster relief fund?

Holly Gaugler: It is inclusive.

Chairman Brandenburg: There's not $22 million in that fund anymore.

Greg Wills: $22.5 million is what our obligated amount is today. That's why we asked the legislative leadership for an additional $8 million in borrowing authority and that's what was granted this morning; plus an additional $3 million for additional funds to offset Morton county's cost and we would provide those funds to them in grants.

Chairman Brandenburg: You borrow that from the Bank of North Dakota?

Greg Wills: Yes.

Chairman Brandenburg: So we have $22.5 million and about $17million; we're short about $6 million.

Vice Chairman Boehning: That $17 million; those funds are dedicated aren't they?

Greg Wills: You could say it is dedicated; but that really comes down to you as a legislature. What's remaining in the DERF today is $17.5 million. The process we use is that when we have a need for funds based on an emergency or disaster, we go to the emergency commission. They give us authority to borrow the money until such time as you all come into

session. That money that we borrow comes in as a deficiency appropriation. Usually quickly into the session those things are dealt with. I would assume that that $17.5 million is going to be tagged against our current deficiency appropriation; which today consumes all of that plus more. Our known obligations today are about $21.5 million. Our previous bank loan was for $17 million; we got authority for $8 million more which equals $25 million. We have authority for $3 million for Morton which equals $28 million.

Vice Chairman Boehning: How much federal money is out there to complete our projects from around the state? That's up and above this number that you have to deal with?

Greg Wills: See attachment C.

Vice Chairman Boehning: If we used that $17 million we'd have $3 million left in the fund to make sure we cover all these projects. If we were to close them out this next biennium, we'd have $3 million left in that budget.

Greg Wills: That could be one approach you could look at doing.

Vice Chairman Boehning: Without having to go to general fund money somehow.

Greg Wills: Yes.

Representative Delmore: This is as of 11/30/16. Are there significant changes yet since November?

Greg Wills: That is pretty much what the picture is.

Vice Chairman Boehning: Before you close these out does an auditor come in and audit all of these numbers? Do the feds or the state come in and audit that for you?

Greg Wills: There are audits. There are multiple audits. We undergo every year a fiscal audit by the state of North Dakota. Prior to closing any single disaster line out, there is a FEMA accounting as well.

Chairman Brandenburg: When you increase this by another $8 million, where's this going to go? Have you put together a number where this thing is going to stop?

Greg Wills: With legislative leadership we deployed a number that looks like $40.5 million to $40.25 million. There are some assumptions that need to go along with that. One of them is this thing is probably going to go on until the end of May; assuming we get an easement to drill. That number can come down significantly and it will if we get federal resources to come in and do the job.

Vice Chairman Boehning: With your $40 million estimate, does that include the cleanup of the corp land as well?

Greg Wills: That does not. We have always assumed that the corp of engineers would clean up that land. This is geared towards salaries, the equipment, the travel, the housing,

the gas, the propane and all of those other type of expenses. The recovery piece we planned for is the recovery of all of the state owned equipment that's down there that will at some level need to be refurbished. We have our medical hospital stabilization set up down at the FOB; you've got an emergency room capability there. It was all there from the beginning because we had no idea that we would not need to have medical treatment to save lives when this thing started.

Vice Chairman Boehning: If it would, do you have an estimate what it's going cost to tow 300 plus cars out of there and the camps?

Alan Dohrmann: I have been in weekly contact with the corp of engineers. They do have a worldwide task order contract for cleanup. They have already determined that this would qualify for that. Right now they're making sure they secure the resources and get the task order ready to go. Right now they believe that that is their responsibility. Technically it is the owner or leasee of that land; but they've already let him off the hook. One thing they did ask us to consider is towing of the cars and that's something we can maybe work with Morton county.

Representative Nathe: Have there been discussions about the federal government reimbursing for all these expenses?

Alan Dohrmann: Yes, there have been discussions at the agency level. Both the prior and current administration have talked with the attorney general as far as looking at options to sue the federal government for reimbursement of this.

Representative Nathe: Has there been a discussion with the federal delegation in regards to this question?

Alan Dohrmann: Absolutely. Right now the emphasis is on getting federal resources in here. With a new federal administration coming in, the assumption is that an easement will be issued; that that pipe will be drilled at the current location it's sited for. That will cause a reaction by the competitors of the pipeline.

Chairman Brandenburg: The number is somewhere from $40 million to $42 million; and we have $17 million.

Alan Dohrmann: Our weekly burn rate is about $114,300.00 just for personnel costs.

Chairman Brandenburg: If it stays 40 degrees for a week you'll see activity again. That's just my opinion. I think you need to be in place for that.

Chairman Brandenburg: If we reduce by $57 million, we're saying the funds we have left in here is $14 million. Is that correct?

Greg Wills: Yes. That's what's remaining.

Chairman Brandenburg: Before it is was $57 million more or less.

Greg Wills: Yes. That's remaining obligation. Not all of that will occur even in the next two years.

Chairman Brandenburg continued with the green sheet.

Chairman Brandenburg: What's the $815,000.00 for?

Holly Gaugler: That was part of our budget submission. We were required to reduce our capital assets line. We had approximately $75,000.00 in our disaster costs line for IT software programs. There was $700,000.00 in our capital assets line for DES; where we are intending to purchase federal equipment if the federal grant money is available.

Chairman Brandenburg: The $300,000.00 for that moveable tower. Does that tie into some of this IT or is it separate?

Holly Gaugler: It's separate.

Chairman Brandenburg: The $100,000.00 for state radio. What's that for?

Holly Gaugler: In HB1076 there was a reduction of $100,000.00 general funds out the state radio operating line. It was reinstated with special funds in that line. The overall appropriation didn't change with this adjustment.

Chairman Brandenburg: Number seven restores funding for the two positions that we talked about earlier. Where are those positions at?

Holly Gaugler: That's in the national guard subdivision. That was the military funeral honors position.

Chairman Brandenburg: The $916,000.00 for operating expense.

Holly Gaugler: That was our 10% allotment. Part of that was $746,957.00; which was the national guard 10% reduction.

Chairman Brandenburg: Number 9 for recruitment $100,000.00.

Holly Gaugler: That was a plus up in our tuition in recruiting.

Chairman Brandenburg: Was that for Grand Forks?

Alan Dohrmann: That was an unsolicited addition of $100,000.00. As soon as we started calling out the national guard for the pipeline protest; I'm short 100 people on the army guard side and about 100 short on the air guard side.

Chairman Brandenburg: Was there some loss in federal funds in that?

Alan Dohrmann: No. The army provides a federal tuition assistance program for army guard members. The air force does not provide a tuition assistance program for the air guard.

Between the federal dollars that continue to support the army program, we've been able to provide a light benefit to both army and air national guardsmen. Our concern with the army program is it is funded with overseas contingency operations funds.

Chairman Brandenburg: There could be a possibility that there could be a shortfall there.

Alan Dohrmann: We did ask for carry over in the current fund; but we don't anticipate much in carry over.

Chairman Brandenburg: We have grants of $146,000.00; there's a reduction there.

Holly Gaugler: Referred to testimony

Chairman Brandenburg: Then we have capital funding for equipment, motor vehicles, land and buildings for $2.3 million. What's that all about?

Holly Gaugler: As part of the budgeting process, we reduce what we anticipate for federal funds coming into our army guard contract. Some of the federal projects we adjusted down just because we came to a more accurate number for federal construction projects and infrastructure projects. As far as our budget process goes, the $25,000.00 general funds, we had reduced what our request was in the prior biennium for grounds equipment.

Chairman Brandenburg: I notice you have a number of bills that could affect your budget.

Representative Delmore: Is there a number that corresponds with what the cost of those various bills will be?

Chairman Brandenburg: How are these bills going to affect us?

Alan Dohrmann: As far as the major related legislation that may have money tied to it, SB2107, this does two things. It provides a health insurance benefit for soldiers and airmen when called to state active duty. We've looked at this for many years. If we're called to federal active service, there is federal Tricare from day one. We were just trying to get the same sort of benefit when soldiers get called to active duty. Our intent was to provide health insurance coverage when they come to active duty by reimbursing their insurance premiums; their copay and deductibles during the time they are on state active duty. Two sessions ago we go the authority for the uninsured to pay state active duty related illnesses and injuries. But we didn't have anything that provided a benefit for those that had personal or employer responsive insurance. The other part of the bill deals with out of pocket expenses soldiers and airmen experience when they come to state active duty. We provided a stipend of $100.00 for every 14 days. We switched that in this bill to $300.00 for a month; but prorated over the course of the month. There are no general funds attached to this; it would be part of the disaster cost.

Representative Nathe: I just looked up the fiscal note for 2017-2019 is a little over $508,350.00.

Vice Chairman Boehning: When we're looking at that health insurance for the guard members, do you have a statistic of how many do not currently have health insurance through an employer or other means?

Alan Dohrmann: I don't have those exact numbers. The idea behind the bill was for the state to be responsible for those costs when the state called them to service. The state would only have to pay 25% of what those healthcare costs are.

Vice Chairman Boehning: If I'm a guard member, I have health insurance at work that covers the whole premium, and I get called out. Do we reimburse the employer then for some of his premium while the guard member is gone or is that on a case by case basis?

Alan Dohrmann: The bill is designed just to cover the guardsmen cost.

Chairman Brandenburg: At the end of the day you have 234 FTE's and we're dealing with $204 million and $233 million as a grand total of all funds. You have the $29 million of general funds and the special funds are $204 million with a total of $233 million. Do you have anything to add to that number?

Alan Dohrmann: No.

Vice Chairman Boehning: Was it last session where we discontinued the firefighters at Hector Airport? How did that transition go? Did a lot of the guard firefighters go to work for the city of Fargo?

Alan Dohrmann: For the most part, the Fargo Fire Department filled its ranks with guardsmen. There were still a number that were let go.

Representative Vigesaa: Homeland Security is with the department of emergency services? The air and army guard would be in the general's. Is that in the national guard?

Alan Dohrmann: Yes.

Representative Nathe: Just so we don't forget the amendment from Representative Porter. It's an appropriation of $300,000.00 from the SIIF.

Mike Lynk, Director, State Radio: It's their own frequency.

Representative Nathe: Is there any federal matching money?

Mike Lynk: There was not. This was an amendment that Representative Porter put in to our bill.

Chairman Brandenburg: So with that amendment, the grand total of all funds of $233,779,127.00.

Representative Vigesaa: We're in the middle of a pretty snowy winter. What does it take to have the guard activated for snow removal or widening roads with their heavy equipment? Does that take a Governor's disaster declaration?

Alan Dohrmann: To call up the guard we would have to have a governor's proclamation.

Chairman Brandenburg: We had a discussion in the hall about hiring people for the 911 call centers.

Alan Dohrmann: HB1403 puts a hiring freeze in place until the end of the session. There are a lot of agencies that have concerns about that. For state radio we are five dispatchers down. We need authority to continuously hire because there is always turnover.

Chairman Brandenburg: When is that bill going to be heard?

Alex Cronquist: That bill will be heard in our full committee tomorrow.

Vice Chairman Boehning: On 911 operators, is there schooling out there to get training in that?

Mike Lynk: There is training that's provided there; some of it is in house training. There are some national standards through APCO; which is associated 911 dispatching. There are schools we send our people to those schools. We also do a lot of in house training and we have curriculum for that in house training.

Vice Chairman Boehning: If I want to go into that field, I have to get hired before I would get into that field. Correct?

Mike Lynk: For in the state they're required to do some EMD; which is emergency medical dispatch. That type of training is done after they're hired. They have to be sponsored by an organization.

Representative Boehning: I'm kind of surprised of all the dispatchers in the country, that there isn't a school that teaches this. I thought maybe there was a training school where you could actually go to school and learn a tech degree type of thing.

Mike Lynk: There may be some place in the country; I'm just not aware of it. APCO has a class they sponsor; but, it's training curriculum for training.

Vice Chairman Boehning: To find out what the stress level is in a setting that they would be working in to get the training before they start; they wouldn't have the stress level in a class that they would pay for ahead of time. There might be some differences with that.

Mike Lynk: Every situation is different. I've been in the office and I've heard some of the tapes where people die on the phone. When people are screaming at them that they need help right now and there's nothing they can do; that's the worst part of it. They're sitting in the chair; there's nothing they can do expect get another response there. They're responsible and they're talking to that person the whole time of what they are going through. We use the

crisis intervention team that's around the state for law enforcement also. In those situations they come in and do those assessments to help those people.

Chairman Brandenburg: There are a tremendous amount of calls because of the protests coming through the 911 center.

Mike Lynk: We're very busy down there.

Representative Brabandt: What do you pay the dispatchers?

Mike Lynk: A dispatcher with no experience starts at about $2,800.00 per month.

Representative Brabandt: Do you pay them by the month or the hour?

Mike Lynk: By the month; they are salaried.

Representative Brabandt: They work 40 hours a week?

Mike Lynk: They work 48 some weeks and 36 other weeks. There's a compensation because they work 4 on and 4 off; which is actually 8 days.

Vice Chairman Boehning: With the new federal regulations, is that affecting the overtime pay? Do we pay them overtime after the 40 hours in that time period? How does that work?

Mike Lynk: There is a formula that we use because some weeks they work 36 hours. On those weeks that they are long, they are required to have comp time to make up for those weeks that they are behind. There is some overtime for the year; in the long run. A lot of that time is put into comp time; so they have the time for those short weeks.

Vice Chairman Boehning: With the ruling with the fair labor act; where some of the agencies get too many hours and then they have to pay them the overtime or give them time and a half off. Do you have to give them time and a half off?

Mike Lynk: We do the time and a half with comp time. They have to use those hours as they go into their long weeks.

Chairman Brandenburg: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
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Committee Clerk Signature	

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A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: See attachment A

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Greg Wills, Director, Homeland Security: See testimony attachment A.

Chairman Brandenburg: You had three year grants, they changed to two year grants. If you ask for an extension, you can get an additional three years.

Greg Wills: You can get an additional one year to make it a four-year grant. When they went to two year grants, there were no exceptions; so we had to bounce our authority up for those two years.

Chairman Brandenburg: Those projects that didn't get done, did you have to push them to get done?

Greg Wills: We did.

Chairman Brandenburg: So you had to use it or lose it.

Greg Wills: We pushed the local jurisdictions because they get the bulk of this money to get their projects done. We did have some turn back for projects.

Chairman Brandenburg: If some of them couldn't get them done, they didn't find their match. Was the match 50/50?

Greg Wills: On the homeland security grants, it's 100%.

Representative Delmore: This is money you don't need and won't reapply for?

Greg Wills: No. We are going to continue to try to get every federal dollar we can. This is just an authority to get that money and expend it. What we're asking for is less authority now; because we have three year grants versus two year grants. We will carry the third year authority into the next biennium.

Chairman Brandenburg: They had the money for the performance grants and for the homeland security grants. Communities had the chance to use them and try to make them work. Some did and some didn't; and they can't hold on to them forever. There's $500,000.00 less than $1.74 million.

Greg Wills: This really isn't money, it's authority. We'll carry the authority over into the first year of the next biennium.

Chairman Brandenburg: It's still federal dollars. You have the authority to disperse it.

Greg Wills: We will have authority in current budget to handle all of our grants that we get for the next biennium. This is just excess authority based upon the change in grant cycles.

Chairman Brandenburg: What was the amount in the performance grants that we're taking $500,000.00?

Greg Wills: We aren't taking any loss in money. EMPG is about $3.1 million dollars per year. For that particular grant, 50% goes out to local counties; that helps to pay for 50% of the local county emergency management program. It can be used for salaries and operating expenses. The state retains 50%; those dollars go toward those federally cost shared positions that are state employees. Our salary line is largely federally funded; not state funded.

Representative Delmore: It's hard for me to understand how turning down a 100% grant money is a cut in budget.

Greg Wills: I know it's tough to understand. We are not turning down any money. We just don't need the authority for all that we had in the past. We needed more authority when we had to spend the money in two years. This next cycle is three year money; and we don't need all that authority.

Chairman Brandenburg: Homeland security; that's authority.

Greg Wills: That's authority as well. We get about $3.4 million to $3.5 million; it's based on a national level formula, which includes risk of the state, how many miles of international border we have, our population and how much critical infrastructure we have. This was a two year grant that is now going to three years.

Greg Wills continued with his testimony.

Chairman Brandenburg: How much was in the hazardous material?

Greg Wills: We'll end up with a total authority of $506,000.00.

Chairman Brandenburg: How much was in the chemical grants?

Greg Wills: That particular line item is based on century code; where the hazardous chemical program resides. In the program today, we charge a fee with a maximum of $450.00 for every facility that stores hazardous materials in the state of North Dakota. This is part of federal law. Anyone who wants to know if there's hazardous materials in their backyard, they know what's there and how much is there on a yearly basis.

Greg Wills continued with his testimony.

Vice Chairman Boehning: What would be the definition of hazardous storage?

Greg Wills: The federal government has a table; depending on if it is a high hazard or just a hazardous material, there's a weight amount. The definition is defined by federal law and it various depending on the chemical.

Vice Chairman Boehning: Is it voluntary reporting? How do we know they have to report or how do they know they have to report?

Greg Wills: It is a voluntary program; we don't go out and inspect. We work with vendors, and companies all the time to determine whether they have to report or not. Most of these folks know the federal law, especially our larger companies in the state.

Greg Wills continued with his testimony.

Chairman Brandenburg: So the authority for $57 million isn't needed; the work is done.

Greg Wills: That's correct.

Vice Chairman Boehning: So when we get done with the session and you have a disaster again, do we have to give you the authority again if we have a major flood? Do you already have the authority to spend that money without us coming back in to give it to you?

Greg Wills: The way that process works is there is a certain amount of authority built into our budget; and that carries over. When we have a disaster in the state of North Dakota, when you aren't here, we have a process through the emergency commission. Once we figure out how big the disaster is and how much money is needed, the Governor submits a request to the emergency commission and they approve us for borrowing authority. We borrow money from the Bank of North Dakota that we need for the disaster. When the session starts, we come to you with a deficiency appropriation and you deal with that at that time.

Vice Chairman Boehning: If we get $100 million from the federal government, does the emergency commission give you the ability to spend it or is it just if you get the money from the federal government you're able to spend it?

Greg Wills: We have to have the authority from the emergency commission and then there is also budget section visit that goes along with it.

Representative Kempenich: Is there a top end on what you're able to borrow?

Greg Wills: No. That depends on what authority we ask from the emergency commission. We've gone to them three times now for the DAPL; but there's no top end.

Representative Kempenich: I kept thinking that you had a top end of $100 million.

Greg Wills: It's whatever's needed.

Greg Wills continued with his testimony.

Chairman Brandenburg: You're just digging in the piggy bank.

Greg Wills: We're just digging in the piggy bank to be part of the solution.

Representative Delmore: How many people are in your division? You have not cut any personnel, right?

Greg Wills: We have not cut any FTE's. The governor's budget did not cut any FTE's. There are 79 FTE's in homeland security and state radio; the bulk are in state radio. We have five openings in state radio. We have one employee we're short in DES; it's a GIS position.

Representative Kempenich: I have some questions about HB1178. Where are you at with that?

Greg Wills: At the end of the day, we have participated in SIEEC (State Interoperable Emergency Executive Committee); which is looking at this whole siren thing. There was nothing in the governor's budget relating to this.

Representative Kempenich: Do we need to put something on the back of this budget to pushing this issue?

Greg Wills: I think there are two things that you have been made aware of. I think that Holly is going to present an amendment that adds in carry over authority for some Next Gen 911 and for the radio towers. Based on our DAPLE experience, we ran into some issues because we had some communication problems; Representative Porter was looking to address that specific thing.

Vice Chairman Boehning: On your PSAPs, say we get overloaded, are you switch to the county PSAPS?

Mike Lynk, Director, ND State Radio: What we do is a system of systems. There are 21 PSAPs (Public Safety Answering Points); we all work together. There aren't many PSAPs that can handle our load. Under the law, every PSAP is required to have an alternative

location. We are the alternative for about 18 of the 21; then we have our own location where we can go.

Vice Chairman Boehning: You're getting in 100 calls that you can't answer, are able to funnel calls into another PSAP to answer them?

Mike Lynk: Yes. The system is set up that within minutes we can transfer those lines.

Vice Chairman Boehning: Are we getting to the point where we're getting away from radio and using phones?

Mike Lynk: There is a federal initiative called First Net. First Net is to do public safety over cellular systems. Right now they're working on the data for an app; in the future, they see voice.

Representative Vigesaa: I was wondering if Greg would be willing to give us a brief update on the DAPL?

Greg Wills: Gave an update of recent events with the DAPL protesters.

Representative Kempenich: I'm just reading that the order will not grant the final permits needed; but, will move the projects toward approval. This isn't going to be an immediate deal. The problem is that you're assuming you're dealing with rational people.

Greg Wills: I agree. This has never been about us versus the Native Americans or us supporting the pipeline. This has been about rule of law. If people don't get their way they immediate start protesting.

Representative Delmore: Do you have any idea of what the cost of the clean-up will be?

Greg Wills: We have no idea of what the clean-up is going to be. I don't think we'll have to pay for that. My sense is that it will be over $1 million. The corp of engineers have been working to get a pre-loaded contract for local contractors to clean this up. The order from the tribe for the protesters to start cleaning their mess up was not well received.

Representative Kempenich: I have the feeling that the Fort Yates water supply will have E-coli in it by spring.

Greg Wills: The EPA has done an investigation and the allegation was stemmed that the prior owner of the ranch illegally poisoned prairie dogs with a chemical called rozol. It's an illegal chemical that has been illegal for quite a while. Some dead bald eagles started showing up in the area. They also did some testing on some of the buffalo that were on that ranch that they anticipated had consumed some that poison. Yesterday the protestors requested through Burleigh Public Health that they'd like to send 300 up here to be tested for rozol poisoning because they believed they consumed tainted buffalo.

Chairman Brandenburg: I'll just enlighten you that Representative Kempenich and myself; the bill that he sponsored dealing with liability issues, has spurred some things. Five other

states are working on these laws also. If you have a hunting violation, you can take away the gun, the car, the pickup and even a combine if you're out there. So we fine these people $150.00, let them go and then they're back. We have to change some laws, the people down there are getting tired of it. If it was in Bismarck, we'd be passing a lot of laws now.

Greg Wills: It's been very interesting. We lost the social media war before we even knew there was a war. One of the things that hurt was that we weren't putting out any counter media to what was really going on down there. The reason we didn't put anything out was we were throwing video in the evidence locker. At the end of the day, we weren't telling our story because we wanted a conviction.

Representative Kempenich: Some of the more liberal ones, as soon as you bring up the definition of terrorist or protest, they don't want to talk to you anymore. The media is trying to rewrite definitions.

Greg Wills: I spent 29 years in a previous career protecting the Constitution of the United States. I would be the first one to protect your right to voice your opinion. But at the end of the day, we had protestors, rioters and terrorists there. What's left are the radicals; which I think are more of the riot and terrorist type people.

Representative Brabandt: Is there a definition between protestors, rioters and terrorists?

Representative Kempenich: In the Webster Dictionary. We respect the First Amendment and it works both ways.

Greg Wills: There is no defined definition in state law of those three things that I'm aware of. A protestor is someone who legally exercises his first amendment rights. A rioter is somebody, who in the process of a protest, causes destruction and damage or engages in other unlawful activity. A terrorist is one that has an offensive design to some level of destruction or unlawful activity.

Representative Kempenich: The definition in Webster's is a protestor is a discernment, an objection which you have little control over. Terrorism is basically violence or intimidation against a civilian population for a political aim.

Chairman Brandenburg: Recessed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
1/24/2017
Recording Job# 27270

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachments A and B

Chairman Brandenburg: Re-opened the hearing on HB1016 and HB1076.

Holly Gaugler, Finance Officer, Office of Adjutant General: Started to talk about their amendment.

Representative Kempenich: Section 5 of the bill is what I think she's referring to.

Holly Gaugler: Yes. It would be the radio communications line, subdivision 2 for DES. Both of those projects are tied to the completion of the radio tower expansion project; and that's the reason why they won't be completed by June 30.

Representative Kempenich: What is the timeline on this?

Mike Lynk, Director, ND State Radio: We had a study on the tower package that was done in 2010 that identified tower gaps for mobile coverage throughout the state. The legislature allocated some money in 2009 and 2011 to build out the towers to have mobile coverage statewide for state radio. We contract with DOT to do those. They have about four left to do that are not complete. The Next Generation 911 initiative is a consortium. We purchased the product with a group of PSAP's; so we're combining services. The state base line map, which is the addressing for the entire state of North Dakota, needs to be complete before we go live on it. We're hoping the base line map will be done in June.

Chairman Brandenburg: There's about four towers that are left to be put in?

Mike Lynk: Yes.

Representative Kempenich: I think we've talked with DOT about helping with the telecommunications. Has that gone anywhere?

Mike Lynk: We have done analysis, DOT has done some analysis; and you have to look at the long term cost. When you look at long term cost based rent or owning, sometimes it is cheaper to own your infrastructure if you can get the land lease.

Representative Kempenich: So it's case by case.

Mike Lynk: It's case by case.

Holly Gaugler: See testimony attachments A and B.

Vice Chairman Boehning: These numbers are all based off these two bills that we have and not off the governor's new executive recommendations, correct?

Holly Gaugler: That's correct.

Holly Gaugler continued with her testimony.

Representative Brabandt: The vacant HR technician. How many human resource people are there?

Holly Gaugler: Currently we have an HR director, HR technician and two other positions that do lower level HR duties.

Representative Brabandt: That covers the National Guard and the emergency services?

Holly Gaugler: The entire agency.

Holly Gaugler continued with her testimony.

Chairman Brandenburg: The army guard contract, dealing with reintegration. You took $120,000.00 off of that?

Holly Gaugler: If you look at the first five lines, that was part of the agency's 10% budget reduction. The two lines below it, that was the executive budget reductions.

Chairman Brandenburg: On top of the original 10%.

Holly Gaugler: Yes.

Chairman Brandenburg: Do you have anything left in those programs?

Holly Gaugler: Yes, the reintegration line with those adjustments is currently at $1,579,000.00.

Representative Vigesaa: I see in Governor Burgum's recommendation, he's taking another $227,000.00 out of that line. Is that something that he did, or was that upon recommendation from your department. That it was someplace that reductions could be taken.

Holly Gaugler: In meeting Governor Burgum's reduction, this was our recommendation. There are some reasons for it. We're finding efficiencies in that program. We have currently closed our Bismarck location or moved it to the Raymond J Bowen Armory. This has created huge efficiencies and saved us a tremendous amount of money.

Chairman Brandenburg: In the operating expenses, Governor Burgum has $268,000.00 coming out of there.

Holly Gaugler: I was going to get to that after the green sheet.

Holly Gaugler continued with her testimony.

Chairman Brandenburg: So it should have been in the adjutant general's and it was in EMS.

Holly Gaugler: That's correct.

Representative Brabandt: How many lines do you have in operating expenses?

Holly Gaugler: I would guess that there are at least 20; I would guess probably more like 35 or 40.

Representative Brabandt: What are the two biggest ones?

Holly Gaugler: I can speak to the National Guard, just because I've been with the National Guard for so long, we maintain over 280 buildings in this state. In light of that, it's our maintenance repair to those buildings and also the utilities. Those are probably the largest part of our operating cost.

Holly Gaugler continued with her testimony.

Representative Brabandt: National Guard tuition and recruiting line. What does tuition mean?

Holly Gaugler: Right now it provides 100% tuition reimbursement for our National Guard soldiers that chose to attend higher education schools within our state. We also provide incentives for re-enlistments and hard to fill positions.

Vice Chairman Boehning: On the tuition, is that all state dollars or are there federal dollars also coming in? Is it a combination?

Holly Gaugler: What is provided through the state is 100% state funding; but, our Army National Guard soldiers also participate in the federal tuition program. Whatever we appropriate in this line, it is to ensure what the federal government doesn't pay, the state will make it up to ensure they receive 100% reimbursement.

Vice Chairman Boehning: Is that just for the tuition or is there some money in there available for housing as well?

Holly Gaugler: This is all tuition.

Representative Kempenich: Do you have to graduate to get the tuition reimbursement or is it a year to year type thing?

Holly Gaugler: It is semester to semester; and they have to have a "C" average in order to get the reimbursement. It is after the fact, so we're not paying and having to recoup in case they have a bad semester.

Representative Brabandt: This is tuition, is this for in-state institutions?

Holly Gaugler: That's correct.

Representative Brabandt: Do they have to be physically on campus?

Holly Gaugler: Yes.

Chairman Brandenburg: They did some online also.

Holly Gaugler: I believe there is some online options available also.

Representative Kempenich: I'm guessing that the colleges are setting up what they're majoring in and what their course selection is and how their credit hours are working. Is that just 2 years or 4 years? How do you work that?

Holly Gaugler: They are allowed a bachelor's degree up to 144 hours. If they come to the Guard with that bachelor's degree, I don't believe that they would be eligible for tuition reimbursement.

Holly Gaugler continued with her testimony.

Representative Kempenich: Did we get a list of those in our overview?

Holly Gaugler: I have another list with me.

Representative Vigesaa: With the city owned armories, we didn't have any maintenance or shared expenses with the city on those? It was just rent that was the expense?

Holly Gaugler: We paid an annual rental fee; but we also had some money reserved in that line what we call our 50/50 projects. If the city would participate 50%; then we had a maximum of $20,000.00. Currently with this upcoming budget, there would be $40,000.00 reserved to do those 50/50 projects. Not all cities participated, but I think we surveyed them to see what they would have; so they were all made aware of the funding.

Representative Vigesaa: Is part of this reduction some of that money as well? Is that just going to stay in your budget for other possible projects in other armories?

Holly Gaugler: With this reduction, we left $40,000.00 in our upcoming budget to participate; we were at $75,000.00 for the 50/50 projects. Due to the reduction of the armories, we felt $40,000.00 was a more realistic number.

Representative Kempenich: Did the cities take them over? How are you handling that?

Holly Gaugler: As far as I know the cities are just taking over that space.

Representative Kempenich: You're keeping $40,000.00 for finishing out this biennium?

Holly Gaugler: The $40,000.00 is programmed for the upcoming biennium. This biennium we have approximately $75,000.00 that we're going to be using for the 50/50 projects.

Representative Kempenich: There's $362,000.00 of general funds proposed for the next biennium.

Holly Gaugler: Correct.

Representative Kempenich: What are you going to be doing with the other $322,000.00?

Holly Gaugler: There was a total of $509,000.00 in this budget line.

Representative Kempenich: You're going to increase the rent a little bit on those then?

Holly Gaugler: The reason that your numbers look like we have a lot left in reserve is because those six are programmed to close in August or September of 2017. With that, we have agreed to provide another year of rent to ease the transition.

Chairman Brandenburg: So the first year you're going to have that extra rental payment and the second year you won't.

Holly Gaugler: That's correct.

Chairman Brandenburg: So the reason of the reduction of $146,000.00 is for that second year payment to those armories that closing.

Holly Gaugler: That's correct.

Holly Gaugler continued with her testimony.

Chairman Brandenburg: The $25,000.00 for the grounds equipment. Would there be a match somewhere? Is this just regular dollars for some project?

Holly Gaugler: Since I've been doing the National Guard's budget, we had approximately $25,000.00 in the National Guard's capital asset line to buy, as we rotate out, the grounds

equipment. We purchase equipment every two years to ensure that we adequate grounds equipment.

Chairman Brandenburg: So you're removing this.

Holly Gaugler: We are; it was part of balancing the budget.

Chairman Brandenburg: The $2.3 million is federal funding; but is that authority? Is it actually dollars? I see $105,000.00 in equipment and $2.1 million.

Holly Gaugler: That one is also anticipating the reduction of state matching funds. It would be over inflating our federal authority to keep these items.

Representative Nathe: Under operations, the cemetery; under special funds there's $1 million for National Guard Military Grounds Fund. Is that for the new cemetery?

Holly Gaugler: Are you sure that isn't for the military grounds fund?

Representative Nathe: Yes, that's what that is for.

Holly Gaugler: That's a separate fund. That has nothing to do with the cemetery.

Representative Nathe: What does that do?

Holly Gaugler: It is a fund that we deposit rental income. We have grazing lands at Camp Grafton. We deposit the revenue from there. Typically, what that fund has been used for is to expand our training lands. We've purchased land in Fargo, Camp Grafton and this $1 million use of that fund is going to do the ground preparation for the new Fargo Readiness Center.

Representative Nathe: In the previous biennium 2013-2015 it wasn't there. So you're just pulling it out from one fund and not putting it on the expenditure line?

Holly Gaugler: That's correct.

Holly Gaugler continued with her testimony.

Chairman Brandenburg: So what you're doing is just making a correction by taking it out of the EMS budget and putting it back in the adjutant general's budget. These two numbers reflect each other.

Holly Gaugler: That's correct.

Chairman Brandenburg: Recessed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
1/24/2017
Recording Job# 27276

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes:

Chairman Brandenburg: Re-opened the hearing on HB1016 and HB 1076.

Chairman Brandenburg: Looking at HB1076; that's at $177 million. Looking at HB1016; that's at $204 million. Looking at Governor Burgum's recommendation, that's $203 million. Where is the change? The governor's was less than the appropriation. What are we missing in HB1016 that we're at $204 million?

Holly Gaugler, Finance Officer, Office of the Adjutant General: I have not done a comparison to HB1016. We've been working off of HB1076.

Chairman Brandenburg: If you stayed with HB1076, I'm sure there's something you have taken off.

Alex Cronquist, Fiscal Analyst, ND Legislative Council: As far as comparing HB1016 and HB1076, the final numbers in HB1016 should match up with that first column in HB1076; they're both base budget. All the adjustments made in HB1076 would be adjustments made to HB1016.

Chairman Brandenburg: Why does HB1016 have about $30 million more than HB1076? We have $204 million in HB1076 and we have $233 million in HB1016. There's a change with the $56 million.

Holly Gaugler: I'll go back and do that comparison this afternoon.

Chairman Brandenburg: I think we should have some discussion preparing these bills.

Representative Kempenich: The biggest change is the revenue part of it.

Becky Deichert, Fiscal Analyst, Office of Management and Budget: I think the main difference in the total funding source is that they decreased their authority $57 million. We added in $33 million for the readiness center; it's just an offset. The $204 million and $233 million you're looking at is all fund source.

Chairman Brandenburg: So if we take the authority of the $57 million out and then the new building would bring $33 million back, that makes the bulk of it. That's what we have to figure out.

Chairman Brandenburg: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
1/24/2017
Recording Job# 27318

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Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachments A through C

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Holly Gaugler, Finance Officer, Office of Adjutant General: See attachments A through C.

Chairman Brandenburg: Your base budget for 2017-2019 was $29 million for both HB1016 and HB1076.

Holly Gaugler: We did go over all of these this morning. To me this is just a continuation of general funds to include Governor Burgum's recommendation.

Chairman Brandenburg: If you take the 2% of Governor Burgum's budget, we're looking at taking another 3% out; that's where we're at. So that would be an additional $800,000.00.

Holly Gaugler: To make sure I understand correctly.

Chairman Brandenburg: If you take the $27,256,000.00 and subtract 5% you would get $25,700,000.00.

Holly Gaugler: When Governor Burgum's revised executive recommendation came out, it removed the 1% compensation and 5% health insurance contribution. Can that be part of that?

Chairman Brandenburg: We will consider that.

Holly Gaugler: When I add up the general funds associated with removing the compensation, the 5% health, I came up with $195,303.00.

Chairman Brandenburg: Where did you get this from?

Holly Gaugler: I was looking at the general fund, at the bottom, by funding source.

Greg Wills, Director, Homeland Security: If that number is in addition to what is there with Burgum cuts and it's between $800,000.00 and $1 million; we will have to start eliminating programs. You will need to be aware of which ones we eliminate.

Chairman Brandenburg: What are you looking at or ready to say?

Greg Wills: I can give you an example. Four sessions ago we had a one-time appropriation through DES. It used to be sponsored by the Mental Health Association of North Dakota, it was taken over by First Link in Fargo. Last session that was moved into our base budget as an ongoing expense to support 211. That's a program that will probably have to be eliminated; at least the funding piece that comes out of our agency.

Vice Chairman Boehning: Could you put together a list of your programs, dollar amounts, people, performance; and list them in a priority list.

Greg Wills: Yes.

Representative Nathe: I like the idea of the program list. It's going to look ugly now; we have to cut programs. When the revised revenue forecast comes in March, it may change things.

Vice Chairman Boehning: We may not have to eliminate the program; we may just not fund the program for two years. We may find out in two years that there's another solution. Sometimes programs go away and you don't miss them.

Representative Brabandt: The three entities here; at Minot Air Force Base they have essential personnel and non-essential personnel. Do you have such divisions in your three areas?

Greg Wills: Yes, we do. However, all of Mike's people are essential personnel. They run a 911 center that answers calls that save lives. In the homeland security division, we basically two divisions; we have emergency response, these are the people that run your EOC. The homeland security grants and training piece is largely federally funded; it's 98% federally funded. I can't cut there because I can't cut federal funds. There are very limited general fund dollars in that division. Everyone else is non-essential.

Chairman Brandenburg: With what's happening at the protest and looking at grants, is there any way that we can tag any federal grants because of this unusual occurrence? Are there any funds available for something like that?

Greg Wills: We're really monitoring it and have concurred that the emergency commission should not fund, through general funds, the payment of the bank notes. We have been working with our congressional delegation to put as much pressure on as possible to start looking for a federal source of funds to pay. We have worked through the Bureau of Justice

and tried to get grants there; because there are two programs that provide money to the states, we were told no.

Chairman Brandenburg: You're frustrated, so are we.

Greg Wills: We understand the position you are in.

Representative Brabandt: What has been the reaction from your people regarding the 5% on the insurance? What kind of feedback have you gotten?

Greg Wills: I have mixed emotions in the employee pool at the agency. Some understand the position that we're in and everyone has to do their fair share. The people that are out of market look at this as just another way of going backwards.

Mike Lynk, Director, ND State Radio: I have had this conversation with my employees. It works out for a family plan about $700.00 per year. There are some that say that's still pretty good for a family plan and there are others that say that their salaries are not competitive with the open market. Those people look at it as another pay cut.

Chairman Brandenburg: Is it people with families and they see the benefit of having this insurance?

Mike Lynk: The ones that understand are the ones with a two family work income.

Chairman Brandenburg: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
2/1/2017
Recording Job# 27700

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachment A

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Brigadier General Bob Beckland, Deputy Adjutant General, Office of Adjutant General: See testimony attachment A.

Representative Brabandt: The repairs, army and air guard contracts delayed maintenance. Is it 50/50 with the federal government?

Bob Beckland: It's not 50/50. I think they're 25/75.

Representative Brabandt: Is it 25% for the federal?

Bob Beckland: No, it's 75% federal. There's $45,000.00 of total repairs. If we don't spend those monies, we're walking away from 75% cost share on the federal government.

Greg Wills, Director, Department of Emergency Services: See testimony attachment A.

Vice Chairman Boehning: In the software upgrades, if you don't do the upgrade, do you have support that supports the older version?

Greg Wills: We're fortunate now that all of the versions of computer programs that we're operating under are continuing to be supported by the various vendors.

Representative Nathe: How were you able to do that?

Greg Wills: Emergency services doesn't do 100% of IT through ITD. In some cases, federal law doesn't allow us to host some of the stuff at ITD; it has to be hosted by us as a law

enforcement partner entity. A lot of the stuff we buy, we deal directly with the vendor; we're not using ITD. ITD is our number one vendor of services for the department.

Representative Nathe: When you deal with these private IT companies, are finding them to be more than flexible with you helping pull back a little bit if you have to?

Greg Wills: I have one more call to make to make sure that we can make some cuts. When we call them, we have a contract with them. I'm saying the bottom line is we need to make some cuts; I have an out on the contract that if the funding isn't there, we can break it. So I'm asking these companies to renegotiate the cost fees for the services.

Representative Nathe: The fact that you're trying to renegotiate, a private IT company would be more than willing to keep the state on as a client.

Greg Wills: That's our approach, I think that we'll be successful.

Representative Brandenburg: As we look to the future, that's good because it's always changing.

Greg Wills continued with his testimony.

Representative Kempenich: You can move around stuff around between your lines in the DES?

Greg Wills: That's correct. In our operating lines we can move around the funding. That has allowed us a certain level of flexibility.

Representative Kempenich: The core function of DES is has to be the priority. You may have to asses if things are necessary.

Greg Wills: Those are the kinds of things we do.

Representative Delmore: Will the 2-1-1 be able to survive without the $80,000.00? Who else contributes to their continuance?

Greg Wills: I don't know. They are funded through multiple entities. They do everything from pancake breakfasts and bake sales to working with corporate human service departments. We monitor how many calls they get on a quarterly basis.

Representative Delmore: There are no additional FTE's cut out of your portion? The only FTE's cut out of the other part are temporary ones that are custodians?

Greg Wills: That's correct. Those are the only FTE cuts that we will take.

Vice Chairman Boehning: What is the budget of 2-1-1 and why are we not doing with same with 2-1-1 as we do with 9-1-1?

Greg Wills: That would be a funding model. It's not our program, we just access that program and secure services from it. I don't know that there's support to add another tax for another program on a cell bill.

Vice Chairman Boehning: What are the number of calls that we're dealing with?

Greg Wills: Between 40,000 and 50,000 over a quarter.

Representative Nathe: Out of the six, if you have your choice to bring one back. Would 2-1-1 be your choice?

Greg Wills: I think it would be in the top two.

Representative Nathe: What would be the top one?

Greg Wills: It comes down to base map maintenance and 2-1-1. The base map drives our ability to dispatch to the right addresses. If we take huge additional cuts there for any reason, we're going to go back 10 or 15 years to where our mapping was way behind. So if I had to give you one, we'd put 2-1-1 back in play.

Representative Kempenich: The disaster emergency coordinator position; did you cut that out?

Greg Wills: Those positions are still full; they're in our salary line. You did fund it temporarily under one-time funding. They were largely funded with grant money eight years ago; we've slowly transitioned that over and made them FTE's a number of years ago. These are the four people that work for DES that are field troops.

Representative Brabandt: Do you have any human resource people out of your staff?

Greg Wills: We do. They are a very small number of people of about five. They service both the DES and Office of the Adjutant General.

Representative Brabandt: So you feel you need five in human resources?

Greg Wills: Yes, they are swamped all the time. In addition to human resources they are the ones who provide the support to all of the National Guard we bring in under state active duty.

Representative Nathe: Out of your cuts, which one would you like to see restored?

Bob Beckland: The delayed maintenance lines. We've already with our previous cuts; we're hurting pretty bad there. Deferred maintenance on buildings gets worse as time goes on. The deferred maintenance; all three of those line would be our preference to keep.

Representative Brabandt: You were asked to make $800,000.00 in cuts and that's what you have done.

Bob Beckland: Correct.

Vice Chairman Boehning: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
2/6/2017
Recording Job# 27911

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachment A

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Chairman Brandenburg: Explained attachment A.

Representative Nathe: That's money for a joint training with the federal government and what they do is if there's a plane crash or national emergency with mass fatalities, we go out to the site and have a recovery process to identify remains. It's a one-time expense and the training has been scheduled for the first week in May.

Chairman Brandenburg: You have the money for one training but you don't need it in the future?

Representative Nathe: That's right. It hasn't been used for this current biennium.

Chairman Brandenburg: So you won't need it for the second?

Representative Nathe: No.

Chairman Brandenburg continued with his explanation.

Chairman Brandenburg: That's the program where they do the 50/50 match?

Alex Cronquist, Fiscal Analyst, Office of Adjutant General: That's correct.

Chairman Brandenburg continued with his explanation.

Alex Cronquist: That was a change that agency had requested; WEB EOC would be the way to reference it.

Chairman Brandenburg continued with his explanation.

Vice Chairman Boehning: Then we're going to be doing that readiness center project?

Chairman Brandenburg: There moving from the building into the armory.

Vice Chairman Boehning: I was talking about the $33 million.

Chairman Brandenburg: That $33 million is special funds.

Alex Cronquist: There's $32 million in federal funds and $1 million is from a National Guard land fund.

Chairman Brandenburg: That building is in Fargo or Valley City?

Alex Cronquist: It's in Fargo at Hector Field.

Chairman Brandenburg: Is that with the air guard or national guard? What exactly is that building for?

Alex Cronquist: I'm not sure.

Chairman Brandenburg continued with his explanation.

Representative Delmore: I see it needs to be reported but he can take that out as he wishes for the veteran's cemetary?

Chairman Brandenburg: That's what I'm checking on.

Representative Delmore: There's expenses and maintenance of the armories. We're already closing how many armories?

Chairman Brandenburg: There's four armories being closed.

Alex Cronquist: For section 4, any of the line items in their 2017-2019 they could transfer up to $500,000.00 into the operating and capital assets line item for the maintenance and repair of those data owned armories.

Chairman Brandenburg: Do you know how much they have in there now?

Alex Cronquist: It's not a fund, these are just the line items in their bill.

Chairman Brandenburg: Did they transfer any from this biennium?

Alex Cronquist: In the 2015-2017 biennium I have not heard that they transferred anything.

Representative Kempenich: Usually they can't transfer salary and operating back and forth; but within the salary line item they can move money around or within the operating they can move money around.

Alex Cronquist: If they have it designated for travel in their budget, they could move it for training. That's something they can always do; typically, they're restricted between the line items. This would allow them to transfer things into operating and capital assets up to $500,000.00.

Representative Kempenich: Whatever they have in operating they move around to cover other costs.

Alex Cronquist: The $32 million federal and $1 million special funding is for the construction of a new Fargo Readiness Center and unheated vehicle storage building. The facility is going to be about 98,000 sq. ft. and construction will begin in 2019 with completion slated for March 2021. The completed facility will require three FTE's, utilities and maintenance and will be funding 50% state general funds and 50% federal funds. The full biennium costs are estimated to be $280,000.00 general fund and $280,000.00 federal funds.

Vice Chairman Boehning: Where's that $224,000.00 for special assessments payment in lieu of taxes?

Alex Cronquist: In their base budget, we aren't making any changes for that. It would be included in their capital assets line item.

Representative Kempenich: Made a motion to cut $400,000.00 out of community disaster coordinators.

Chairman Brandenburg: Do you know how much is in that fund?

Becky Deichert, Fiscal Analyst, Office of Management and Budget: I believe that money was one-time funding. It was $400,000.00 and then it was cut to $200,000.00.

Chairman Brandenburg: So you want to pull those four FTE's out?

Representative Kempenich: I think we should talk about it. It's like we're running a continuous disaster in this state.

Representative Nathe: Seconded the motion.

Representative Nathe: It says $200,000.00 which is in the base budget. Is that the number we're dealing with?

Alex Cronquist: On page 3 there's $200,000.00 of one-time funding from the state disaster relief fund; that was for disaster volunteer coordination contract. Back in the 2011 session, four regional emergency management coordinator positions were added.

Representative Nathe: These nine one-time appropriations, they were in the base budget. Correct?

Alex Cronquist: If they're one-time they are not in the base budget; they would have been taken out.

Representative Nathe: So this $200,000.00 would not be in the base budget?

Alex Cronquist: Correct. It's already out.

Representative Nathe: I don't think it's a bad idea because we did hear that they are winding down all these disasters.

Representative Brabandt: Would $200,000.00 represent just two people?

Representative Kempenich: Take two FTE's and $200,000.00 out.

Voice vote made.

Motion Carried.

Alex Cronquist: Is the intent that $200,000.00 is salaries or should I consult with the agency? I'm not sure what line item these positions are under.

Representative Brabandt: This $200,000.00 represents one or two FTE's?

Chairman Brandenburg: It probably represents two of them.

Alex Cronquist: The $200,000.00 is going to be general fund reduction. At this point, we won't adjust their special funds. Those regional emergency management coordinators do receive a percentage of their salary from either special or federal funds as well.

Chairman Brandenburg continued with his explanation.

Alex Cronquist: I do have an estimate from Holly Gaugler on that line. For section seven, it would be between zero and $10,000.00.

Chairman Brandenburg continued with his explanation.

Chairman Brandenburg: What's the difference between this one and the other one? The Grand Forks Air Base is added in here?

Alex Cronquist: Correct. Back in the 2013 session there was contingent funding of $375,000.00 from the general fund for tuition recruiting and retention. They could only it if the national guard received a new assignment in association with the Grand Forks Air Force Base. That new assignment didn't come to fruition, so they've been carrying it over in hopes of eventually the Grand Forks Air Force Base will get a new assignment; then they'll meet that contingency and be able to use that fund.

Representative Delmore: Is that another $75,000.00 that is not needed and could be taken out?

Chairman Brandenburg: No. The recruiting and retention is used the programs they have for education. It's just getting carried over from last biennium?

Alex Cronquist: Section 7 is just carrying over funding for any tuition repayment. Section 8 is a specific contingent appropriation where they only get it if the Grand Forks Air Force Base gets that new assignment.

Chairman Brandenburg continued with his explanation.

Alex Cronquist: That's correct. Back in the 2005 session there was $5 million of one-time funding and they've been carrying it over and spending it as necessary since then. In the 2015 session they got another $500,000.00 of one-time funding. There is still $100,000.00 to $120,000.00 left in the $5 million. Section 10 is the $500,000.00 that they're requesting to carry over. So the total carry over is about $600,000.00 to $620,000.00.

Chairman Brandenburg: That's about $100.00 per month.

Chairman Brandenburg continued with his explanation.

Alex Cronquist: That funding has not been removed. In sections 6 and 11 they expect to be about $800,000.00. The reason that there's two separate sections is the funding was appropriated in two separate bienniums; there's separate projects associated with the separate bienniums.

Representative Delmore: That $800,000.00 can be carried over? If they don't use it, it doesn't go somewhere else. Correct?

Alex Cronquist: As long as this section is included in the bill they can carry it over. They can't put over into their salaries; it has to be used for these radio communication projects.

Chairman Brandenburg: What they use the money for is put up these towers up where we have dead spots in the state. It takes about $250,000.00 to $300,000.00 to set up a tower. So that's about three towers.

Representative Kempenich: I thought they had only about $200,000.00 or $250,000.00 in there.

Alex Cronquist: The funding is all obligated for these projects that they're planning to work on.

Representative Kempenich: It keeps getting drug out and gets confusing. It was needed at the time; but is it needed today.

Chairman Brandenburg: Some of this communication system is outdated and we really need to move on that to newer systems.

Representative Kempenich: You have to realize there's money in the counties also.

Chairman Brandenburg continued with his explanation.

Chairman Brandenburg: How much is in the disaster fund?

Alex Cronquist: There was $4.5 million; they're removing $4.4 million and only carrying over $75,000.00 to $100,000.00 for the remaining projects.

Representative Nathe: They're going to use the $4.4 million and have $100,000.00 left?

Alex Cronquist: They don't expect to use $4.4 million; it will just remain in the disaster relief fund.

Chairman Brandenburg: There's only going to use $75,000.00 to $100,000.00?

Representative Kempenich: Is there a limit of what DES can borrow? They have borrowing authority also on all these disasters.

Alex Cronquist: Typically in order to borrow, they would have to get authority from the emergency commission or the legislature. I don't think there's a limit on what the emergency commission can allow.

Representative Delmore: In those cases are they depleting the carry over before they ask for that additional money?

Chairman Brandenburg: I would say so because they ask those questions also. There's a process and we just have to make sure we leave enough money for these disasters.

Chairman Brandenburg continued with his explanation.

Alex Cronquist: In the 2015 session, there was one-time funding added of $386,000.00 from the general fund for Next Generation 911 and $80,000.00 from the general fund for radio tower redundancy. The agency estimates that the carry over for those two combined will be about $80,000.00.

Chairman Brandenburg: Would sections 6 and 13 be the same money?

Alex Cronquist: Section 6 would be the radio tower projects. This is radio tower redundancy; where they're adding in backup systems. The Next Generation 911 is equipment and software to make the 911 system work better with cell phones and texting.

Representative Kempenich: I'm wondering if those mobile towers are part of this money that they spent.

Chairman Brandenburg: I asked that question and I think they have some mobile towers.

Chairman Brandenburg discussed health insurance for agencies.

Representative Kempenich: What is the cost to continue this biennium?

Alex Cronquist: That's something we can get for you.

Representative Vigesaa: I think at the end of the day, we're going to have employees start to pay for part of their health insurance. With the costs continuing to go up as they are, I think we're going to see it at some point. I think if we mention it on the floor in these budgets, we'll get it into people's minds that it's coming.

Representative Delmore: Are they doing the same thing with the health care in the Senate in their budgets as well?

Alex Cronquist: They are. They're adding in the health insurance increase for each employee. They're not implementing Governor Burgum's recommendation of the employees paying 5%.

Representative Nathe: When we get on the floor, we can show what we cut; but back out the health insurance costs and that shows the true cut of what we did.

Chairman Brandenburg: Right.

Alex Cronquist: What the plan is that we're going to have another section added into the bill for all House appropriation bills where it states the amount included for health insurance premium increase.

Chairman Brandenburg: So there's going to be a footnote on there somewhere.

Alex Cronquist: There will be another section.

Representative Brabandt: You say 10% of the state's budget is insurance premiums?

Representative Kempenich: What I said historically, the cost to continue has been about 10% of the general fund.

Representative Brabandt: We're pulling out just $200,000.00?

Chairman Brandenburg: We're pulling out two FTE's and $200,000.00 because the money goes with it.

Chairman Brandenburg: Closed the meeting.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
2/6/2017
Recording Job# 27940

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes:

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076.

Representative Kempenich: I would like to amend the motion I made this morning. We're going to have to reinstate the two FTE's; because the adjutant general didn't want us to name the FTE's.

Representative Kempenich: Made a motion to restore the two FTE's and take out $200,000.00.

Vice Chairman Boehning: Made a motion to reconsider their motion to remove two FTE's and take out $200,000.00.

Representative Kempenich: Seconded the motion.

Representative Kempenich: Made a motion to reinstate the two FTE's and remove $200,000.00.

Representative Nathe: Seconded the motion.

Representative Kempenich: It's a net of $120,000.00 because we restored the $80,000.00 back.

Voice Vote Made.

Motion Carried.

Chairman Brandenberg: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1016
2/7/2017
Recording Job# 27976

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachments A and B

Chairman Brandenburg: Opened the hearing on HB1016 and HB1076

Alex Cronquist, Fiscal Analyst, ND Legislative Council: Explained attachment A.

Chairman Brandenburg: Explained amendment 17.0501.01002. See attachment B.

Representative Delmore: Is the $200,000.00 reduce funding for the department of emergency services salaries and wages on the second page?

Chairman Brandenburg: It's on the second page.

Representative Delmore: We're not taking additional FTE's? We're just taking the $200,000.00.

Chairman Brandenburg: We'll let the adjutant general pick the FTE's.

Chairman Brandenburg continued with his explanation.

Vice Chairman Boehning: Made a motion to move amendment 17.0501.01002.

Representative Vigesaa: Seconded the motion.

Voice Vote made.

Motion Carried.

Vice Chairman Boehning: Made a motion for a "Do Pass as Amended".

Representative Brabandt: Seconded the motion.

Roll Call Vote: 7 Yeas 0 Nays 0 Absent

Motion Carried.

Chairman Brandenburg: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB1016
2/15/2017
Recording Job# 28404

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide a transfer.

Minutes:

Chairman Delzer: Called the committee to order.

Representative Brandenburg: Explained HB1016.

Chairman Delzer: What is the readiness center?

Representative Brandenburg: The readiness center is going to be set up in Fargo. It's a new armory and new facility. It's not built at this point.

Chairman Delzer: Is it going to be built in the next two years?

Representative Brandenburg: Things have to come together.

Chairman Delzer: Why are we putting it in here?

Representative Brandenburg: They have the money from the federal funds to do it. The $1 million is the state match.

Chairman Delzer: That's coming out of the National Guard Grounds Fund? What is that?

Representative Brandenburg: I believe it's coming off a rental from land that the national guard has.

Chairman Delzer: How big is that fund?

Alex Cronquist, Fiscal Analyst, ND Legislative Council: I'm not sure what the balance is in that fund right now. The revenue from that fund comes from rent from Camp Grafton.

Chairman Delzer: I'd like to see what the level of that fund is and what they normally use it for.

Representative Brandenburg: I believe there's about 5,000 acres down there that they have for training; but they rent out the grassland for pasture.

Chairman Delzer: What's the hold up? Do they have to get the land? What are they going to be doing with the existing facility in Fargo?

Representative Brandenburg: They have to do some road upgrading for flooding. They are starting to do some work on it for upgrading the landscape.

Chairman Delzer: Are they still running the reintegration both in Bismarck and Fargo?

Representative Brandenburg: It's about $1.9 million and they took about $600,000.00 out because they moved the reintegration program from the center to the armory in Bismarck.

Chairman Delzer: That was up for sale, was that our business or someone else's facility and we were just renting it?

Alex Cronquist, Fiscal Analyst, ND Legislative Council: That building in south Bismarck was a rented building.

Representative Brandenburg continued with his explanation.

Chairman Delzer: Did you get any kind of numbers of what we're receiving? Do you have any kind of cost benefit analysis on that?

Representative Brandenburg: There's quite a few deployments not only out of country but in country.

Chairman Delzer: Do we have the tuition covered? How much do we have set aside for overseas deployment?

Representative Brandenburg: For tuition, recruiting and retention there's $2.5 million and we added $100,000.00 to it for a total of $2.6 million.

Chairman Delzer: They've been using some funds to cover overseas deployment.

Representative Brandenburg: There's about $600,000.00 to $620,000.00 in that.

Chairman Delzer: That's what's in there or that's what's left in the fund?

Alex Cronquist: In 2005 $5 million had been appropriated, they've been spending down from that $5 million; they estimate to have about $100,000.00 to $120,000.00 left from that original $5 million.

Chairman Delzer: At the end of the upcoming biennium?

Alex Cronquist: At the end of this current biennium they'll have $100,000.00 in carryover. In 2015 they received another $500,000.00 one-time appropriation.

Chairman Delzer: So that's the carry over?

Alex Cronquist: Yes. Total carryover for that adjusted compensation is about $600,000.00 to $620,000.00.

Chairman Delzer: What do they estimate to use out of that $600,000.00?

Representative Brandenburg: I think they'll use quite a bit of it because there's still quite a bit of activation. When they're in country they get a $50.00 stipend per month; and when they're out of country it's $100.00 per month.

Chairman Delzer: That would all be paid by DES. I don't think that would be paid by this; I think it would be part of the cost.

Representative Brandenburg: I'm not sure.

Representative Brandenburg continued with his explanation.

Chairman Delzer: How long is that supposed to fund the mobile tower?

Representative Brandenburg: I think it paid for the whole thing?

Chairman Delzer: So after DAPL is done, they'll just have that sitting somewhere?

Representative Brandenburg: I think they have some other ones also.

Representative Boehning: They have two down there now that are working with law enforcement. This third one is for ambulance services.

Representative Brandenburg continued with his explanation.

Alex Cronquist: I don't have any more information than they expect to carry over $800,000.00.

Representative Brandenburg continued with his explanation.

Chairman Delzer: You're zeroing out all of the one-time funding? You do have $33 million in for one-time funding.

Alex Cronquist: There $569,000.00 from federal funds for the emergency response equipment; that's one-time. The $32 million from federal funds and $1 million that land fund is one-time. Also $300,000.00 from SIIF for the mobile tower; that's one-time.

Chairman Delzer: You kept section 4 of the bill as it was introduced?

Representative Brandenburg continued with his explanation.

Representative J. Nelson: You said your explanation with the FTE count is why we didn't reduce any of the FTE's in the adjutant general's budget of DES was because of the DAPL situation; that's in the current biennium. Is the expectation that in the biennium that we're going to need that type of response?

Representative Brandenburg: You'll see in the 2013-2015 budget in the green sheet they have 246 and in the 2015-2017 biennium they went down 12 FTE's. They made a lot of reductions in FTE's. A lot of the FTE's are federally funded positions.

Representative J. Nelson: There is general funds in this one.

Vice Chairman Kempenich: There are 13 open positions right now. The open positions are communications with 9-1-1; and we weren't going to cut those. We were talking about coordinators and the general asked us not to name them.

Chairman Delzer: If you're not funding them, in essence you are saying they should not have that many on at any particular time. They could hire those people as temporaries if they could fund them.

Representative J. Nelson: How long have they been vacant?

Vice Chairman Kempenich: The communication specialists have been vacant; the oldest one has been 10 months. The rest of them have been open for three months. What we did target are some of the positions that started back in 2011.

Chairman Delzer: If you were to take two FTE's, you wouldn't target any one of them.

Vice Chairman Kempenich: You could say two FTE's and not name them.

Representative Brandenburg: We had this discussion about cutting the FTE's and taking out a couple. They have a shift fund for the way they pay them; they deal with a different pay type when they don't have enough people in the 9-1-1 center. It costs more money with them putting in more hours than having more people to fill those shifts.

Representative J. Nelson: This isn't the only department that has shift issues.

Representative Brandenburg: Made a motion to move amendment 17.0501.01002.

Representative Boehning: Seconded the motion.

Voice vote made.

Motion Carried.

Representative Brandenburg: Made a motion for a "Do Pass as Amended".

Representative Boehning: Seconded the motion.

Chairman Delzer: There used $400,000.00 for Lutheran Social Services. Is that out?

Representative Brandenburg: Yes.

Roll Call Vote: 16 Yeas 0 Nays 5 Absent

Motion Carried.

Representative Brandenburg carried the bill.

Chairman Delzer: Closed the discussion.

17.0501.01002
Title.02000

Fiscal No. 1

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations Division Committee
February 6, 2017

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1016

Page 1, line 2, remove "and"

Page 1, line 2, after "transfer" insert "; and to provide exemptions"

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$33,075	$6,673,161
Operating expenses	3,685,547	(192,613)	3,492,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(11,986)	299,787
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	35,249	8,089,803
Army guard contract	59,870,605	(2,167,524)	57,703,081
Veterans' cemetery	811,486	70,835	882,321
Reintegration program	1,903,743	(641,115)	1,262,628
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
Total general fund	$17,689,002	($1,320,635)	$16,368,367"

Page 2, replace lines 7 through 14 with:

"Salaries and wages	$12,441,232	$24,695	$12,465,927
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,718,692)	51,446,792
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
Total general fund	$11,407,098	($2,048,498)	$9,358,602"

Page 2, replace lines 19 through 22 with:

"Grand total general fund	$29,096,100	($3,369,131)	$25,726,969
Grand total special funds	204,383,027	(26,886,853)	177,496,174
Grand total all funds	$233,479,127	($30,255,984)	$203,223,143
Full-time equivalent positions	234.00	(0.00)	234.00

SECTION 2. HEALTH INSURANCE INCREASE. The appropriation in section 1 of this Act includes the sum of $638,219, of which $253,000 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,249 per month."

Page 3, replace lines 6 through 9 with:

"Flood mitigation	2,000,000	0
National guard readiness center	0	33,000,000

Emergency response equipment	0	569,000
Mobile repeaters and programming radios	0	300,000
Total all funds	$5,614,172	$33,869,000
Total other funds	3,769,500	33,869,000
Total general fund	$1,844,672	$0"

Page 3, after line 22, insert:

"**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes $300,000 of one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios.

SECTION 7. EXEMPTION. Any amounts carried over in the radio communications line item for the state radio tower package, in section 11 of chapter 50 of the 2015 Session Laws are not subject to section 54-44.1-11 and any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 8. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting, and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 9. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in section 15 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance to eligible members of the North Dakota national guard, during the biennium beginning July 1, 2017, and ending June 30, 2019, contingent upon the adjutant general certifying to the office of management and budget that the national guard has received a new assignment in association with the Grand Forks air force base.

SECTION 10. EXEMPTION. Any amounts carried over pursuant to section 16 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, are not subject to section 54-44.1-11 and are available for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 11. EXEMPTION. The amount appropriated in the grants line item in subdivision 1 of section 1 of chapter 50 of the 2015 Session Laws for payment of adjusted compensation to veterans is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 12. EXEMPTION. Any amounts carried over in the radio communications line item for the state radio tower package pursuant to section 17 of chapter 50 of the 2015 Session Laws are not subject to section 54-44.1-11. Any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 13. EXEMPTION. Any amounts carried over in the disaster costs line for grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding pursuant to section 18 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, are not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 14. EXEMPTION. The amounts appropriated for radio tower redundancy and next generation 911 in the radio communications line item in subdivision 2 of section 1 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, are not subject to section 54-44.1-11. Any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of House Action

	Base Budget	House Changes	House Version
Adjutant General			
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
General fund	$17,689,002	($1,320,635)	$16,368,367
Department of Emergency Services			
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
General fund	$11,407,098	($2,048,496)	$9,358,602
Bill total			
Total all funds	$233,479,127	($30,255,984)	$203,223,143
Less estimated income	204,383,027	(26,886,853)	177,496,174
General fund	$29,096,100	($3,369,131)	$25,726,969

House Bill No. 1016 - Adjutant General - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$6,640,086	$33,075	$6,673,161
Operating expenses	3,685,547	(192,613)	3,492,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(11,986)	299,787
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	35,249	8,089,803
Army guard contract	59,870,605	(2,167,524)	57,703,081
Veterans' Cemetery	811,486	70,835	882,321
Reintegration program	1,903,743	(641,115)	1,262,628
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
General fund	$17,689,002	($1,320,635)	$16,368,367
FTE	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of House Changes

	Adds Funding for Base Payroll	Adds Funding for Health	Adjusts Funding for	Reduces Funding for	Increases Funding for	Adjusts Funding for

	Changes[1]	Insurance Increases[2]	Salaries and Wages[3]	Operating Expenses[4]	Recruitment[5]	Veterans' Cemetery[6]
Salaries and wages	$20,797	$91,584	($79,306)			
Operating expenses				(192,613)		
Capital assets						
Grants						
Civil air patrol	8,152	2,862		(23,000)		
Tuition, recruiting, and retention					100,000	
Air guard contract	64,390	85,859		(115,000)		
Army guard contract	181,099	208,927	72,644	(330,000)		
Veterans' Cemetery	56,525	14,310				
Reintegration program	57,788	17,172		(716,075)		
Total all funds	$388,751	$420,714	($6,662)	($1,376,688)	$100,000	$0
Less estimated income	293,717	287,072	0	0	0	50,000
General fund	$95,034	$133,642	($6,662)	($1,376,688)	$100,000	($50,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Grant Funding for Armories[7]	Reduces Funding for Capital Assets[8]	Adds One-Time Funding for National Guard Readiness Center Project[9]	Total House Changes
Salaries and wages				$33,075
Operating expenses				(192,613)
Capital assets		(25,000)	33,000,000	32,975,000
Grants	(190,961)			(190,961)
Civil air patrol				(11,986)
Tuition, recruiting, and retention				100,000
Air guard contract				35,249
Army guard contract		(2,300,194)		(2,167,524)
Veterans' Cemetery				70,835
Reintegration program				(641,115)
Total all funds	($190,961)	($2,325,194)	$33,000,000	$30,009,960
Less estimated income	0	(2,300,194)	33,000,000	31,330,595
General fund	($190,961)	($25,000)	$0	($1,320,635)
FTE	0.00	0.00	0.00	0.00

[1] Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in health insurance premiums from $1,130 to $1,249 per month.

[3] Funding from the general fund is reduced by $140,000 for temporary custodial maintenance staff. Funding of $60,694 removed to meet August 2016 special legislative session budget reductions is restored for an administrative staff officer temporary position. Funding of $72,644 removed to meet August 2016 special legislative session budget reductions is restored for a human resources technician position.

[4] Funding is reduced from the general fund for operating expenses, including travel, maintenance, and repairs.

[5] Funding from the general fund is increased for National Guard recruitment to provide a total of $2,617,500.

[6] Funding for the Veterans' Cemetery is adjusted to reduce funding from the general fund by $50,000 and increase funding from special funds by $50,000.

[7] Grant funding from the general fund for armories is reduced by $190,961 to provide a total of $318,553.

[8] Capital funding is reduced for equipment, land and buildings, and motor vehicles.

[9] One-time funding from other funds, including $32 million from federal funds and $1 million from the National Guard military grounds fund, is added for the National Guard readiness center project.

House Bill No. 1016 - Department of Emergency Services - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$12,441,232	$24,695	$12,465,927
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,718,692)	51,446,792
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
General fund	$11,407,098	($2,048,496)	$9,358,602
FTE	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of House Changes

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Reduces Funding for Salaries and Wages[3]	Reduces Funding for Operating Expenses[4]	Adjusts Funding for State Radio[5]	Reduces Funding for Grants[6]
Salaries and wages	$20,310	$204,385	($200,000)			
Operating expenses				(1,916,859)		
Capital assets						
Grants						(1,784,088)
Disaster costs	(656,812)	13,120				(56,000,000)
Total all funds	($636,502)	$217,505	($200,000)	($1,916,859)	$0	($57,784,088)
Less estimated income	(685,507)	98,147	0	0	100,000	(57,784,088)
General fund	$49,005	$119,358	($200,000)	($1,916,859)	($100,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Capital Assets[7]	Adds One-Time Funding for Emergency Response Equipment[8]	Adds One-Time Funding for Emergency Medical Services[9]	Total House Changes
Salaries and wages				$24,695
Operating expenses			300,000	(1,616,859)
Capital assets	(740,000)	569,000		(171,000)
Grants				(1,784,088)
Disaster costs	(75,000)			(56,718,692)
Total all funds	($815,000)	$569,000	$300,000	($60,265,944)
Less estimated income	(815,000)	569,000	300,000	(58,217,448)
General fund	$0	$0	$0	($2,048,496)
FTE	0.00	0.00	0.00	0.00

[1] Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in health insurance premiums from $1,130 to $1,249 per month.

[3] Funding is reduced by $200,000 from the general fund for Department of Emergency Services salaries and wages.

[4] Funding is reduced from the general fund for operating expenses as follows:

	General Fund Reductions
Miscellaneous operating expenses	($1,153,908)
Mortuary response training	(191,900)
Additional reduction, including IT equipment and other equipment	(218,051)
Base map maintenance	(100,000)
WebEOC resource manager	(7,200)
Electronic communications contract	(115,000)
Software upgrades	(118,800)
CAD training	(12,000)
Total	($1,916,859)

[5] Funding for state radio is adjusted to reduce funding from the general fund by $100,000 and increase funding from the radio communications fund by $100,000.

[6] Funding is reduced from federal and special funds relating primarily to emergency management, hazard mitigation, and public assistance grants.

[7] Funding is reduced for capital assets, including equipment and information technology equipment and software.

[8] One-time funding from federal funds is added for emergency response equipment.

[9] One-time funding from the strategic investment and improvements fund is added for mobile repeaters and programming radios for emergency medical services.

This amendment also:

- Adds a new section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Adds a new section to designate $300,000 of one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.
- Adds a new section to allow funds appropriated for the 2015-17 biennium for radio tower redundancy and next generation 911 to be continued and expended during the 2017-19 biennium.

Date: 2-6-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1014

House Appropriations - Government Operations Divisin Committee

☐ Subcommittee

Amendment LC# or Description: To remove 2 FTE's + $200,000.00 out of the budget

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

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep Kempenich Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Brandenburg			Representative Delmore		
Vice Chairman Boehning					
Representative Brabandt					
Representative Nathe					
Representative Kempenich					
Representative Vigesaa					

Voice Vote

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Motion Carried

Date: 2-6-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1016

House Appropriations - Government Operations Divisin Committee

☐ Subcommittee

Amendment LC# or Description: To reinstate 2 FTE & remove $200,000.00

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

Other Actions: Reconsider ☐ _____

Motion Made By Rep Kempenich Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Brandenburg			Representative Delmore		
Vice Chairman Boehning					
Representative Brabandt					
Representative Nathe					
Representative Kempenich					
Representative Vigesaa					

Voice Vote

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Motion Carried

Date: 2-7-17
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1016

House Appropriations - Government Operations Divisin Committee

☐ Subcommittee

Amendment LC# or Description: 17. 0501.01002

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 Vice Chairman Boehning Seconded By Rep Vigesaa

Representatives	Yes	No	Representatives	Yes	No
Chairman Brandenburg			Representative Delmore		
Vice Chairman Boehning					
Representative Brabandt					
Representative Nathe					
Representative Kempenich					
Representative Vigesaa					

Voice Vote

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: 2/7/2017
Roll Call Vote #: 2

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1016

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: 17.0501.01002

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 Vice Chairman Boehning Seconded By Representative Brabandt

Representatives	Yes	No	Representatives	Yes	No
Chairman Brandenburg	X		Representative Delmore	X	
Vice Chairman Boehning	X				
Representative Brabandt	X				
Representative Nathe	X				
Representative Kempenich	X				
Representative Vigesaa	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Chairman Brandenburg

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

Date: 2/15/2017
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1016

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0501.01002

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 Brandenburg Seconded By Representative Boehning

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

Voice Vote

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

MOTION CARRIES

Date: 2/15/2017
Roll Call Vote #: 2

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB1016

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 Brandenburg Seconded By Representative Boehning

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

Total (Yes) 16 No 0

Absent 5

Floor Assignment Representative Brandenburg

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

MOTION CARRIES

REPORT OF STANDING COMMITTEE

HB 1016: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 0 NAYS, 5 ABSENT AND NOT VOTING). HB 1016 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "and"

Page 1, line 2, after "transfer" insert "; and to provide exemptions"

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$33,075	$6,673,161
Operating expenses	3,685,547	(192,613)	3,492,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(11,986)	299,787
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Full-time equivalent positions	234.00	(0.00)	234.00

SECTION 2. HEALTH INSURANCE INCREASE. The appropriation in section 1 of this Act includes the sum of $638,219, of which $253,000 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,249 per month."

Page 3, replace lines 6 through 9 with:

"Flood mitigation	2,000,000	0
National guard readiness center	0	33,000,000
Emergency response equipment	0	569,000
Mobile repeaters and programming radios	0	300,000
Total all funds	$5,614,172	$33,869,000
Total other funds	3,769,500	33,869,000
Total general fund	$1,844,672	$0"

Page 3, after line 22, insert:

"**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes $300,000 of one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios.

SECTION 7. EXEMPTION. Any amounts carried over in the radio communications line item for the state radio tower package, in section 11 of chapter 50 of the 2015 Session Laws are not subject to section 54-44.1-11 and any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 8. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting, and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 9. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in section 15 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance to eligible members of the North Dakota national guard, during the biennium beginning July 1, 2017, and ending June 30, 2019, contingent upon the adjutant general certifying to the office of management and budget that the national guard has received a new assignment in association with the Grand Forks air force base.

SECTION 10. EXEMPTION. Any amounts carried over pursuant to section 16 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, are not subject to section 54-44.1-11 and are available for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2017, and ending June 30, 2019.

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SECTION 13. EXEMPTION. Any amounts carried over in the disaster costs line for grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding pursuant to section 18 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, are not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 14. EXEMPTION. The amounts appropriated for radio tower redundancy and next generation 911 in the radio communications line item in subdivision 2 of section 1 of chapter 50 of the 2015 Session Laws which are

unexpended as of June 30, 2017, are not subject to section 54-44.1-11. Any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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General fund	$17,689,002	($1,320,635)	$16,368,367
Department of Emergency Services			
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
General fund	$11,407,098	($2,048,496)	$9,358,602
Bill total			
Total all funds	$233,479,127	($30,255,984)	$203,223,143
Less estimated income	204,383,027	(26,886,853)	177,496,174
General fund	$29,096,100	($3,369,131)	$25,726,969

House Bill No. 1016 - Adjutant General - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$6,640,086	$33,075	$6,673,161
Operating expenses	3,685,547	(192,613)	3,492,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(11,986)	299,787
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	35,249	8,089,803
Army guard contract	59,870,605	(2,167,524)	57,703,081
Veterans' Cemetery	811,486	70,835	882,321
Reintegration program	1,903,743	(641,115)	1,262,628
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
General fund	$17,689,002	($1,320,635)	$16,368,367
FTE	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of House Changes

	Adds Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Adjusts Funding for Salaries and Wages[3]	Reduces Funding for Operating Expenses[4]	Increases Funding for Recruitment[5]	Adjusts Funding for Veterans' Cemetery[6]
Salaries and wages	$20,797	$91,584	($79,306)			
Operating expenses				(192,613)		
Capital assets						
Grants						
Civil air patrol	8,152	2,862		(23,000)		
Tuition, recruiting, and retention					100,000	
Air guard contract	64,390	85,859		(115,000)		
Army guard contract	181,099	208,927	72,644	(330,000)		
Veterans' Cemetery	56,525	14,310				
Reintegration program	57,788	17,172		(716,075)		
Total all funds	$388,751	$420,714	($6,662)	($1,376,688)	$100,000	$0
Less estimated income	293,717	287,072	0	0	0	50,000
General fund	$95,034	$133,642	($6,662)	($1,376,688)	$100,000	($50,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Reduces Grant Funding for Armories[7]	Reduces Funding for Capital Assets[8]	Adds One-Time Funding for National Guard Readiness Center Project[9]	Total House Changes

Salaries and wages				$33,075
Operating expenses				(192,613)
Capital assets		(25,000)	33,000,000	32,975,000
Grants	(190,961)			(190,961)
Civil air patrol				(11,986)
Tuition, recruiting, and retention				100,000
Air guard contract				35,249
Army guard contract		(2,300,194)		(2,167,524)
Veterans' Cemetery				70,835
Reintegration program				(641,115)
Total all funds	($190,961)	($2,325,194)	$33,000,000	$30,009,960
Less estimated income	0	(2,300,194)	33,000,000	31,330,595
General fund	($190,961)	($25,000)	$0	($1,320,635)
FTE	0.00	0.00	0.00	0.00

[1] Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in health insurance premiums from $1,130 to $1,249 per month.

[3] Funding from the general fund is reduced by $140,000 for temporary custodial maintenance staff. Funding of $60,694 removed to meet August 2016 special legislative session budget reductions is restored for an administrative staff officer temporary position. Funding of $72,644 removed to meet August 2016 special legislative session budget reductions is restored for a human resources technician position.

[4] Funding is reduced from the general fund for operating expenses, including travel, maintenance, and repairs.

[5] Funding from the general fund is increased for National Guard recruitment to provide a total of $2,617,500.

[6] Funding for the Veterans' Cemetery is adjusted to reduce funding from the general fund by $50,000 and increase funding from special funds by $50,000.

[7] Grant funding from the general fund for armories is reduced by $190,961 to provide a total of $318,553.

[8] Capital funding is reduced for equipment, land and buildings, and motor vehicles.

[9] One-time funding from other funds, including $32 million from federal funds and $1 million from the National Guard military grounds fund, is added for the National Guard readiness center project.

House Bill No. 1016 - Department of Emergency Services - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$12,441,232	$24,695	$12,465,927
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,718,692)	51,446,792
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
General fund	$11,407,098	($2,048,496)	$9,358,602
FTE	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of House Changes

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Reduces Funding for Salaries and Wages[3]	Reduces Funding for Operating Expenses[4]	Adjusts Funding for State Radio[5]	Reduces Funding for Grants[6]
Salaries and wages	$20,310	$204,385	($200,000)			
Operating expenses				(1,916,859)		
Capital assets						
Grants						(1,784,088)
Disaster costs	(656,812)	13,120				(56,000,000)
Total all funds	($636,502)	$217,505	($200,000)	($1,916,859)	$0	($57,784,088)
Less estimated income	(685,507)	98,147	0	0	100,000	(57,784,088)
General fund	$49,005	$119,358	($200,000)	($1,916,859)	($100,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Capital Assets[7]	Adds One-Time Funding for Emergency Response Equipment[8]	Adds One-Time Funding for Emergency Medical Services[9]	Total House Changes
Salaries and wages				$24,695
Operating expenses			300,000	(1,616,859)
Capital assets	(740,000)	569,000		(171,000)
Grants				(1,784,088)
Disaster costs	(75,000)			(56,718,692)
Total all funds	($815,000)	$569,000	$300,000	($60,265,944)
Less estimated income	(815,000)	569,000	300,000	(58,217,448)
General fund	$0	$0	$0	($2,048,496)
FTE	0.00	0.00	0.00	0.00

[1] Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in health insurance premiums from $1,130 to $1,249 per month.

[3] Funding is reduced by $200,000 from the general fund for Department of Emergency Services salaries and wages.

[4] Funding is reduced from the general fund for operating expenses as follows:

	General Fund Reductions
Miscellaneous operating expenses	($1,153,908)
Mortuary response training	(191,900)
Additional reduction, including IT equipment and other equipment	(218,051)
Base map maintenance	(100,000)
WebEOC resource manager	(7,200)
Electronic communications contract	(115,000)
Software upgrades	(118,800)
CAD training	(12,000)
Total	($1,916,859)

[5] Funding for state radio is adjusted to reduce funding from the general fund by $100,000 and increase funding from the radio communications fund by $100,000.

[6] Funding is reduced from federal and special funds relating primarily to emergency management, hazard mitigation, and public assistance grants.

[7] Funding is reduced for capital assets, including equipment and information technology equipment and software.

[8] One-time funding from federal funds is added for emergency response equipment.

[9] One-time funding from the strategic investment and improvements fund is added for mobile repeaters and programming radios for emergency medical services.

This amendment also:

- Adds a new section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Adds a new section to designate $300,000 of one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.
- Adds a new section to allow funds appropriated for the 2015-17 biennium for radio tower redundancy and next generation 911 to be continued and expended during the 2017-19 biennium.

2017 SENATE APPROPRIATIONS

HB 1016

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1016
3/9/2017
JOB # 28985

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Sandy Baumgartner for Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; to provide a transfer; and to provide exemptions.

Minutes:

1.Testimony of Major General Alan S. Dohrmann with Attachments # 1 through 5.
2.Proposed Changes to Engrossed HB 1016

Chairman Holmberg: called the Committee to order on HB 1016 on the Adjutant General's budget hearing. All committee members were present. Alex Cronquist, Legislative Council and Becky Deichert, OMB were also present. The Subcommittee will be Senator Bowman, Chair; Senator Oehlke and Senator Robinson.

Major General Alan S. Dorhmann, National Guard testified in favor of HB 1016 and provided written Testimony attached # 1 – which states the purpose of this agency and provides the budget status and requests regarding funding for the agency. He asked the committee to turn to Attachment # 1 of his testimony regarding allotments. On pages two and three we address all the one-time funding requests. He asked the committee to address Attachment #5. Includes Agency 10% Executive & House reductions. We are putting it out into our armories. So if you are a veteran from any service we will help you out with whatever you need. Attachment # 4 highlights the reductions that were taken out by the House. Look at the 2017-19 budget, we have one request in one-time funding for $32 million in federal authority and $1 million is special funding authority for the construction of a new Fargo readiness center and unheated vehicle storage facility. Building of this 97,000 sq. ft. facility will begin in 2019. See attachment # 2 Budget Reductions. You asked us for any adjustments, the first request we would have, on page 4, line 16. When we were in the House we discussed the removing of the restriction of this particular exemption that required an associated mission at the Grand Forks Air Force Base. Grand Forks did not get selected for either one of those systems. Secondly, in the Air force major weapons systems are going to be earmarked to associated missions. So the new tanker if it came to Grand Forks would have been associated. The next generation bomber, if it ends up in Minot or Grand Forks Air Force Base will be an associated mission. What I mean by that is in most cases it will air force led, but a part of that organization will be air and national guard. One squadron will be active duty and one squadron will be National Guard. This probably what we will see. In Minot they are talking about replacing the helicopters that missal fuel security. With the new

weapons system like a Blackhawk. They are also talking about that being an associated mission with the National Guard. If that were to happen I would have to go find more helicopter pilots, more mechanics, more crew chiefs to put up at Minot Air Force Base. What we are asking for is about in the amendments is to remove that restriction that it must be tied to a tanker mission at Grand Forks Air Force Base. We don't know if it will be a tanker mission there or bomber mission in Minot or some other mission. The other concern is readiness is priority is number one for me to compete for the state of ND for some of these future missions that air force bases, I have to be in-strength at 100%. It I can't fill my ranks I don't think the Air Force is going to take a risk on putting an associated mission at Grand Forks or Minot. I want to remove that restriction to make that money available for general recruiting, retaining and providing tuition assistance to National Guard. Whether they are serving at Minot Air Force Base, Grand Forks Air Force or one of my state facilities, I really need to pay them the same level of benefit. So that money is still in the budget, but it says it must be tied to a tanker mission. I also request for the reinstatement of the funding for delayed maintenance repairs for our state facilities. The House removed $15,000 from the Air Guard and $30,000 from the Armory Guard contract. These monies are normally used and needed to match federal funding. Typically, at a 75% federal and 25% state rate. It applies to many of our 280 facilities around the state. New administration leads up to believe that there will be additional federal funds available for the maintenance for the next fiscal year. To take advantage of this opportunity is imperative that we have sufficient state funds available to match federal grants. From the Department of Emergency Services, we are asking that the $150,000 of the $200,00 that the House took out of the salary and wage line be reinstated. The department is a small department with 7 personnel that conduct 24 hour operations through two divisions, state radio and homeland security. I am prepared for your question?

Senator Mathern: At these international missions, are these that you have control over or are you getting an order?

Major General Dohrmann: It would be the latter. I know there was a case in Minn. where the governor did not respond to that federal request. The state did not win. This is what we signed up to do. That allows us to get the federal money. The overseas deployment is a federal and we don't really have a choice. They pay for everything.

Senator Robinson: What's the timeline for the Valley City Guard complex along interstate?

Major General Dohrmann: I think it is done. We are just waiting to pick a grand opening date because of everything that has been going on, it has been difficult.

Senator Robinson: Happy hooligans, the planes, are they mothballed in Arizona?

Major General Dohrmann: The S16s are down there and I think the C21s are down there too.

Senator Robinson: When we talk about the air national guard in Fargo, what are they using?

Major General Dohrmann: The strength of the National Guard is right around 1100. They have 3 distinct missions the 1st is in Minot. They have security forces there in the missile fields. The other two missions are at Fargo. The first one is the N39 Reaper, which they fly

24/7 365 days @year overseas in support of combat and commanders. The other newer missions that came on board probably 18 months ago is an intelligence surveillance group and these are folks develop target sets with new design solutions for engaging those targets.

Senator Robinson: How many planes would be involved in that complex of 1100?

Major General Dohrmann: Our reaper aircraft should be coming this fall. The number there is 8 or 12, something like that. Eventually those aircraft will be based in Hector Field in Fargo. Because of the UAS authority, UND and other state agencies, we think we'll be able to fly those reaper un-manned aircraft in North Dakota airspace maybe as early as this fall.

Senator Robinson: The planes in Tucson, will they be used again?

Major General Dohrmann: Probably not. If you remember the C21 Lear jet, that was a bridge mission and we are going to get that C27 aircraft back. Then we have a C21 aircraft that was actually taken out of the boneyard and brought up to date and sent to us for our use.
Senator Hogue: Of our missile sites in ND, are any of those still operational?
Major General Dohrmann: I assume so.
Senator Hogue: I drove by one and there were federal vehicles driving in and out.
Major General Dohrmann: There is the missal currently in the ground. The Minot field is still operational. In fact, we have had some discussions with the Air Force about doing some joint training with them. There have been some issues with the personnel and security measures. The Secretary of the Air Force has decided that is zero defect mission and is setting apart some resources into that mission in Minot. There are some opportunities potentially for us to partner with them.
Senator Hogue: You could summarize where the student loans and student bonuses are for the new recruits and the retention bonuses, and where they are at in Minnesota, and if you received additional funding and got it reallocated for retention, and how that would change the existing bonuses and longer payments.

Major General Dohrmann: On the federal programs, I am not up to speed on the bonus programs. Those are hard to come by lately because the Air Force drew down for a while. Now that both big army and big air force will likely have to grow again, we might see some of those bonuses show up. What we can provide beyond those bonuses, they are usually tied to specific military occupation specialty or army or air force job. But one thing that is available to all service members on the army side is the federal tuition assistance. In the army the federal tuition program is what has allowed us to basically guarantee that we will pay the tuition of every guardsman for 4 years of college. That is because the armies program takes care the vast majority of our members. The Air Force does not have similar programs. So when we provide tuition assistance Air Guard members that is almost entirely state money. Our concern is that if the federal army tuition assistant program ever went away the amount of money we have available for that we would probably would have to be reduced it to 50-70%. Our greatest tool for recruiting young people into the National Guard is the tuition assistance program.

Senator Hogue: How would we compare to Minnesota?

Major General Dohrmann: I hope that every year I can carry over, so if the federal assistance goes away, I will have a cushion. If we ever got rid of OCOV money, our help would go away. That money is for retention and incentives. Number one priority for me is tuition assistance. If in the future, we can help with specific bonuses for skills we need.

V. Chairman Bowman: There were three things you wanted reinstated. State funds to match federal funds was one of them. Do you have a handout?

Major General Dohrmann: Testimony attached # 2 – Proposed Changes to Engrossed HB 1016.

Senator Gary Lee: Does the cavalry of officers and enlisted men, does that ratio go up or down?

Major General Dohrmann: There are slight modifications to the grade plates. The mix of officers and enlisted hasn't changed much. I think there has been a slight change in the air guard. Back in the F16 days, the pilot was the center of the universe, now mostly maintenance and communications support people are a mix of officers and enlisted. I would guess the number of officers has gone up slightly with new mission sets.

Chairman Holmberg: Are there any questions? Thank you.

Major General Dohrmann: I have to go to Fargo, we are going to Washington DC. You can know that there are ND guardsmen on the ground. I trust our guys.

The hearing was closed on HB 1016.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1016
3/23/2017
JOB # 29613

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature	Pam Dever for Alice Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for the Adjutant General.

Minutes:

No testimony submitted

Chairman Bowman: Called the subcommittee to order at 10:30 am in the Harvest Room on HB 1016. Let the record show that all three members were present: Chairman Bowman, Senator Hogue and Senator Robinson. Alex Cronquist, Legislative Council and Becky Deichert, OMB were also present.

Chairman Bowman: We will go over the changes the House made. I am going off the green sheet. (0.36)

Alan Dohrmann, Adjutant General, North Dakota National Guard: We have an attachment to our original testimony that itemized what the changes were in the House. In wages, there was a cut by the House of $140,000. In my initial testimony, I did not ask for that money to be reinstated. We will make that up by discontinuing janitorial service at some facilities. The next is operating expense, repairs and maintenance. That was $33,000. We ask that line item to be reinstated. We wanted to take care of our maintenance in our state owned facilities. In the grants line, the House removed $44,000 for a program we had for many years where we do 50/50 matches for repair on community owned armories. That we are not asking back. We had 13 community owned facilities and 6 will be closing. Closing is the wrong word, as we've been renting space. They were built 50-60 years ago with federal dollars. We will close those 6: Mott, Carrington, Grafton, Bottineau, Mayville, and Rugby. (0.5.14) The next reduction by the House was $20,000 from the civil air patrol for operations. We have discussed this with civil air patrol, and I think they will be ok. We want to be ready to go. How much readiness can you afford? How much risk are you willing to take? The next two cuts would be $15,000 from the Air national guard contracts line and $30,000 from the army national guard line. We would like that money reinstated. This is money we use to match federal money. 75% federal and 25% state match. Removing those funds from our budget could leave money from the feds that we will not be able to access. What we are hearing, the present president has submitted his current budget. There is a possibility that both maintenance repair dollars will be more available in next year. Protection for military may go up in the next few years. Williston, Dickinson, Valley City and Jamestown armories

really need to be updated. When you look at readiness, when you have a cold force you can afford to have a lower level of readiness. Right now, we heard from the chief staff of Air Force that National Guard forces will be ready to move as early as 30 days. Have to have the right facilities in ND to make sure they are ready to go. You put lives at risk when you don't have time to train. (8.16)

Chairman Bowman: The $20,000 to $15,000 and the $30,000 are three things we want back put back in the budget?

Adjutant General: Yes. I am proud of our facilities. We do very well when compared to other states. Once you fall behind on maintenance, it quickly gets away from you. Particularly the grants money, if we can get money from feds on 25 cents on the dollar, that is a good investment. The final cut (0.09.10) is reintegration line, for $85,000. We have invested a lot of money for reintegration in that last few biennia for soldier, family and veteran programs. We are taking risks here. The military center in Bismarck has already closed down. The services haven't gone away, they just moved. We moved all those resources into the RJV armory. The other way to cut is we have a military service center in Fargo that will close.

Senator Hogue: You have 3 delayed maintenance items. Are all those federal match? Or just the two identified as Air Guard contracts.

Adjutant General: Only the two Air Guard contracts.

Chairman Bowman: Do you have any other moneys in that fund?

Adjutant General: About a $1M left in there. It covers family, soldier, veteran, and survivor programs. The NDCARE will break down the silos between government agencies, and make sure that we are partnering with key stake holders in the private sector. So that we can reduce the burden on both feds and state government to deal with service member family, veteran, and survivor programs. We want to make sure we are working with the state with Human Services Dept. We want to work with them as they have the resources. We feel working with hospitals can save money in the end, and probably provide a better service.

Senator Robinson: What is your current force level in ND?

Adjutant General: We are holding our own and gaining some. The assistance program is so important. We need to make sure we provide the resources so they can stay in uniform. We have about 20,000 mandates. Ever since 2011, we have 40,000 man days of state active duties for 1022, floods. Each year we have lower recruiting numbers and high attrition rates. That is my concern about the family, because the airman can love what they do, but if the family isn't content, family may take precedence. I get you love what you do but its time you stay home with the family. From 2011 to 2016, the air and national guard is short by 500. In 2016, we made some gains back. Going in the right direction. I advocate the hardest for tuition assistance. That is the one tool to get the people to the Guard.

Chair Bowman: Your count right now is what?

Adjutant General: We air sitting about 3008 on the Army Guard side. I need to grow that by 3080 by early 2018. And the air guard is just over 1000. I am 200 soldiers and airmen short. That's what I need to recruit. When we look at opportunities in the future, we talk about the money the legislature set aside for tuition assistance at Grand Forks. The new paradigm in the Air Force, is most of these major platforms are now associated missions. I mean it is a blend of both active duty and guard or reserves. With 2 active air forces in the state, when the Air Force looks at a new helicopter in the missile fields to do security, they probably look at the air nationals guard help to support that mission. The next generation bomber will be an associated mission. I need to be up to full strength. If we don't show a capacity to meet those requirements, and stay competitive with Grand Forks and Minot, that will be a strike against us. (16.57)

Chairman Bowman: That takes care of the guard reductions.

Mike Lynk, Director, North Dakota State Radio; Assist. Director Homeland Security: Greg Wilz is out of the state today. I will try and answer questions. We are one department.

Chairman Bowman: On the same page we are one right now, there is $553,000 in reductions?

Mike Lynk: I can do down the list. The first line is salary and wages of $200,000. We would like $150,000 of that reinstated. In several biennia's we have been short staffed, so we ran into overtime. The staff works long hours during disasters. The operating expenses, we understand the states' position. These cuts we will absorb. In the base map maintenance, is a project to photograph the entire state of ND. We have geocoded that map and it will be used for all the dispatch centers and all of state government. Dispatch centers are already using it. Very good. GPS gets down to 6 inches of accuracy. The old maps were miles away. This has been very good for the state. Because we are in completion, when we go to meetings we can defer some things. We are willing to take that risk. The program manager handles disasters. A pass for communications to use will local jurisdictions in the state. (0.21.35) The resource manager was additional program we were going to put in to handle the resources to manage the data base of the resources that are available through the state. A new program, and we will just defer that to another session. State Radio has had a contract with Electronic Communications here in Bismarck. They are on call we need in case a tower goes down, etc. We can't have towers down. We need to keep that up because lives are at stake if they are down. We can absorb that costs. Software upgrades, is the next line. We are in pretty good shape, and we can defer some of those updates into the next biennium. Professional services, through CAD training, we have a contract with an individual that does our computer age dispatch. That is what CAD is. We will absorb that $12,000 part of the contract. That is my testimony. (23.05)

Senator Hogue: You had proposed changes but it look like you were asking for $118,400 for the software upgrades. Has your position changed?

Mike Lynk: The sheet that you are looking at on March 6TH, was an early on request back. During the House side we let go of that amount, and keep alive the $150,000.

Chairman Bowman: Any other information you would like?

Senator Robinson: This is a good overview.

Adjutant General: I'd like to add one thing on the Dept. of Emergency Services. On the $200,000 reduction for salaries and wages, initially that was also a reduction of 3 FTE. I asked the House to leave the FTE, if they take the money. They would have funded our regional coordinator. How much readiness can we afford? The regional coordinators are very efficient. Red River Valley, they flood all the time. We did it in Minot, and in 2011 in Bismarck. In both of those communities, your emergency management was very important. We even deployed a regional manager to Morton county. Civil unrest is difficult to manage when you have a law enforcement locally of about 30 people. Please do not remove those positions. Out at the3 western part of the state, you may have part-time managers. We feel we need to deploy there in an emergency. (27.22)

Chairman Bowman: I believe flexibility in a lot of these budgets is a god thing. If you have flexibility, it that makes it so much easier to manage the money. The total dollars don't change. You have some way to move the money at the time you need it. Thank you for your time. We'll let you know when we meet again. Adjourn.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1016
3/27/2017
Job # 29729

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Mame Johnson for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general.

Minutes: Testimony Attached # 1 – 2.

Legislative Council: Alex Cronquist
OMB: Becky Deichert

Senator Bowman called the sub-committee to order on HB 1016. Senator Hogue and Senator Robinson were also present.

Senator Bowman: After reviewing the budget, and had it back to $78,000 for matching money. Under Emergency Services we added $150,000 back for overtime. I had a question mark on section 9.

Senator Hogue: handed out Proposed Amendment 17.0501.02001 – Attachment # 1.

Alan Dohrmann, **Adjutant General, North Dakota National Guard:** It removes contingency language. It was designed to help entice the Air Force to put KC-46 at Grand Forks Air Force Base. Last week, in most of the missions will be associated mission requiring the Guards to participate, that could be at Grand Forks or Minot. I'm asking for the flexibility to have that available for tuition assistance, because whether it's an Army Guardsman in Bismarck or an Air Guardsman on a new mission, I got to pay them the same. (reviews amendment) If you were just over striking the bill, everything on page 4 line 16 starting at contingent it would just be carry over language for use in the tuition assistance program.

Senator Bowman: Okay, by adding this back in, there's no guarantee it will stay in. I can make a good argument why it's important to have the tools you need to train the young people when they go into service. There's no question about emergency services, they've got to work or the whole system doesn't work. If you can live with the budget and with the amendments, we'll argue across the hall in conference. I wanted to make sure the amendments were right, when we bring the amendment forward and explain it.

Alan Dohrmann: I appreciate it, on $375,000 from contingent Air Force mission into the base tuition assistance line, I know that looks selfish on my part, but that's my #1 program for bringing young people into the National Guard. We've been fortunate for many years now to have a federal tuition assistance program that's only available to Army Guard. That program has never made it in the base budget. There's no indication that's going away next fiscal year. If it were to go away during the course of the biennium we would be at risk of going to 50%-60% tuition assistance. We cannot compete with Minnesota and South Dakota if our tuition assistance is at that level.

Alex Cronquist: There's the carryover for that bill.

Alan Dohrmann: That's a long thank you.

Senator Bowman: We appreciate what you do. When you're concerned about young people coming into the Guard and the fact that they've got to be trained and we need communication to have the best we can have. This is us working together. Thank you for being patient with this year's budget. Not everyone is as humble as you all are. We'll present the amendments tomorrow.

Alex Cronquist: I have the long version, if you want. If just compares to the House version.

Senator Robinson: You did reference the need to grow both the Air and Army Guard if we're going to be competitive with enhanced missions. I think that's an argument we can build our case on. I hope we can hang onto this in the House.

Alan Dohrmann: We're 200 positions short. Both the Air and Army Guard grew this year. The money that's in that reintegration, we're taking a lot of cuts there but it's very important that we make sure families feel they're part of the team. My biggest concern is after seven months of pipeline protests that when it comes time to reenlist, some of these families are going to go.

Alex Cronquist handed out Testimony Attached #2.

Senator Bowman: Asked for motion.

Senator Robinson: Moved a Do Pass on the amendment and to recommend it to the full Senate Appropriations committee.

Senator Hogue: Seconded the motion.

Senator Bowman: All in favor say "Aye". All voiced favor.

Senator Bowman: Closed the hearing on HB 1016.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1016
3/28/2017
JOB # 29739

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	Alice Delzer

Explanation or reason for introduction of bill/resolution:

A DO PASS AS AMENDED for the Adjutant General's Bill

Minutes:

1.Proposed Amendment # 17.0501.02001

Chairman Holmberg: called the Committee to order on HB 1016. All committee members were present. Lori Laschkewitsch, OMB and Chris Kadrmas, Legislative Council were also present.

Senator Hogue: moved Amendment # 17.0501.02001. 2nd by Senator Robinson.

Senator Hogue: explained the amendment. The Senate proposed amendments to the Adjutant General's budget. Essentially are after the Adjutant General saw what the House did to the executive budget, he went along with it save for a couple of items. One was matching funds for building maintenance. The National Guard receives the bulk of their funding from the federal government for training and for payment of salaries for our soldiers. They also receive matching money for building maintenance. So we thought on the Senate side, we thought it would be a good idea to restore that maintenance funding. The Adjutant General indicated there was contingency funding that would have authorized him to do some carry-over spending. It was contingent on the pentagon telling the Guard that there would be a new assignment at the Grand Forks Air Force Base where the National Guard would participate with the US Air Force. The Adjutant General said that was not likely but there are other potential missions out there where the Guard would augment what the Air Force is doing so he wanted that discretion to have that carry forward authority. The other item is $150,000 line for salaries and that was for the Department of Emergency Services. Those are the three changes.

V. Chairman Bowman: The reason for that is because they were paying so much overtime. They requested that back in their budget so they would be able to take care of the needs that they have without having so much overtime.

Senator Robinson: I certainly support the amendments and the budget. We also heard that the Guard, both Air and Army Guard is less than full force. They have had some success in the last year in terms of recruitment and retention. There is concern following the long ordeal

at Cannonball, that some of those folks will look at not reenlisting because of the time away from the family and so on. So we try to position the Guard to be aggressive in the area of recruitment. They've got to be competitive in terms of their tuition assistance program with neighboring states and if we are not at full force we lose that competitive edge whenever there is an opportunity for enhanced missions. So this is an important amendment. We depend on the Guard and they depend on us. I hope the committee can support it. It is the right thing to do.

Chairman Holmberg: Would you call the roll on Amendment # 17.0501.02001.

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

V. Chairman Bowman Moved a Do Pass as Amended. 2nd by Senator Robinson.

Chairman Holmberg: Call the roll on Do Pass as Amended on 1016.

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

Senator Hogue will carry the bill.

The hearing was closed on HB 1016.

17.0501.02001
Title.03000
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Hogue
March 23, 2017

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1016

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$26,439	$6,666,525
Operating expenses	3,685,547	(159,613)	3,525,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(12,193)	299,580
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	44,028	8,098,582
Army guard contract	59,870,605	(2,152,661)	57,717,944
Veterans' cemetery	811,486	69,798	881,284
Reintegration program	1,903,743	(642,359)	1,261,384
Total all funds	$84,553,854	$30,057,478	$114,611,332
Less estimated income	66,864,852	31,309,926	98,174,778
Total general fund	$17,689,002	($1,252,448)	$16,436,554"

Page 2, replace lines 7 through 14 with:

"Salaries and wages	$12,441,232	$159,887	$12,601,119
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,719,643)	51,445,841
Total all funds	$148,925,273	($60,131,703)	$88,793,570
Less estimated income	137,518,175	(58,224,473)	79,293,702
Total general fund	$11,407,098	($1,907,230)	$9,499,868"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	$29,096,100	($3,159,678)	$25,936,422
Grand total special funds	204,383,027	(26,914,547)	177,468,480
Grand total all funds	$233,479,127	($30,074,225)	$203,404,902"

Page 2, line 24, replace "$638,219" with "$591,978"

Page 2, line 24, replace "$253,000" with "$234,453"

Page 2, line 25, replace "$1,249" with "$1,241"

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 27, after "biennium" insert "and the 2017-19 biennium one-time funding items in the appropriation in section 1 of this Act"

Page 3, after line 15, insert:

"The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The adjutant general shall report to the

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appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 4, line 16, remove ", contingent upon the adjutant general"

Page 4, remove line 17

Page 4, line 18, remove "assignment in association with the Grand Forks air force base"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Adjutant General				
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
Department of Emergency Services				
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
Bill total				
Total all funds	$233,479,127	$203,223,143	$181,759	$203,404,902
Less estimated income	204,383,027	177,496,174	(27,694)	177,468,480
General fund	$29,096,100	$25,726,969	$209,453	$25,936,422

House Bill No. 1016 - Adjutant General - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$6,640,086	$6,673,161	($6,636)	$6,666,525
Operating expenses	3,685,547	3,492,934	33,000	3,525,934
Capital assets	249,046	33,224,046		33,224,046
Grants	509,514	318,553		318,553
Civil air patrol	311,773	299,787	(207)	299,580
Tuition, recruiting, and retention	2,517,500	2,617,500		2,617,500
Air guard contract	8,054,554	8,089,803	8,779	8,098,582
Army guard contract	59,870,605	57,703,081	14,863	57,717,944
Veterans' Cemetery	811,486	882,321	(1,037)	881,284
Reintegration program	1,903,743	1,262,628	(1,244)	1,261,384
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
FTE	155.00	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Maintenance and Repairs[2]	Total Senate Changes
Salaries and wages	($6,636)		($6,636)
Operating expenses		33,000	33,000
Capital assets			
Grants			
Civil air patrol	(207)		(207)

CJ 3/25-2017 3 of 4

Tuition, recruiting, and retention			
Air guard contract	(6,221)	15,000	8,779
Army guard contract	(15,137)	30,000	14,863
Veterans' Cemetery	(1,037)		(1,037)
Reintegration program	(1,244)		(1,244)
Total all funds	($30,482)	$78,000	$47,518
Less estimated income	(20,669)	0	(20,669)
General fund	($9,813)	$78,000	$68,187
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $78,000 from the general fund for maintenance and repairs is restored. The House had reduced funding for maintenance and repairs by $178,000 from the general fund.

House Bill No. 1016 - Department of Emergency Services - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$12,441,232	$12,465,927	$135,192	$12,601,119
Operating expenses	8,905,310	7,288,451		7,288,451
Capital assets	740,000	569,000		569,000
Grants	18,673,247	16,889,159		16,889,159
Disaster costs	108,165,484	51,446,792	(951)	51,445,841
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
FTE	79.00	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Salaries and Wages[2]	Total Senate Changes
Salaries and wages	($14,808)	$150,000	$135,192
Operating expenses			
Capital assets			
Grants			
Disaster costs	(951)		(951)
Total all funds	($15,759)	$150,000	$134,241
Less estimated income	(7,025)	0	(7,025)
General fund	($8,734)	$150,000	$141,266
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $150,000 from the general fund for salaries and wages is restored. The House had reduced salaries and wages funding by $200,000 from the general fund.

CJ
3/26-2017
4 of 4

This amendment also removes contingency language from Section 9 to allow the Adjutant General to spend the money carried over from the 2015-17 biennium in the tuition, recruiting, and retention line item without certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

Date: 3-28-17

Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1016

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0501.02001

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 Hogue Seconded By Robinson

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

Total (Yes) 14 No

Absent

Floor Assignment

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

Date: 3-28-17

Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1016

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 Bowman Seconded By Robinson

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

Total (Yes) 14 No 0

Absent 0

Floor Assignment Hogue

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

REPORT OF STANDING COMMITTEE

HB 1016, as engrossed: 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). Engrossed HB 1016 was placed on the Sixth order on the calendar.

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$26,439	$6,666,525
Operating expenses	3,685,547	(159,613)	3,525,934
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Grants	509,514	(190,961)	318,553
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Army guard contract	59,870,605	(2,152,661)	57,717,944
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Reintegration program	1,903,743	(642,359)	1,261,384
Total all funds	$84,553,854	$30,057,478	$114,611,332
Less estimated income	66,864,852	31,309,926	98,174,778
Total general fund	$17,689,002	($1,252,448)	$16,436,554"

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Grand total all funds	$233,479,127	($30,074,225)	$203,404,902"

Page 2, line 24, replace "$638,219" with "$591,978"

Page 2, line 24, replace "$253,000" with "$234,453"

Page 2, line 25, replace "$1,249" with "$1,241"

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 27, after "biennium" insert "and the 2017-19 biennium one-time funding items in the appropriation in section 1 of this Act"

Page 3, after line 15, insert:

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

Page 4, line 16, remove ", contingent upon the adjutant general"

Page 4, remove line 17

Page 4, line 18, remove "assignment in association with the Grand Forks air force base"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Adjutant General				
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
Department of Emergency Services				
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
Bill total				
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Tuition, recruiting, and retention	2,517,500	2,617,500		2,617,500
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Reintegration program	1,903,743	1,262,628	(1,244)	1,261,384
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
FTE	155.00	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Maintenance and Repairs[2]	Total Senate Changes
Salaries and wages	($6,636)		($6,636)
Operating expenses		33,000	33,000
Capital assets			
Grants			
Civil air patrol	(207)		(207)
Tuition, recruiting, and retention			
Air guard contract	(6,221)	15,000	8,779
Army guard contract	(15,137)	30,000	14,863
Veterans' Cemetery	(1,037)		(1,037)
Reintegration program	(1,244)		(1,244)
Total all funds	($30,482)	$78,000	$47,518
Less estimated income	(20,669)	0	(20,669)
	($9,813)	$78,000	$68,187

General fund			
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $78,000 from the general fund for maintenance and repairs is restored. The House had reduced funding for maintenance and repairs by $178,000 from the general fund.

House Bill No. 1016 - Department of Emergency Services - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$12,441,232	$12,465,927	$135,192	$12,601,119
Operating expenses	8,905,310	7,288,451		7,288,451
Capital assets	740,000	569,000		569,000
Grants	18,673,247	16,889,159		16,889,159
Disaster costs	108,165,484	51,446,792	(951)	51,445,841
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
FTE	79.00	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Salaries and Wages[2]	Total Senate Changes
Salaries and wages	($14,808)	$150,000	$135,192
Operating expenses			
Capital assets			
Grants			
Disaster costs	(951)		(951)
Total all funds	($15,759)	$150,000	$134,241
Less estimated income	(7,025)	0	(7,025)
General fund	($8,734)	$150,000	$141,266
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $150,000 from the general fund for salaries and wages is restored. The House had reduced salaries and wages funding by $200,000 from the general fund.

This amendment also removes contingency language from Section 9 to allow the Adjutant General to spend the money carried over from the 2015-17 biennium in the tuition, recruiting, and retention line item without certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

2017 CONFERENCE COMMITTEE

HB 1016

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

HB1016
4/11/2017
Recording Job# 30072

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature	

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes: Attachment A

Chairman Brandenburg: Opened the hearing on HB1016.

Senator Hogue: Explained the changes that the Senate made to the budget. See attachment A.

Senator Robinson: We are not at full force; the numbers have not been good for the last couple of years. This last year they've come back a bit. We thought the adjutant general made a strong case to have all the resources necessary at his disposal to get that full force back in place. He's also concerned that given the DAPL situation; that we might have some elect not to have some re-up.

Chairman Brandenburg: In the tuition fund that they're carrying forward I think there's less than $50,000.00 left; the one going to Grand Forks was $400,000.00. Do you have the exact numbers?

Alex Cronquist, Fiscal Analyst, ND Legislative Council: There was $375,000.00 in the Grand Forks one.

Chairman Brandenburg: All we're doing is putting language that they can use it in that section.

Senator Bowman: One of the most important parts of getting ready to go to combat is to have your equipment in working order.

Alex Cronquist: That other carry over section for the tuition money was in section. That's estimated at between $0 and $10,000.00.

Representative Nathe: The $150,000.00 for emergency services; that was overtime pay for DAPL. Is that correct?

Alex Cronquist: When the House took that funding out you really did not specify. Originally you planned to take a couple of FTE's relating to emergency management. The adjutant general requested that you just take that money out and not the FTE's.

Chairman Brandenburg: Closed the conference committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

HB1016
4/12/2017
Recording Job# 30087

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; and to provide for a transfer.

Minutes:

Chairman Brandenburg: Opened the conference committee on HB1016.

Chairman Brandenburg: Explained the changes. See attachment A from recording job# 30072.

Representative Delmore: Made a motion to recede from the Senate amendments and amend by removing $46,241.00 for the health insurance change including $18,547.00 from the general fund. To add $78,000.00 for the maintenance and to add $100,000.00 for the salaries and wages and to remove the contingency.

Representative Nathe: Seconded the motion

Roll Call Vote: 6 Yeas 0 Nays 0 Absent.

Motion Carried.

Chairman Brandenburg: Closed the conference committee.

17.0501.02002
Title.04000
Fiscal No. 1

Prepared by the Legislative Council staff for
Conference Committee
April 12, 2017

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1016

That the Senate recede from its amendments as printed on pages 1280-1282 of the House Journal and pages 997-1000 of the Senate Journal and that Engrossed House Bill No. 1016 be amended as follows:

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$26,439	$6,666,525
Operating expenses	3,685,547	(159,613)	3,525,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(12,193)	299,580
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	44,028	8,098,582
Army guard contract	59,870,605	(2,152,661)	57,717,944
Veterans' cemetery	811,486	69,798	881,284
Reintegration program	1,903,743	(642,359)	1,261,384
Total all funds	$84,553,854	$30,057,478	$114,611,332
Less estimated income	66,864,852	31,309,926	98,174,778
Total general fund	$17,689,002	($1,252,448)	$16,436,554"

Page 2, replace lines 7 through 14 with:

"Salaries and wages	$12,441,232	$109,887	$12,551,119
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,719,643)	51,445,841
Total all funds	$148,925,273	($60,181,703)	$88,743,570
Less estimated income	137,518,175	(58,224,473)	79,293,702
Total general fund	$11,407,098	($1,957,230)	$9,449,868"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	$29,096,100	($3,209,678)	$25,886,422
Grand total special funds	204,383,027	(26,914,547)	177,468,480
Grand total all funds	$233,479,127	($30,124,225)	$203,354,902"

Page 2, line 24, replace "$638,219" with "$591,978"

Page 2, line 24, replace "$253,000" with "$234,453"

Page 2, line 25, replace "$1,249" with "$1,241"

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 27, after "biennium" insert "and the 2017-19 biennium one-time funding items in the appropriation in section 1 of this Act"

4/13/17 DP
2 of 4

Page 3, after line 15, insert:

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

Page 4, line 16, remove ", contingent upon the adjutant general"

Page 4, remove line 17

Page 4, line 18, remove "assignment in association with the Grand Forks air force base"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Adjutant General						
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332	$114,611,332	$0
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778	98,174,778	0
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554	$16,436,554	$0
Department of Emergency Services						
Total all funds	$148,925,273	$88,659,329	$84,241	$88,743,570	$88,793,570	($50,000)
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702	79,293,702	0
General fund	$11,407,098	$9,358,602	$91,266	$9,449,868	$9,499,868	($50,000)
Bill total						
Total all funds	$233,479,127	$203,223,143	$131,759	$203,354,902	$203,404,902	($50,000)
Less estimated income	204,383,027	177,496,174	(27,694)	177,468,480	177,468,480	0
General fund	$29,096,100	$25,726,969	$159,453	$25,886,422	$25,936,422	($50,000)

House Bill No. 1016 - Adjutant General - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$6,640,086	$6,673,161	($6,636)	$6,666,525	$6,666,525	
Operating expenses	3,685,547	3,492,934	33,000	3,525,934	3,525,934	
Capital assets	249,046	33,224,046		33,224,046	33,224,046	
Grants	509,514	318,553		318,553	318,553	
Civil air patrol	311,773	299,787	(207)	299,580	299,580	
Tuition, recruiting, and retention	2,517,500	2,617,500		2,617,500	2,617,500	
Air guard contract	8,054,554	8,089,803	8,779	8,098,582	8,098,582	
Army guard contract	59,870,605	57,703,081	14,863	57,717,944	57,717,944	
Veterans' Cemetery	811,486	882,321	(1,037)	881,284	881,284	
Reintegration program	1,903,743	1,262,628	(1,244)	1,261,384	1,261,384	
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332	$114,611,332	$0
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778	98,174,778	0
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554	$16,436,554	$0
FTE	155.00	155.00	0.00	155.00	155.00	0.00

4/13/17 DA
3 of 4

Department No. 540 - Adjutant General - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Maintenance and Repairs[2]	Total Conference Committee Changes
Salaries and wages	($6,636)		($6,636)
Operating expenses		33,000	33,000
Capital assets			
Grants			
Civil air patrol	(207)		(207)
Tuition, recruiting, and retention			
Air guard contract	(6,221)	15,000	8,779
Army guard contract	(15,137)	30,000	14,863
Veterans' Cemetery	(1,037)		(1,037)
Reintegration program	(1,244)		(1,244)
Total all funds	($30,482)	$78,000	$47,518
Less estimated income	(20,669)	0	(20,669)
General fund	($9,813)	$78,000	$68,187
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the Senate version. Section 2 is also adjusted to reflect the change.

[2] Funding of $78,000 from the general fund for maintenance and repairs is restored, the same as the Senate version. The House had reduced funding for maintenance and repairs by $178,000 from the general fund.

House Bill No. 1016 - Department of Emergency Services - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$12,441,232	$12,465,927	$85,192	$12,551,119	$12,601,119	($50,000)
Operating expenses	8,905,310	7,288,451		7,288,451	7,288,451	
Capital assets	740,000	569,000		569,000	569,000	
Grants	18,673,247	16,889,159		16,889,159	16,889,159	
Disaster costs	108,165,484	51,446,792	(951)	51,445,841	51,445,841	
Total all funds	$148,925,273	$88,659,329	$84,241	$88,743,570	$88,793,570	($50,000)
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702	79,293,702	0
General fund	$11,407,098	$9,358,602	$91,266	$9,449,868	$9,499,868	($50,000)
FTE	79.00	79.00	0.00	79.00	79.00	0.00

Department No. 542 - Department of Emergency Services - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Salaries and Wages[2]	Total Conference Committee Changes
Salaries and wages	($14,808)	$100,000	$85,192
Operating expenses			
Capital assets			
Grants			
Disaster costs	(951)		(951)
Total all funds	($15,759)	$100,000	$84,241
Less estimated income	(7,025)	0	(7,025)
General fund	($8,734)	$100,000	$91,266

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FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the Senate version. Section 2 is also adjusted to reflect the change.

[2] Funding of $100,000 from the general fund for salaries and wages is restored to provide for a final reduction of $100,000. The House had reduced salaries and wages funding by $200,000 from the general fund. The Senate version restored $150,000 from the general fund for salaries and wages.

This amendment also removes contingency language from Section 9 to allow the Adjutant General to spend the money carried over from the 2015-17 biennium in the tuition, recruiting, and retention line item without certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base, the same as the Senate version.

Date: 4/12/2017
Roll Call Vote #: 1

2017 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. HB1016 as (re) engrossed

House Appropriations – Government Operations Division Committee

Action Taken
- ☐ **HOUSE accede to Senate Amendments**
- ☐ **HOUSE accede to Senate Amendments and further amend**
- ☐ **SENATE recede from Senate amendments**
- ☒ **SENATE recede from Senate amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Delmore Seconded by: Representative Nathe

Representatives	4/11	4/12		Yes	No	Senators	4/11	4/12		Yes	No
Chairman Brandenburg	X	X		X		Senator Bowman	X	X		X	
Representative Nathe	X	X		X		Senator Hogue	X	X		X	
Representative Delmore	X	X		X		Senator Robinson	X	X		X	
Total Rep. Vote				3		Total Senate Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Representative Brandenburg Senate Carrier Representative Hogue

LC Number 17.0501.02002 . _____ of amendment

LC Number 17.0501.04000 . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment: Remove $46,241.00 for the health insurance change including $18,547.00 from the general fund. To add $78,000.00 for the maintenance and to add $100,000.00 for the salaries and wages and to remove the contingency.

Motion Carried.

Insert LC: 17.0501.02002
House Carrier: Brandenburg
Senate Carrier: Bowman

REPORT OF CONFERENCE COMMITTEE

HB 1016, as engrossed: Your conference committee (Sens. Bowman, Hogue, Robinson and Reps. Brandenburg, Nathe, Delmore) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1280-1282, adopt amendments as follows, and place HB 1016 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1280-1282 of the House Journal and pages 997-1000 of the Senate Journal and that Engrossed House Bill No. 1016 be amended as follows:

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$26,439	$6,666,525
Operating expenses	3,685,547	(159,613)	3,525,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(12,193)	299,580
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	44,028	8,098,582
Army guard contract	59,870,605	(2,152,661)	57,717,944
Veterans' cemetery	811,486	69,798	881,284
Reintegration program	1,903,743	(642,359)	1,261,384
Total all funds	$84,553,854	$30,057,478	$114,611,332
Less estimated income	66,864,852	31,309,926	98,174,778
Total general fund	$17,689,002	($1,252,448)	$16,436,554"

Page 2, replace lines 7 through 14 with:

"Salaries and wages	$12,441,232	$109,887	$12,551,119
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,719,643)	51,445,841
Total all funds	$148,925,273	($60,181,703)	$88,743,570
Less estimated income	137,518,175	(58,224,473)	79,293,702
Total general fund	$11,407,098	($1,957,230)	$9,449,868"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	$29,096,100	($3,209,678)	$25,886,422
Grand total special funds	204,383,027	(26,914,547)	177,468,480
Grand total all funds	$233,479,127	($30,124,225)	$203,354,902"

Page 2, line 24, replace "$638,219" with "$591,978"

Page 2, line 24, replace "$253,000" with "$234,453"

Page 2, line 25, replace "$1,249" with "$1,241"

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 27, after "biennium" insert "and the 2017-19 biennium one-time funding items in the appropriation in section 1 of this Act"

Page 3, after line 15, insert:

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

Page 4, line 16, remove ", contingent upon the adjutant general"

Page 4, remove line 17

Page 4, line 18, remove "assignment in association with the Grand Forks air force base"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Adjutant General						
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332	$114,611,332	$0
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778	98,174,778	0
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554	$16,436,554	$0
Department of Emergency Services						
Total all funds	$148,925,273	$88,659,329	$84,241	$88,743,570	$88,793,570	($50,000)
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702	79,293,702	0
General fund	$11,407,098	$9,358,602	$91,266	$9,449,868	$9,499,868	($50,000)
Bill total						
Total all funds	$233,479,127	$203,223,143	$131,759	$203,354,902	$203,404,902	($50,000)
Less estimated income	204,383,027	177,496,174	(27,694)	177,468,480	177,468,480	0
General fund	$29,096,100	$25,726,969	$159,453	$25,886,422	$25,936,422	($50,000)

House Bill No. 1016 - Adjutant General - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$6,640,086	$6,673,161	($6,636)	$6,666,525	$6,666,525	
Operating expenses	3,685,547	3,492,934	33,000	3,525,934	3,525,934	
Capital assets	249,046	33,224,046		33,224,046	33,224,046	
Grants	509,514	318,553		318,553	318,553	
Civil air patrol	311,773	299,787	(207)	299,580	299,580	
Tuition, recruiting, and retention	2,517,500	2,617,500		2,617,500	2,617,500	
Air guard contract	8,054,554	8,089,803	8,779	8,098,582	8,098,582	
Army guard contract	59,870,605	57,703,081	14,863	57,717,944	57,717,944	
Veterans' Cemetery	811,486	882,321	(1,037)	881,284	881,284	
Reintegration program	1,903,743	1,262,628	(1,244)	1,261,384	1,261,384	
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332	$114,611,332	$0
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778	98,174,778	0
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554	$16,436,554	$0
FTE	155.00	155.00	0.00	155.00	155.00	0.00

Department No. 540 - Adjutant General - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Maintenance and Repairs[2]	Total Conference Committee Changes
Salaries and wages	($6,636)		($6,636)
Operating expenses		33,000	33,000
Capital assets			
Grants			
Civil air patrol	(207)		(207)
Tuition, recruiting, and retention			
Air guard contract	(6,221)	15,000	8,779
Army guard contract	(15,137)	30,000	14,863
Veterans' Cemetery	(1,037)		(1,037)
Reintegration program	(1,244)		(1,244)
Total all funds	($30,482)	$78,000	$47,518
Less estimated income	(20,669)	0	(20,669)
General fund	($9,813)	$78,000	$68,187
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the Senate version. Section 2 is also adjusted to reflect the change.

[2] Funding of $78,000 from the general fund for maintenance and repairs is restored, the same as the Senate version. The House had reduced funding for maintenance and repairs by $178,000 from the general fund.

House Bill No. 1016 - Department of Emergency Services - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$12,441,232	$12,465,927	$85,192	$12,551,119	$12,601,119	($50,000)
Operating expenses	8,905,310	7,288,451		7,288,451	7,288,451	
Capital assets	740,000	569,000		569,000	569,000	
Grants	18,673,247	16,889,159		16,889,159	16,889,159	
Disaster costs	108,165,484	51,446,792	(951)	51,445,841	51,445,841	
Total all funds	$148,925,273	$88,659,329	$84,241	$88,743,570	$88,793,570	($50,000)
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702	79,293,702	0
General fund	$11,407,098	$9,358,602	$91,266	$9,449,868	$9,499,868	($50,000)
FTE	79.00	79.00	0.00	79.00	79.00	0.00

Department No. 542 - Department of Emergency Services - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Salaries and Wages[2]	Total Conference Committee Changes
Salaries and wages	($14,808)	$100,000	$85,192
Operating expenses			
Capital assets			
Grants			
Disaster costs	(951)		(951)
Total all funds	($15,759)	$100,000	$84,241
Less estimated income	(7,025)	0	(7,025)
General fund	($8,734)	$100,000	$91,266

FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the Senate version. Section 2 is also adjusted to reflect the change.

[2] Funding of $100,000 from the general fund for salaries and wages is restored to provide for a final reduction of $100,000. The House had reduced salaries and wages funding by $200,000 from the general fund. The Senate version restored $150,000 from the general fund for salaries and wages.

This amendment also removes contingency language from Section 9 to allow the Adjutant General to spend the money carried over from the 2015-17 biennium in the tuition, recruiting, and retention line item without certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base, the same as the Senate version.

Engrossed HB 1016 was placed on the Seventh order of business on the calendar.

2017 TESTIMONY

HB 1016

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services
House Bill Nos. 1016 and 1076

Executive Budget Comparison to Prior Biennium Appropriations

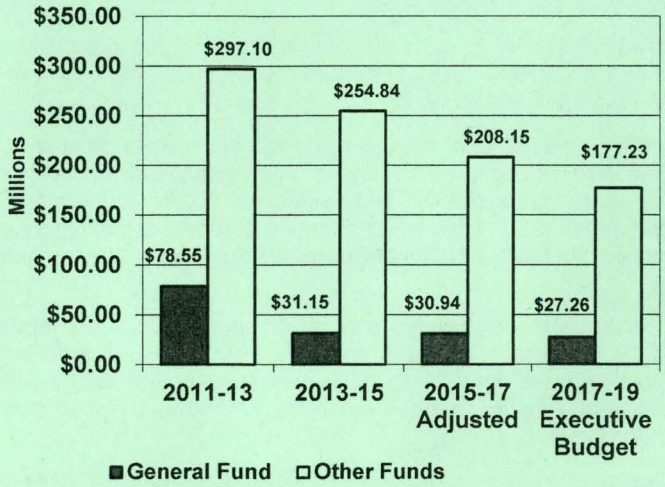
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	234.00	$27,256,286	$177,234,566	$204,490,852
2015-17 Adjusted Legislative Appropriations[1]	234.00	30,940,772	208,152,527	239,093,299
Increase (Decrease)	0.00	($3,684,486)	($30,917,961)	($34,602,447)

[1]The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016 and transfers from the targeted market equity pool, but do not include additional special funds authority of $17 million resulting from Emergency Commission action during the 2015-17 biennium.

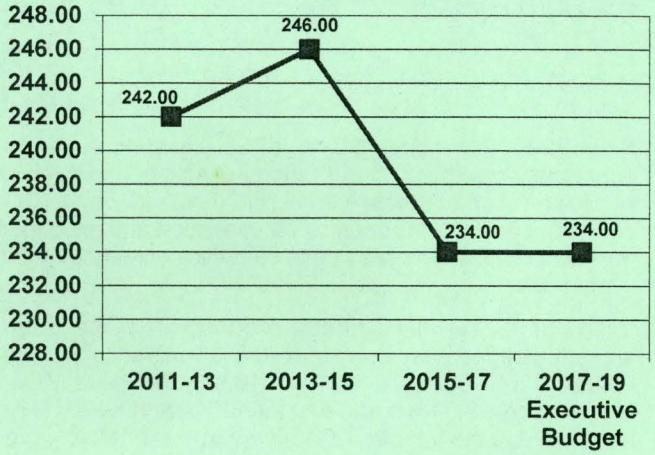
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	$27,256,286	$0	$27,256,286
2015-17 Adjusted Legislative Appropriations	29,096,100	1,844,672	30,940,772
Increase (Decrease)	($1,839,814)	($1,844,672)	($3,684,486)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	$27,256,286	$177,234,566	$204,490,852
2017-19 Base Level	29,096,100	204,383,027	233,479,127
Increase (Decrease)	($1,839,814)	($27,148,461)	($28,988,275)

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which $152,583 is for salary increases and $638,219 is for health insurance increases	$317,191	$473,611	$790,802
Department of Emergency Services			
2. Reduces funding for operating expenses	($1,153,909)	$0	($1,153,909)
3. Reduces funding for grants	$0	($57,784,088)	($57,784,088)
4. Removes funding for mortuary response training	($191,900)	$0	($191,900)
5. Reduces capital funding for equipment and information technology	$0	($815,000)	($815,000)
6. Adjusts funding for state radio	($100,000)	$100,000	$0

National Guard

7. Restores funding for salaries and wages	$133,338	$0	$133,338
8. Reduces funding for operating expenses	($916,613)	$0	($916,613)
9. Increases funding for recruitment	$100,000	$0	$100,000
10. Reduces funding for grants	($146,961)	$0	($146,961)
11. Reduces capital funding for equipment, motor vehicles, and land and buildings	($25,000)	($2,300,194)	($2,325,194)
12. Transfers $637,344 of funding from the general fund from the National Guard operating expenses line item to the Department of Emergency Services operating expenses line item (this transfer between line items appears to have been made in error)	$0	$0	$0

Other Bill Sections Recommended to be Added in the Executive Budget

(As Detailed in House Bill No. 1076)

Veterans' Cemetery maintenance fund - Section 3 provides an additional appropriation for any funds which are received and deposited in the Veterans' Cemetery maintenance fund pursuant to North Dakota Century Code Sections 37-03-14 and 39-04-10.10 for the operation of the Veterans' Cemetery for the 2017-19 biennium.

Maintenance and repairs - Section 4 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.

Exemption - Radio communications - Section 5 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - Tuition, recruiting, and retention - Section 6 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - National Guard tuition assistance - Section 7 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

Exemption - Veterans' bonus program - Section 8 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Exemption - Veterans' bonus - Section 9 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Exemption - Radio communications - Section 10 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - Disaster costs - Section 11 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Continuing Appropriations

National Guard emergency fund - Section 37-01-04.1 - This fund allows the National Guard to respond to state emergencies.

National Guard military grounds fund - Section 37-03-13 - This fund is used for collecting rental revenues to be used for purchasing military training grounds.

Veterans' Cemetery maintenance fund - Section 37-03-14 - This fund is used to support the operations of the Veterans' Cemetery. The fund receives $5 from the issuance of each veteran's license plate, grave opening and closing fees, and private and federal funds for the operation of the Veterans' Cemetery.

Veterans' Cemetery trust fund - Section 39-04-10.10 - This fund receives $5 from the issuance of each veteran's license plate and donations. The interest in the fund is to be deposited in the Veterans' Cemetery maintenance fund for the purpose of providing funding for salaries and maintenance at the cemetery.

Deficiency Appropriation

The executive budget recommendation includes a deficiency appropriation of $17,079,500 from the strategic investment and improvements fund to repay Bank of North Dakota loans for the state's share of disaster costs, which includes costs from the 2015 Burleigh County fires and costs relating to the pipeline protests.

Significant Audit Findings

There were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1027 - Amends Sections 57-40.6-01(2), 57-40.6-04, and 57-40.6-10(4), relating to the standards and guidelines for emergency services communications systems; and repeals Section 57-40.6-03.1, relating to 911 database management charges.

House Bill No. 1103 - Amends Section 54-16-13, relating to borrowing of funds during a disaster or emergency.

House Bill No. 1104 - Amends Section 37-01-04, relating to the Governor's authority to call out the National Guard.

House Bill No. 1105 - Amends Section 39-01-01(2), relating to the definitions of emergency vehicles.

House Bill No. 1106 - Amends Section 37-17.1-04, relating to definitions of disasters and emergencies.

House Bill No. 1107 - Amends Section 37-17.1-22, relating to disaster and emergency response and recovery costs.

House Bill No. 1108 - Creates a new subsection to Section 44-04-18.4, relating to the availability of records involving security and cyber attacks.

House Bill No. 1109 - Amends Sections 37-01-03, 37-01-43, 37-28-02(6), and 37-28-03, relating to the operation of the North Dakota National Guard.

Senate Bill No. 2106 - Amends Section 37-17.3-08, relating to the state radio fee system.

Senate Bill No. 2107 - Creates Section 37-01-47, relating to health insurance coverage for National Guard service members, and amends Sections 37-04-08 and 37-07-05, relating to pay and benefits of National Guard members.

Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540
House Bill Nos. 1016 and 1076
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	234.00	$29,096,100	$204,383,027	$233,479,127
2017-19 Ongoing Funding Changes				
Base payroll changes		$144,040	($391,790)	($247,750)
Salary increase		61,201	91,382	152,583
Health insurance increase		255,990	382,229	638,219
Restore funding for salaries and wages		133,338		133,338
Reduce funding for operating expenses		(2,070,522)		(2,070,522)
Increase funding for recruitment		100,000		100,000
Reduce funding for National Guard grants		(146,961)		(146,961)
Realign Department of Emergency Services grants			(57,784,088)	(57,784,088)
Remove funding for mortuary response training		(191,900)		(191,900)
Reduce capital funding for equipment, information technology, motor vehicles, and land and buildings		(25,000)	(3,115,194)	(3,140,194)
Adjust funding for state radio		(100,000)	100,000	0
Adjust funding between line items				0
Total ongoing funding changes	0.00	($1,839,814)	($60,717,461)	($62,557,275)
One-time funding items				
Add federal funding for emergency response equipment			569,000	569,000
Add funding for National Guard Readiness Center project			33,000,000	33,000,000
Total one-time funding changes	0.00	$0	$33,569,000	$33,569,000
Total Changes to Base Level Funding	0.00	($1,839,814)	($27,148,461)	($28,988,275)
2017-19 Total Funding	234.00	$27,256,286	$177,234,566	$204,490,852

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Executive Budget Recommendation
Veterans' Cemetery maintenance fund	Section 3 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Executive Budget Recommendation
Maintenance and repairs	Section 4 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.
Exemption - Radio communications	Section 5 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Tuition, recruiting, and retention	Section 6 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - National Guard tuition assistance	Section 7 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.
Exemption - Veterans' bonus program	Section 8 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Veterans' bonus	Section 9 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Executive Budget Recommendation
Exemption - Radio communications	Section 10 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Disaster costs	Section 11 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments

(As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	$30,158,941	$2,945,500	$33,104,441
General fund reductions	(1,062,841)	(1,100,828)	(2,163,669)
Adjusted 2015-17 appropriations	$29,096,100	$1,844,672	$30,940,772
Executive Budget changes	(1,839,814)	(1,844,672)	(3,684,486)
2017-19 Executive Budget	$27,256,286	$0	$27,256,286

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
National Guard			
Vacant administrative staff officer position	($60,694)	$0	($60,694)
Vacant human resources technician position	(72,644)	0	(72,644)
Reduce funding for operating expenses	(637,344)	0	(637,344)
Department of Emergency Services			
Reduce funding for operating expenses	(284,059)	0	(284,059)
Reduce funding for mortuary response training	(8,100)	0	(8,100)
Reduce funding for firefighter training grants	0	(825,828)	(825,828)
Reduce funding for emergency response supplies	0	(275,000)	(275,000)
Total reductions	($1,062,841)	($1,100,828)	($2,163,669)
Percentage reduction to ongoing and one-time general fund appropriations	3.52%	37.37%	6.54%

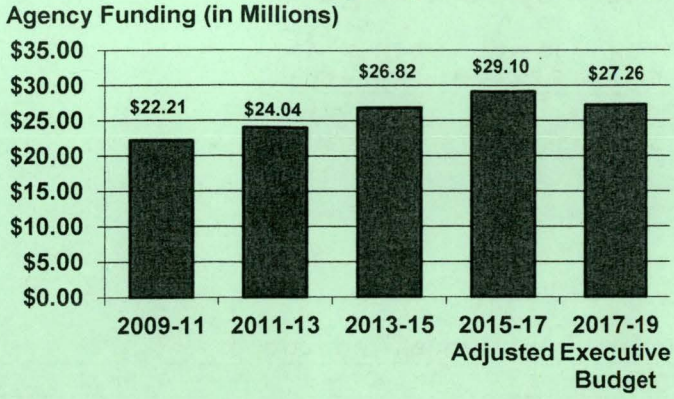
2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

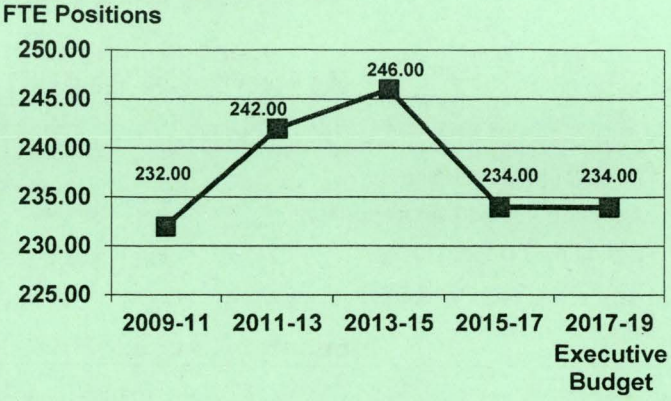
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
National Guard			
Adds funding for base payroll changes	$95,033	$0	$95,033
Adds funding for recommended salary and benefit increases	170,357	0	170,357
Restores funding for vacant positions	0	133,338	133,338
Reduces funding for operating expenses	(1,553,957)	637,344	(916,613)
Increases funding for recruitment	100,000	0	100,000
Reduces funding for grants	(146,961)	0	(146,961)
Reduces capital funding for equipment, motor vehicles, and land and buildings	(25,000)		(25,000)
Transfers funding from National Guard operating expenses line item to Department of Emergency Services operating expenses line item	(637,344)	0	(637,344)
Department of Emergency Services			
Adds funding for base payroll changes	49,007	0	49,007
Adds funding for recommended salary and benefit increases	146,834	0	146,834
Reduces funding for operating expenses	(1,437,968)	284,059	(1,153,909)
Removes funding for mortuary response training	(200,000)	8,100	(191,900)
Adjusts funding for state radio	(100,000)	0	(100,000)
Transfers funding from National Guard operating expenses line item to Department of Emergency Services operating expenses line item	637,344	0	637,344
Total	($2,902,655)	$1,062,841	($1,839,814)

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services

Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11





Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	$22,209,867	$24,035,127	$26,824,589	$29,096,100	$27,256,286
Increase (decrease) from previous biennium	N/A	$1,825,260	$2,789,462	$2,271,511	($1,839,814)
Percentage increase (decrease) from previous biennium	N/A	8.2%	11.6%	8.5%	(6.3%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	8.2%	20.8%	31.0%	22.7%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

1. Added 4 regional emergency management coordinator FTE positions	$157,684
2. Added funding for computer-aided dispatch maintenance	$356,000
3. Added funding for National Guard facility utilities	$105,000
4. Added funding for facility maintenance and repairs	$265,000
5. Added funding for state radio tower expenses	$180,000

2013-15 Biennium

1. Increased funding for the National Guard tuition program	$110,000
2. Added 4 communication specialist FTE positions in the state radio dispatch center	$386,048
3. Added funding for state radio tower maintenance	$360,000

2015-17 Biennium (Original Amounts)

1. Added funding for operating costs of the ND Cares Task Force	$260,000
2. Added funding for various maintenance items	$861,280
3. Added funding to realign state radio dispatch positions within the employee classification system	$192,621
4. Added funding for mortuary response training (This item was affected by the August 2016 agency budget reductions)	$200,000

2017-19 Biennium (Executive Budget Recommendation)

1. Reduce funding for operating expenses	($2,070,522)
2. Restore funding for vacant positions	$133,338
3. Increase funding for recruitment	$100,000
4. Reduce funding for National Guard grants	($146,961)
5. Remove funding for mortuary response training	($191,900)
6. Adjust funding for state radio	($100,000)

January 12, 2017 HB1016 / HB1076 attachment A

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
Major General Alan S. Dohrmann
The Adjutant General

before the

House Appropriations
Government Operations Division
January 12, 2017

HOUSE BILL 1016 and 1076

TESTIMONY OF
MAJOR GENERAL ALAN S. DOHRMANN
THE ADJUTANT GENERAL
BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
GOVERNMENT OPERATIONS DIVISION
JANUARY 12, 2017
HOUSE BILLS 1016 & 1076

Since assuming the duties as Adjutant General just over a year ago, my number one priority has been readiness. This agency's purpose is to be ready when our citizens, communities, state or nation need us, often when they are in great need or crisis. Whether we deploy Guard members overseas or for domestic operations to protect our citizens; or we need our division of Homeland security to manage complex emergencies; or need state radio operators to deliver emergency services to someone in distress, we must be always ready, always there.

To be ready, we need to have our organization filled, trained and equipped. In the North Dakota National Guard that means filling approximately 200 vacancies that exist in our formation. After a five year steady decline in our strength, we managed to grow both the Army and Air National Guard this year. That's the good news, but we need to continue to grow and achieve our end-strength goals to ensure we don't have more military units transferred to other states that are able to achieve or exceed their end-strength goals.

We understand that the budget is tight this year and every agency has to be part of the solution to balance the budget for this and the next biennium. We believe we are being part of that solution in our budget proposal, while still funding critical programs that ensure the readiness of the entire agency.

And, we will be needed. Many parts of this country are not touched by the on-going war on terror; some may think it's about over, but we in North Dakota know that is not the case. This past week we sent off our 136th Combat Sustainment Support Battalion to Fort Hood, Texas to complete their training for their upcoming mission in Afghanistan. They will be followed by our Air Defense Battalion deploying to Washington D.C. to protect the sky over the National Capital Region. We will also deploy our Military Police and our fixed wing aviators in the next 12 months for operations in Afghanistan. Our Air National Guard will deploy more airmen this year than any time in the last 15 years. All told, we will deploy approximately 500 North Dakota National Guard members in the next 12 months.

In addition to our federal commitments, the National Guard has been actively supporting the protest that Morton County and the State have been engaged in for 5 months, with several months left to go. It is unprecedented to use a state Guard for this long for a law enforcement mission. But we have been forced to use 25,000 man days of Guard support due to the relatively small numbers of law enforcement in the state. And, with many parts of the state experiencing record snow fall, we are already planning to call out the Guard this Spring to support civil authorities.

Current Budget Status (2015 -17)

General Funds:

The requirement of general funds for the North Dakota National Guard (NDNG) and DES for the 2015-17 biennium has been on track as projected. However, we have three State Radio projects that will not be completed by June 30, 2017. The first of those three is the State Radio Tower Package where we have requested carry over in Sections 5 and 10 of this bill. The other two projects are the Next Generation 911 and the Radio Tower Redundancy which we are working with DOT and ITD have **not** been included as carry over exemptions in this bill, but will be required in the next biennium and, therefore, we are asking for an amendment to authorize the carry-over of this authorization. Also, to promote recruiting, retention and readiness, we are requesting carry-over for the tuition assistance and veterans bonus programs in Sections 6, 7, 8 and 9 of this bill.

As approved by the August 2016 special session, our total allotment for 2015-17 is $2,163,669, see attachment #1 for details.

We are anticipating general fund turn back for two one-time appropriations from 2015 for the Message Switch Test Server and the Firefighter Training grant detailed on page three and four of this document. We are also anticipating turn back for the Next Generation 911 and State Radio Redundancy maintenance packages. As mention earlier, these on-going appropriated projects will not be completed until the next biennium. Both programs are discussed in more detail on page four of this document.

Federal Funds:

This biennium, the DES estimates approximately $72 million in federal funds of which $58 million are FEMA grant funds and $14 million are Homeland Security grant funds. Thus far, $39 million has been dispersed to counties, cities, tribal governments, emergency management entities, and first responder organizations. Federal funding received has mostly been expended for disaster recovery efforts resulting from 2009, 2010, 2011, 2013 and 2014 presidential declared disasters. Funds have also been expended to improve state, county, and tribal preparedness planning, law enforcement planning, intelligence analysis activities, interoperable communications, and supporting regional response capabilities.

The NDNG has received $23 million to date in the current biennium to support the Air and Army Guard facilities, missions, and employees.

One-time Funding 2015-17:

The NDNG division received two one-time appropriations for the 2015-17 biennium:

1. $500,000 (general funds) was received for payment of adjusted compensation to veterans. Approximately $50,000 has been spent to date. We will have increased payments in the upcoming biennium due the the deployments I mentioned eariler. A request for carry-over of this appropriation as well as the 2013-15 appropriation is included in Sections 8 and 9 of this bill.

2. $139,000 was provided for the purchase of approximately 36 acres adjacent to the ND Dakota Veterans Cemetery. Of that amount $69,500 was general funds and $69,500 in special fund authority for funding received from the ND Veterans Cemetery Foundation. The purchase was completed in October 2015.

The DES division received nine one-time appropriations for the 2015-17 biennium:

1. Disaster Volunteer Coordination $200,000 Disaster Relief Funds – This service was contracted with Lutheran Disaster Response with payments to date totaling $150,000. All remaining funds will be expended by June 30, 2017.

2. Next Generation 911, $386,000 General Funds – To date $135,000 have been spent on software and hardware through ITD to implement. We do not expect this project to be completed by June 30, 2017 and are requesting an amendment to HB 1016 to carry this authorization over to the next biennium.

3. Microsoft SQL Enterprise for CAD, $90,000 General Funds – Project is completed with a total cost of $99,462. Actual cost came in higher than projected; the difference will be covered with funds excess to our requirements in the Message Switch Test Server appropriations.

4. Message Switch Test Server, $70,000 General Funds – No expenditures will occur for this appropriation and, after covering the excess cost of the Microsoft SQL Enterprise for CAD overruns, the remaining funds will be turned back.

5. Radio Tower Redundancy, $80,000 General Funds – There have been no expenditures to date for this project and we are requesting carry-over authority to complete this validated requirement.

6. $1,000,000 was appropriated from the Disaster Relief Fund for a Disaster Recovery Assistance Contract. There have been no expenditures to date on this appropriation. A carry-over of $468,782 from the 2013-15 biennium per SB 2016 Section 12 was authorized and of that amount, $34,810 has been spent to date through a contract with Witt Obrien. We do not expect to spend any remaining funds and will de-obligate $1,433,972 from the State Disaster Relief Fund.

7. $550,000 was appropriated from General Funds for emergency response supplies. $275,000 of this appropriation was part of our agency's allotment. We will spend the remaining funds during the last six months of the current biennium to purchase response supplies needed to respond to hazardous materials spills on waterways.

8. Firefighter Stipends, $500,000 Insurance Tax Distribution Fund – To date, $11,238 has been spent to send firefighters to Pueblo CO for "Crude by Rail Emergency Response" training at the Security and Emergency Response Training Center, (SERTC). We do not anticipate significant additional expenditures in the remainder of the 2017-19 biennium.

9. Firefighter Training, $1,200,000 General Funds – No expenditures to date as this project did not receive the anticipated support. Of this amount, $825,828 was used as our agency's 2015-17 allotment. The remaining $374,172 will be turned back.

Ongoing General Fund Increases 2013-15:

1. Increased funding for the National Guard Tuition Program - $110,000
   This increase was due to a reduction in federal tuition assistance and has allowed the NDNG to continue to provide 100% tuition reimbursement. This program has been most critical and successful as a recruitment tool.

2. Added 4 FTE Communication Specialists in the SR Dispatch Center - $386,048
   As the increased overall activity in the state and the addition of two additional counties, these positions are critical to full manning of each shift.

3. Added funding for State Radio Tower Maintenance - $360,000
   This funding covers our monthly radio tower maintenance for the additional tower sites added through the State Radio tower project.

Ongoing Funding General Fund Increases 2015-17:

1. Operating Costs for ND Cares - $260,000
   This was a new program created during the 2015-17 biennium to bring together community leadership, local, state and federal organizations, providers and stakeholders across the state to commit support to Veterans, Service Members, Families and Survivors.

2. Maintenance for the Records Management System - $150,000
   We have expended approximately $44,000 to date for maintenance expenses. The second payment is due in the upcoming months, which will expend the remaining funds.

3. Next Generation 911 Maintenance - $209,280
   As discussed on page two, we do not expect the initial project to be completed by June 30, 2017 and will most likely turn back a portion or all of this 2015-17 appropriation.

4. State Wide Base Map Maintenance - $382,000
   We are currently assessing alternative vendors to find the most cost effective program to maintain the base map. We assumed risk by identifying $95,500 of this appropriation to cover our allotment. We believe this is a prudent risk with the available options, which include the possibility of purchasing off-the-shelve map data, or work with NDDOT to secure the required data.

5. Radio Redundancy Maintenance - $120,000
   As discussed on page two, we do not expect the initial project to be completed by June 30, 2017 and will look to turn this back.

6. Added Funding for Realignment of State Radio Dispatchers - $192,621
   This Funding was necessary to provide competitive salaries for State Radio dispatcher positions. Alignment of salaries has significantly increased the number of qualified applicants for vacant positions.

7. Mortuary Team Expense - $200,000
   There have been no expenditures to date. Of this amount, $8,100 was part of our 2015-17 allotment. Anticipate a partnership with the Department of Health and expending the remaining $191,900 by May 30, 2017.

2017-19 Biennial Budget Overview

General Funds: The base budget has been reduced overall by $1,839,814. Changes from base budget numbers and the executive budget recommendation will be addressed in the individual line items below. We have also provided, in Attachment #2, our agency general fund reductions to meet the 90 percent budget request guideline.

Federal & Special Funds: Overall, federal and special funds for 2017-19 have been reduced by approximately $27 million. This is due mainly to a reduction of federal and special fund payments ($57 million) for Presidential Disasters as current disasters are nearing closeout and $3.0 million reduction in Army Guard federal projects. The off-setting increase has been the federal authority of $32 million and $1 million special fund increase for construction of a new Fargo Readiness Center in the National Guard capital assets line. I will address these in more detail when I address our capital assets line.

The following is a brief line-by-line description of the 2017-19 budget request for the agency which includes the major variances from the 2015-17 biennium:

Subdivision 1. National Guard –

Salaries and Wages

This salary line includes 35 ND National Guard FTE's and temporary employees that support our state-owned and funded armories as well as one FTE supporting the National Guard Tuition program and one FTE supporting ND Cares.

The increase from base budget of $198,140 mainly includes the executive recommended salary increase and health insurance benefits.

Operating Expenses

This line of our budget supports NDNG state-supported facilities and provides operational support to state funded employees to include the ND Cares program. The decrease of $746,957 (general funds) is the 10% agency reduction as shown on Attachment #2.

Capital Assets

Proposed funding for this line is $33,224,046 ($224,046 general, $1.0 million special and $32 million federal) which includes the following:

1. $224,046 (general funds) for special assessments and payment in lieu of taxes at Camp Grafton.
2. $32 million federal and $1.0 million special funding for the construction of a new Fargo Readiness Center and Unheated Vehicle Storage Building. This facility is needed to meet Army space requirements to house, support and train three Army National Guard units. Design and construction of this 98,225 sq ft facility will begin in 2019. The completion date is projected for March 2021. The completed facility will require three FTE's, utilities and maintenance funded at 50% state general funds and 50% federal funds. Full biennial costs are estimated at $562,000 with $281,000 state general funds and $281,000 federal funds.

Grants

This line provides rental payments and maintenance project costs for community owned armories partially occupied by NDNG units throughout the State. Currently, the NG leases space in thirteen armories but we will be vacating six by August 2017. The base budget of $509,514 (general funds) is reduced by $146,961 as part of our 10% reduction on Attachment #2.

Civil Air Patrol

The North Dakota Civil Air Patrol (CAP) has become an agency that is often called upon for civilian search and rescue as well as information gathering during state disasters. There is one FTE in this program. This line was decreased by $3,000 for the 10% fund reductions, however there is an overall increase of $8,505 in general funds for increased salary costs.

Tuition, Recruiting and Retention

The base funding of $2.5 million (general funds) was increased by $100,000 general funds in the executive budget for tuition and recruiting and retention incentives. The tuition program continues to be the number one recruiting tool and critical to meet end strengths necessary for our state and federal missions. This funding along with federal funding has allowed 100% tuition reimbursement during this biennium. If federal tuition assistance continues at the same level, we hope to continue providing 100% tuition reimbursement in the next biennium.

Air Guard Contracts

This budget line supports the state funded facilities and state FTE's (28) at the ND Air National Guard located at Hector Field in Fargo. We reduced this budget line by $100,000 for the 10 percent general fund reductions. This line has a net increase of $68,493 to fully fund salaries and benefits in the 2017-19 biennium.

Army Guard Contracts

This budget line supports federally funded facilities and 78 FTE's, many of which require a state match of general funds. The 2017-19 executive budget request has an overall decrease from the base budget of $2,089,008 which includes $200,000 for the 10% general fund reductions and an additional $100,000 general fund reduction in the executive budget. There is also additional reductions in federal funding of approximately $3.0 million for federal construction projects.

Veterans Cemetery Salaries

This line of our budget supports salaries for five FTE's and several temporary employees at the North Dakota Veterans Cemetery. This budget line has an overall increase of $73,687 to fund salaries and benefits. However, the base budget was reduced by $73,442 in general funds to meet the 10% general funds reduction. Special funds, derived from federal and private burial revenue and license plate fees, were used to reduce general fund requirements to fully fund salaries.

Reintegration Program

The reintegration program supports Soldiers and Airmen during the course of their deployment and assists them and their Families in transitioning once the Soldier and Airmen return from deployment. Whenever there is a deployment, the service members and their Families are at risk for numerous issues such as chemical dependency, mental health issues, relationship issues, suicides, violence and many others. This program prepares the member and their loved ones for reintegration into the family, employer and community upon their return. This program is supported by FTE's to include five Outreach Specialists and three Human Resource Counselors. The program also supports travel and two Military Service Center (MSC) facilities, one in Bismarck and one in Fargo.

This budget line has an overall decrease of $324,058 from the base budget of $1.9 million (general funds). A reduction of $284,000 was made to meet the 10% general fund reductions. An additional reduction of $40,058 was made in the executive budget.

In an effort to consolidate resources and meet budget constraints, we have just recently terminated our lease and vacated the Bismarck MSC facility and relocated the MSC to the Raymond J. Bohn Armory in Bismarck. This has resulted in a savings of approximately $250,000 per biennium.

Subdivision 2. ND Department of Emergency Services –

Salaries and Wages

This budget line supports five administrative FTE's, 34 Homeland Security FTE along with federally funded temporaries, and 40 State Radio FTE's. There have been no significant changes in this line for the 2017-19 budget. The overall increase from base budget is $273,966 to fund salaries and benefits for the 2017-19 biennium.

Operating Expenses

The operating expense line supports the basic operating costs of DES with approximately 50% supporting State Radio.

This budget line shows a reduction of $708,464 from the base budget of $8,905,310. Several adjustments were made that included the agency's 10% reduction and also an adjustment adding $637,344 that was mistakenly added to the DES operating base budget in IBARS rather than the NG's operating base budget. The overall base budget for the operating lines is correct, however, $637,344 should be moved back to the NG to correct this.

Capital Assets

Our NDDES total capital asset line is $569,000, of which $349,000 is funded with federal Emergency Performance Grants and $220,000 is Homeland Security funds intended for the purchase of disaster response equipment if federal funding is available.

Grants

The Grants line has a decrease in base level funding of $1.8 million. This amount is made up of several adjustments including a reduction of $1,740,088 in Homeland Security Grants, a reduction of $500,000 in Emergency Performance Management Grants, an increase of $256,000 in Hazardous Materials Emergency Preparedness Grants and an increase of $200,000 in Hazardous Chemical Grants.

The following is a list of the grant programs that DES now manages, all of which are specifically targeted to accomplish federal goals:

Public Assistance Grant Program
Hazard Mitigation Grant Program
Homeland Security Grant Program
Hazardous Materials Emergency Preparedness Grant
Emergency Management Performance Grants

These grant programs are restrictive in terms of purpose and rules which limit our flexibility to internally utilize those federal funds for operations.

Disaster Costs

This budget line was newly created by the 2009 Legislature due to the extent of the damages and the significant funding for the 2009 flood. Since 2009 we have expended most of our disaster funds through this budget line. At the time of our budget submission we estimated approximately $51.4 million in disaster spending for the 2017-19 biennium which is a decrease of $56.7 million from the base budget. The timing of these expenditures is highly dependent upon completion of on-going repair projects as well as mitigation projects.

The funding for this line is primarily federal funding of $42.9 million, however, it also includes an estimated $8.4 million from the State Disaster Relief fund and $20,000 in general funds.

Radio Communications

There are no new State Radio initiatives planned for the upcoming biennium. However, we will be requesting carry-over (Sections 5 and 10) for the State Radio Tower Package that will be completed in the 2017-19 biennium. As discussed earlier, we would also like to request carry over in our appropriations bill for the Radio Tower Redundancy and Next Generation 911 projects.

I will now briefly address Sections 3 through 11 of HB 1076.

Veterans Cemetery Maintenance Fund (Section 3.) This section provides a continuing special fund appropriation for the operations of the North Dakota Veterans Cemetery for the 2017-19 biennium utilizing revenue generated from burial income and license plate sales. This is in addition to the Veterans Cemetery appropriation in Section 1. Subdivision 1. This authority has been used for several bienniums and allows efficient fiscal management of the ND Veterans Cemetery.

Maintenance and Repairs (Section 4.) This allows the agency the ability to transfer to the operating or capital assets line up to $500,000 from other budget lines. This may only be used for the maintenance and repair of state-owned armories.

Exemption (Section 5.) This section provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption (Section 6.) This section provides that any unexpended general or special funds appropriation authority carried over in the tuition, recruiting and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption (Section 7.) This section provides that any unexpended general or special funds appropriation authority carried over in the tuition, recruiting and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. This was a contingent funding upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base. We ask that this funding would be contingent on any new or emerging missions, to include potential associated missions located at both the Grand Forks and Minot Air Force Bases.

Exemption (Section 8.) This section provides that any unexpended general or special funds appropriation authority carried over in the grants line item relating to the payment of adjusted compensation to veterans for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds

from this appropriation must be transferred to the Veterans Cemetery trust fund during the 2017-19 biennium.

Exemption (Section 9 This section provides that any unexpended general or special funds appropriation authority carried over in the grants line item relating to the payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans Cemetery trust fund during the 2017-19 biennium.

Exemption (Section 10.) This section provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption (Section 11.) This section provides that any unexpended general or special funds appropriation authority carried over in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. There is currently $4,695,780 remaining of this appropriation but we will only request a carryover appropriation of $100,000 for remaining payments. Therefore, approximately $4,595,780 can be de-obligated against the state disaster relief fund at this time.

This agency did not have any formal audit findings.

Mr. Chairman, that completes my testimony, I will try to answer any questions you might have and I ask for your favorable support of HB 1076.

Office of Adjutant General
2015-17 Allotments (August 2016)

ATTACHMENT #1

National Guard

		Ongoing	One-Time	Total
Salaries & Wages				
	Vacant temporary administrative staff officer	$ 60,694.00		$ 60,694.00
Operating				
	Delayed maintenance & repair	$ 451,344.00		
	IT replacements	$ 50,000.00		
	Travel	$ 36,000.00		
	Small ground equipment replacements	$ 100,000.00		
		$ 637,344.00		$ 637,344.00
Army Guard Contract				
	Vacant HR technician position	$ 72,644.00		$ 72,644.00
			Division Total	**$ 770,682.00**

Department of Emergency Services

Operating				
	Travel	$ 32,400.00		
	Delayed SR tower maintenance	$ 91,159.00		
	Delayed base map maintenance	$ 95,500.00		
	IT replacements	$ 65,000.00		
	Mortuary team expense		$ 8,100.00	
	50% reduction of disaster response supplies		$ 275,000.00	
		$ 284,059.00	$ 283,100.00	$ 567,159.00
Grants				
	Fire Training Grant		$ 825,828.00	$ 825,828.00
			Division Total	**$ 1,392,987.00**
			Agency Total	**$ 2,163,669.00**

Office of Adjutant General
2017-19 10% Budget Reductions

ATTACHMENT #2

National Guard

		10% Reductions
Operating		
Repairs	$	656,957.00
Professional Services	$	10,000.00
Misc Supplies	$	20,000.00
Buildings & Grounds	$	20,000.00
Travel	$	40,000.00
	$	746,957.00
Grants		
City Armory Rent	$	146,961.00
Civil Air Patrol		
Repairs	$	3,000.00
Air Guard Contract		
Building Maintenance & Repair	$	100,000.00
Army Guard Contract		
Building Maintenance & Repair	$	200,000.00
Veterans Cemetery		
Salaries & Wages	$	73,442.00
Reintegration Program		
Professional Supplies	$	10,000.00
Building Lease	$	74,000.00
Building Maintenance & Repair	$	100,000.00
Professional Development	$	40,000.00
Professional Services	$	60,000.00
	$	284,000.00
Total	$	1,554,360.00

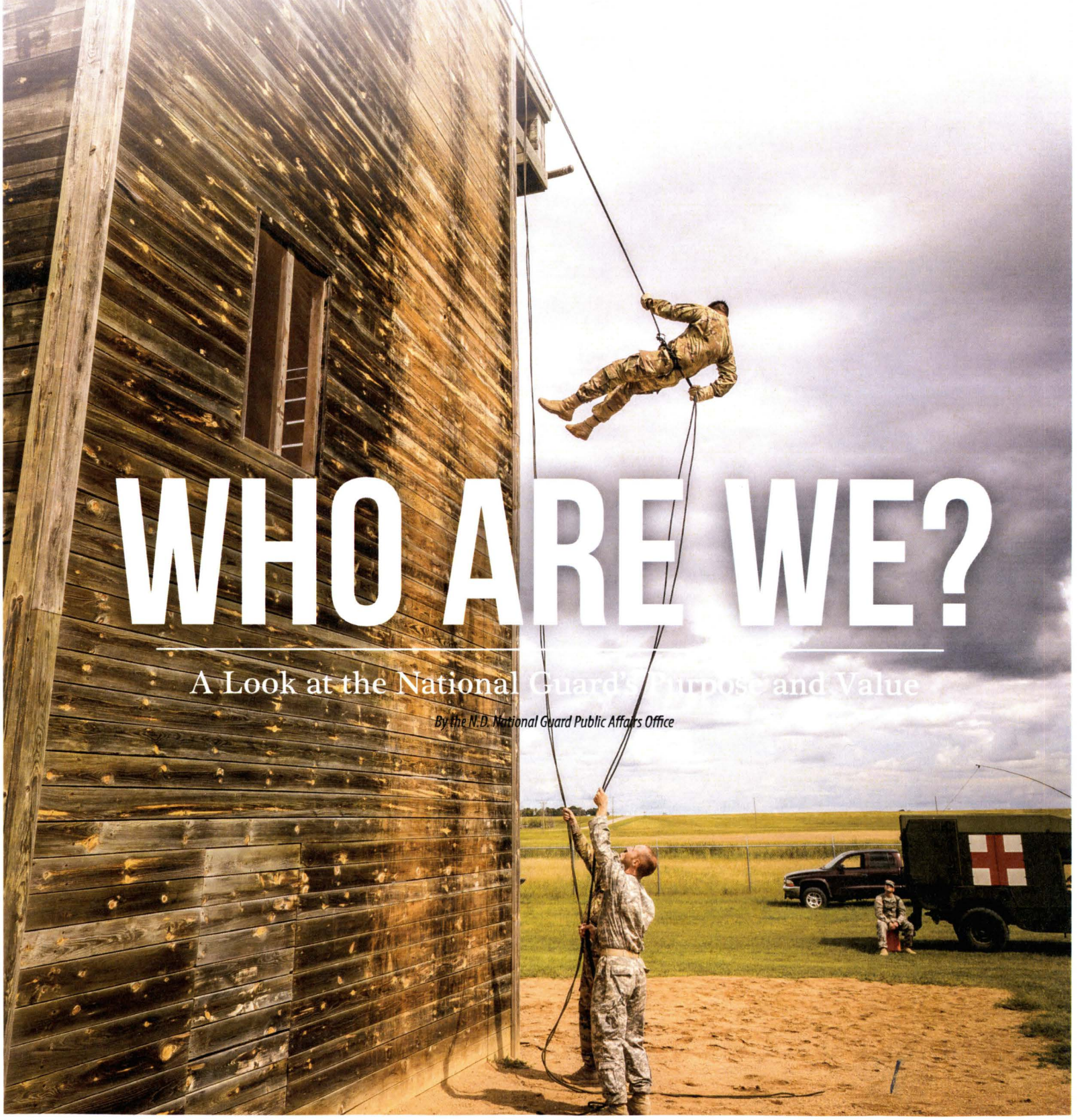
Department of Emergency Services

Operating		
Travel	$	10,000.00
Miscellaneous Supplies	$	5,000.00
Office Supplies	$	5,000.00
Repairs	$	265,000.00
Professional Development	$	15,000.00
IT Equipment	$	434,556.00
Other Equipment	$	511,412.00
Professional Services	$	192,000.00
Total	$	1,437,968.00

Total For Both Divisions	**$**	**2,992,328.00**

January 12, 2017 HB 1016 / HB 1016 attachment B

Soldiers and Airmen throughout North Dakota convene at armories and bases every month to train, work and prepare for our state and nation's call. It's easy for us to become hyper-focused on our most pressing assignments, and we may often get caught up in the minutia of our training goals – each an effect of our shared ethos, which compel us to "always place the mission first." It's critical to our success that we step back at times, reflect on our purpose, take a look at the big picture and ask...



WHO ARE WE?

A Look at the National Guard's Purpose and Value

By the N.D. National Guard Public Affairs Office

For nearly 380 years, citizen-Soldiers and citizen-Airmen of the National Guard have answered the call, rallied around the flag, and risked life and limb when America has needed them. Beyond playing key roles in every conflict in United States history, we have become vital to international relations, and the organization has done its part in responding to natural disasters and civil emergencies. It's quite apparent that the Guard — a force that is called upon time and time again — has cemented a legacy as an organization that lives up to its motto: "Always ready, Always there."

Our Past

Founded in 1636, the National Guard is the nation's oldest military organization. As a reserve component of the U.S. Armed Forces, the Guard is comprised of Soldiers and Airmen who serve the country on a part-time basis.

Prescribed by the U.S. Constitution and made up of 54 separate organizations, the Guard provides military units to states, territories and the District of Columbia. The units we provide are well-trained and remain suitably-equipped to protect life and property. Beyond our charge to serve individual states, the Guard also provides trained units to the nation, equipped and ready to defend the United States and its interests all over the globe. This dual mission took effect in 1933 and makes the Guard unique in its makeup, distinctive in its capabilities, and extraordinary in its effects.

After Operation Desert Storm, the National Guard saw its federal mission evolve, with more frequent call-ups in response to regional crises in Haiti, Bosnia, Kosovo and the skies over Iraq. The Guard also expanded its scope of operations with peacekeeping rotations in the Sinai and the Balkans.

Following the terrorist attacks of Sept. 11, 2001, tens of thousands of Guard members have mobilized into federal service to provide security at home and combat terrorism abroad. These men and women served in harm's way during Operation Iraqi Freedom in Iraq and continue to do so in support of Operation Enduring Freedom in Afghanistan. From North Dakota alone, we've mobilized more than 4,200 Soldiers and nearly 2,600 Airmen in support of the Global War on Terrorism.

In the largest and swiftest response to a domestic disaster in history, the Guard deployed more than 50,000 troops in support of the Gulf States following Hurricane Katrina in 2005. The National Guard continued to assist friends and neighbors at home, even as they endured multiple deployments overseas and continued to train in order to effectively respond to global conflicts and local contingencies.

War Fighting

As a fully-trained fighting force, the National Guard provides invaluable service to the U.S. Our seasoned Airmen and Soldiers deploy in order to provide security, promote stabilization and enhance peacekeeping efforts across the globe. We can tackle full-spectrum operations at all echelons, and we do so at tremendous value.

Although alotted only a fraction of the budget, National Guard Soldiers and Airmen train to the same standards as their active-duty counterparts and provide the U.S. with a ready force who can fight in an array of complex environments. Impressively, the Army Guard operates and manages nearly 43 percent of the Army's manned and unmanned aircraft, while the Air Guard flies 36 percent of the Air Force's cargo and air refueling aircraft and performs 14 percent of the Air Force mission each day, all while remaining ready to deploy worldwide within 72 hours.

On the ground — in combat zones around the world — the National Guard is seamlessly integrated with active-duty forces. The military efforts of our Soldiers and Airmen are highly regarded, in part, because our education, competencies, and civilian-related skills and work experiences provide for even greater work capacity and enhanced capabilities.

The N.D. National Guard has a rich history of supporting defense efforts. The illustrious 164th Infantry Regiment made history in October 1942 as the first U.S. Army unit to offensively engage the enemy during WWII, when they reinforced beleaguered Marines at Guadalcanal. Today, our Guardsmen are engaged in, and provide significant support for, operations at home and abroad.

Developing Partnerships

The National Guard is wholly adept at building partnerships that benefit the country and the rest of the world. We're successfully creating and nurturing relationships with global, national, state and local partners — public and private. To enhance international contingency efforts, we've developed and managed an impressive State Partnership Program, and to improve domestic emergency response, we've connected with thousands of local organizations, including law enforcement agencies, fire departments, and more.

The National Guard's State Partnership Program was formed more than 20 years ago. The program provides unique capacity-building capabilities to combatant commanders and U.S. ambassadors through partnerships between U.S. states, territories and the District of Columbia and foreign countries. Today, 73 partnerships have been established across the globe.

North Dakota's partnership with the African nation of Ghana was created in 2004 and focuses mainly on building the peacekeeping capacity of Ghana's armed forces and defense support to civilian agencies, including the country's primary national emergency and disaster response organization. In 2014, North Dakota became the first state to enter into partnerships with multiple neighboring countries in what has become known as a regionalization concept. Neighboring countries Ghana, Togo and the Republic of Benin, are now all partner countries with North Dakota.

National Guard units also are improving interoperability and coordination with domestic partners. In an effort to improve emergency and disaster response at home,

we're working closely with local, state and national partners like North Dakota's Department of Emergency Services, the Federal Emergency Management Agency, U.S. Customs and Border Protection, and the Department of Homeland Security.

Protecting the Homeland

Protecting citizens at home is one of the National Guard's highest priorities. Just as we've honed competencies in war fighting and become skilled in fostering partnerships, we remain committed to excellence in ensuring the safety and security of our communities.

In times of duress, including weather-related catastrophes, terrorist attacks, and civil unrest, the National Guard is the military force of choice to protect people and property. In North Dakota, the Governor has called upon the National Guard a number of times to assist with domestic emergencies and disaster response efforts.

State emergencies — to include recent, prolonged episodes of civil unrest in rural Morton County — have proven that we're experienced in working with others across our state to provide disaster-related support. From 2009-2011, N.D. Guardsmen responded to record flooding throughout the state, including in the Red River Valley, Bismarck and Minot. During 2011 flood operations alone, 3,047 members of the National Guard contributed to a battle against floodwaters over a span of 114 calendar days. In total, 66,983 duty days were devoted to flood response operations.

In addition, the North Dakota National Guard's 81st Civil Support team — one of more than 50 federally-funded Guard units across the country that exist to advise and assist civilian responders in the event of a suspected weapon of mass destruction attack — provides 24/7, rapid deployment capabilities to support civil authorities responding to domestic incidents. The 81st CST, which has the capabilities to detect and identify chemical, biological and radiological agents and substances, is able to determine and assess current and potential

hazards to peaopl, animals and critical infrastracture.

To maintain readiness, the 81st Civil Support Team conducts frequent no-notice exercises, requring the unit to collaborate with local and regional authorities and first responders to quickly and safely identify a notional threat, and follow the same protocol they abide by for real-world emergencies.

In critical and uncertain situations that pose a threat to our citizens, the 81st Civil Response Team responds quickly and are dedicated to serving our communities, state and nation..

Goals

The vision of the N.D. National Guard is to be a "dynamic, relevant force where everyone is a trained, mentored and empowered leaders." Our goals as an organization are designed to set us on a path to achieve that vision, and they align well with the strategic direction priorities of National Guard Bureau leadership in Washington, D.C.

The N.D. National Guard's goals include the following:

1) Trained and ready units and leaders

We must prepare our Soldiers, Airmen and units to meet the challenges of the future, while at the same time remaining "always ready, always there" to support federal and state missions on short notice. Personnel and training readiness will be the key to our success. We also will ensure we provide all Soldiers and Airmen with the core skills and leadership competencies that are required to successfully meet the challenges of the future.

2) Build a competitive force positioned for emerging missions

To meet the challenges of tomorrow, we must continually examine and plan how to maintain our force structure, stationing, facilities and end strength, and how we will support federal and state mission requirements. We must meet this challenge to ensure our relevancy in the future.

3) Strengthen the National Guard community

The demands placed upon the National Guard have changed over the past decade, and it is essential that we manage those demands in order to accomplish our missions while preserving the values of family and community. Soldiers' and Airmen's well being is critical to our success. We will foster resilient and healthy Soldiers, Airmen, families and civilian employees by embracing a culture of total fitness.

4) Forge and maintain partnerships

For more than 130 years, the N.D. National Guard has supported and partnered with local, state and federal

entities. Interagency cooperation is one of the National Guard's core strengths. We will continue our success by ensuring we build and maintain these important and enduring relationships.

5) Act as effective stewards of our resources

Our values guide us to be good stewards of the resources the American people give us to accomplish our mission. In order to sustain our commitment, we will implement a holistic resource management system to optimize the use of all resources and make resource-informed decisions. As effective stewards of resources, we also will implement innovative, cost-effective approaches to reduce pollution, reverse environmental damage and embrace energy conservation.

Men and women from throughout North Dakota — your neighbors and coworkers — serve proudly in their military uniform. As a reserve force, the National Guard is made up of some of the hardest-working, selfless and most dedicated people on the planet. These Airmen and Soldiers, with the support of their families and employers, are committed to maintaining the level of readiness and professionalism our state and nation have now come to expect. They train hard with the fight in mind, they build relationships knowing the importance of strong, devoted partners, and — in these seemingly constant times of uncertainty — they are standing by, waiting for the call. Take comfort in knowing that the **Guard** will be "always ready, always there."

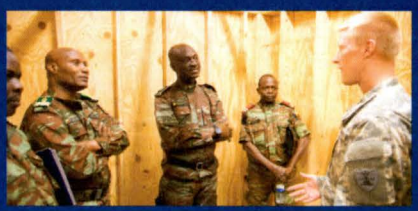
The National Guard is better manned, trained, equipped and led than ever before.

In War Fighting, the Guard...

- Provides a seasoned force across full spectrum operations at all echelons.
- Offers increased capacity and capabilities at tremendous value for the nation.

In Developing Partnerships, the Guard...

- Builds and fosters enduring relationships with critical partners at home and abroad.
- Improves interoperability, coordination, and capability-sharing with partners at all levels.



In Protecting the Homeland, the Guard...

- Is the military force of choice for domestic emergency response efforts.
- Provides trained and ready personnel on short-notice to minimize and eliminate catastrophe.

January 12, 2017 HB1016 11076 attachment C

17.0501.01001
Title.

Prepared by the Legislative Council staff for
Representative Porter
January 11, 2017

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1016

Page 2, replace line 8 with:

"Operating expenses	8,905,310	300,000	9,205,310"

Page 2, replace lines 12 and 13 with:

"Total all funds	$148,925,273	$300,000	$149,225,273
Less estimated income	137,518,175	300,000	137,818,175"

Page 2, replace lines 20 and 21 with:

"Grand total special funds	204,383,027	300,000	204,683,027
Grand total all funds	$233,479,127	$300,000	$233,779,127"

Page 3, after line 15, insert:

"**SECTION 4. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of $300,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT

This amendment provides an appropriation of $300,000 from the strategic investment and improvements fund to the Department of Emergency Services to defray State Radio expenses relating to the purchase of mobile repeaters and the cost of programming radios for emergency medical services.

Coteau Rep Porter

January 12, 2017 HB1016 / HB1076 attachment D

2017-19 ARMO[illegible]QUIREMENT

JULY 1 2017 PAYMENT

Date	Account	Dept	Fund	Class	Amount	Line Descr	Descr
7/31/2015	712160	2000	001	54060	$ 19,952.00	VALLEY CITY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	MAYVILLE,CITY OF	ANNUAL ARMORY RENTAL PAYMENT *
7/31/2015	712160	2000	001	54060	$ 16,627.00	BOTTINEAU,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 16,627.00	CARRINGTON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	DICKINSON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	EDGELEY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 16,627.00	GRAFTON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	JAMESTOWN,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	LISBON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 16,627.00	MOTT,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 16,627.00	RUGBY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WILLISTON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WISHEK,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
					$ 202,844.00	first year plus an additional two months for highlighted closures	

JULY 1 2018 PAYMENT

Date	Account	Dept	Fund	Class	Amount	Line Descr	Descr
7/31/2015	712160	2000	001	54060	$ 19,952.00	VALLEY CITY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	MAYVILLE,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	DICKINSON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	EDGELEY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	JAMESTOWN,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	LISBON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WILLISTON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WISHEK,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
					$ 119,709.00	2nd year payment without 5 closed armories above.	

$ 322,553.00	2017-19 City Owned Armory Rentals
$ 40,000.00	50/50 amory projects
$ 362,553.00	Total 2017-19 Armory Budget

Total of $509,514 in 2015-17 budget for above - reducing by $146,961 as part of our 10%. These numbers did not include the closing of Mayville.

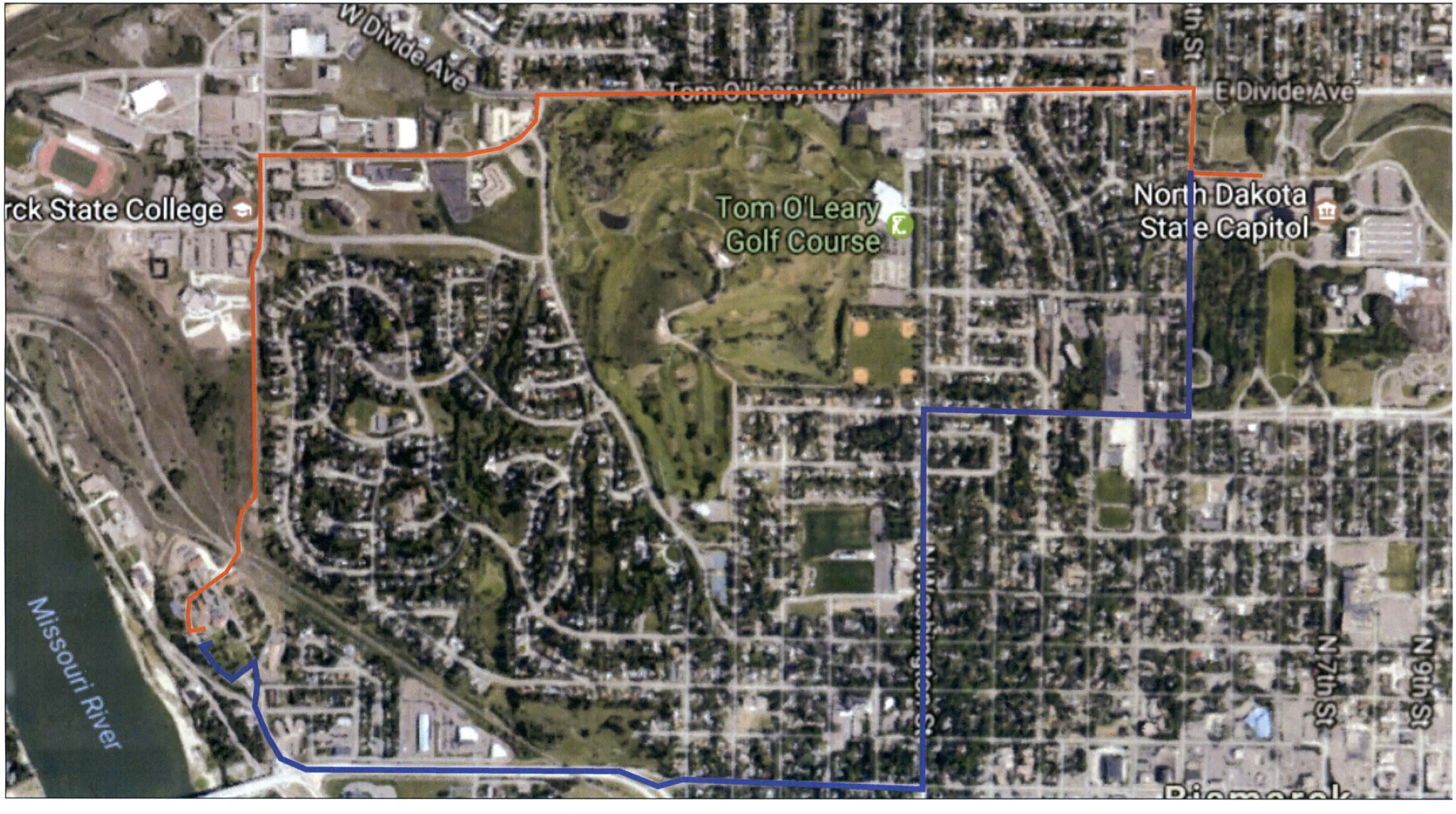
10/27/2016 Mayville closing also 8/31/2017 but rent paid thru Feb 2019

January 16, 2017 HB1016 / HB1076 Attachment a

Strip Pap to Fraine Barracks and DES

4th Street to East Divide, East Divide to College Drive, College Drive to Schafer St, at the end of Schafer St is the gate to Fraine Barracks.

4th Street to East Boulevard, East Boulevard to North Griffin, North Griffin to East Rosser, East Rosser turns into West Main, West Main to Fraine Barracks Road, look for Entrance straight ahead.



January 16, 2017 HB1016 / HB1076 attachment B

DISASTER STATUS - As of 11-30-2016

Public Assistance

	Obligated 100%	Fed Share Obligated	State Share Obligated	Fed Share Paid to Date	State Share Paid to Date	Fed Share Remaining	State Share Remaining
DR-1829 - 2009 Flood	$ 103,364,573.72	$ 94,854,702.23	$ 7,127,824.60	$ 88,100,066.18	$ 6,961,794.25	$ 6,754,636.05	$ 166,030.35
DR-1907 - 2010 Flood	$ 23,612,334.35	$ 18,573,477.22	$ 3,393,700.61	$ 17,247,908.07	$ 2,196,747.64	$ 1,325,569.15	$ 1,196,952.97
DR-1981 - 2011 Flood	$ 235,175,666.56	$ 215,621,726.39	$ 18,163,346.96	$ 182,869,735.21	$ 11,853,888.44	$ 32,751,991.18	$ 6,309,458.52
DR-4118 - 2013 Spring Flood	$ 8,626,436.65	$ 6,693,600.68	$ 1,185,603.04	$ 5,987,835.29	$ 778,414.64	$ 705,765.39	$ 407,188.40
DR-4128 - 2013 Flood	$ 13,161,149.98	$ 10,169,867.27	$ 1,506,492.22	$ 8,538,933.03	$ 917,188.62	$ 1,630,934.24	$ 589,303.60
DR-4154 - 2013 Snow Storm	$ 8,226,078.77	$ 6,225,273.47	$ 836,897.55	$ 223,750.33	$ 29,833.38	$ 6,001,523.14	$ 807,064.17
DR-4190 - 2014 Flood	$ 2,968,339.48	$ 2,299,365.40	$ 418,984.77	$ 1,958,968.33	$ 261,041.98	$ 340,397.07	$ 157,942.79
	$ 395,134,579.51	$ 354,438,012.66	$ 32,632,849.75	$ 304,927,196.44	$ 22,998,908.95	**$ 49,510,816.22**	**$ 9,633,940.80**

Hazard Mitigation

	Obligated 100%	Fed Share Obligated	State Share Obligated	Fed Share Paid to Date	State Share Paid to Date	Fed Share Remaining	State Share Remaining
DR-1981 - 2011 Flood	$ 94,579,817.00	$ 71,490,105.00	$ 11,822,477.13	$ 47,435,007.85	$ 7,519,131.00	$ 24,055,097.15	$ 4,303,346.13
DR-4118 - 2013 Spring Flood	$ 1,044,714.00	$ 844,838.00	$ 167,294.13	$ 268,621.77	$ 20,284.40	$ 576,216.23	$ 147,009.73
DR-4128 - 2013 Flood	$ 1,292,805.00	$ 986,558.00	$ 122,098.90	$ 915,922.42	$ 117,716.29	$ 70,635.58	$ 4,382.61
DR-4154 - 2013 Snow Storm	$ 759,823.00	$ 580,986.00	$ 71,534.00	$ 498,487.17	$ 61,300.07	$ 82,498.83	$ 10,233.93
DR-4190 - 2014 Flood	$ 371,530.00	$ 277,278.00	$ 34,863.20	$ 70,806.55	$ 8,109.18	$ 206,471.45	$ 26,754.02
	$ 98,048,689.00	$ 74,179,765.00	$ 12,218,267.36	$ 49,188,845.76	$ 7,726,540.94	**$ 24,990,919.24**	**$ 4,491,726.42**

	Anticipated Disaster Closure				Grand Total	$ 74,501,735.46	$ 14,125,667.22
DR-1829 - 2009 Flood	3rd Quarter 2017						
DR-1907 - 2010 Flood	2nd Quarter 2017						
DR-1981 - 2011 Flood	4th Quarter 2018						
DR-4118 - 2013 Spring Flood	4th Quarter 2018						
DR-4128 - 2013 Flood	4th Quarter 2018						
DR-4154 - 2013 Snow Storm	2nd Quarter 2018						
DR-4190 - 2014 Flood	4th Quarter 2018						

OFFICE OF ADJUTANT GENERAL
STATE DISASTER RELIEF FUND (352)

As of 11/30/2016

REVENUES:

ORIGINAL APPROPRIATION (SB 2012 - 2009 LEGISLATURE)		$43,000,000.00
($20M for 2009 Snow Disaster & $23M for 2009 Flood Disaster)		
TRANSFER FROM PERMANENT OIL TAX TRUST FUND (SB2369 - 2011 LEGISLATURE)	$	22,000,000.00
TRANSFER FROM OIL & GAS PROD. DISTR. (HB 1451 SECT 9 - 2011 LEGISLATURE)	$	44,000,000.00
REFUND/REVENUE FROM COUNTIES/CITIES	$	2,282,688.09
REVENUE FROM FEDERAL GOVERNMENT	$	2,088,113.97
INTEREST ACCRUED THROUGH 10/31/16	$	391,087.48
TRANSFER 11-13 FROM GENERAL FUND (SB 2371 SECTION 17 - 2011 SPECIAL SESSIO	$	48,700,000.00
		$162,461,889.54

EXPENDITURES:

2007-09 EXPENDITURES

SNOW GRANTS ISSUED THROUGH 6/30/09	$	(5,376,783.57)

2009-11 EXPENDITURES

STATE MATCH FOR DISASTERS PRIOR TO 2009	$	(513,321.00)
2009 FLOOD	$	(5,739,762.00)
JANUARY 2010 WINTER STORM	$	(1,506,693.13)
2010 FLOOD	$	(3,390,192.00)
APRIL 2010 ICE STORM	$	(2,854,089.00)
BLIZZARD 2011	$	(16,937.16)
2011 SNOW GRANTS	$	(9,000,000.00)
2011 FLOOD	$	(2,874,795.00)
TOTAL EXPENDITURES 7/1/2009 THRU 6/30/2011	$	(25,895,789.29)

2011-13 EXPENDITURES (7/1/2011 THRU 6/30/2013)

			EMERGENCY COMM/ BUDGET SECTION FINAL APPROVAL DATE
STATE MATCH FOR DISASTERS PRIOR TO 2009 (Section 1 of 2011 SB 2016)	$	(826,534.92)	Dec 13, 2011
2009 FLOOD (Section 1 of 2011 SB 2016)	$	(2,656,019.14)	Dec 13, 2011
JANUARY 2010 WINTER STORM (Section 15 of 2011 SB 2371)	$	(69,717.26)	Dec 13, 2011
2010 FLOOD (Section 15 of 2011 SB 2371)	$	(164,271.52)	Dec 13, 2011
APRIL 2010 ICE STORM (Section15 of 2011 SB 2371)	$	(544,137.42)	Dec 13, 2011
2011 FLOOD (Section 5 of SB 2016, Section 4 of 2011 SB 2369, Section 15 of SB 2371)	$	(12,261,836.32)	June 21 & Dec 13, 2011
TRANSFER TO NDDOT (Section 14 of 2011 SB 2371)	$	(6,000,000.00)	N/A (DOT Expenditure)
HOUSING REHAB AND RETENTION (Section 9 of 2011 SB 2371)	$	(5,458,371.83)	Dec 13, 2011
VOLUNTEER RESPONSE COORDINATION (Section 4 of 2011 SB 2016)	$	(400,000.00)	Dec 13, 2011
ROAD GRADE RAISING PROJECTS (Section 4 of 2011 SB 2369)	$	(7,239.65)	June 21, 2011
FLOOD MITIGATION IN INCORPORATED CITIES (Section 4 of 2011 SB 2369)	$	(1,715,886.98)	June 21 & Dec 13, 2011
TOTAL EXPENDITURES 7/1/2011 THRU 6/30/2013	$	(30,104,015.04)	

2013-15 EXPENDITURES (7/1/2013 THRU 6/30/2015)***

			EMERGENCY COMM/ BUDGET SECTION FINAL APPROVAL DATE
2009 FLOOD (Section 1 of 2013 HB 1016)	$	(2,530,274.33)	Jun-13
JANUARY 2010 WINTER STORM (Section 1 of 2013 HB 1016)	$	(310,391.61)	Jun-13
2010 FLOOD (Section 1 of 2013 HB 1016)	$	(320,896.45)	Jun-13
APRIL 2010 ICE STORM (Section 1 of 2013 HB 1016)	$	(565,976.08)	Jun-13
2011 FLOOD (Section 1 of 2013 HB 1016)	$	(7,430,967.71)	Jun-13
2011 ICE STORM (Section 1 of 2013 HB 1016)	$	(616,216.84)	Jun-13
VOLUNTEER RESPONSE COORDINATION (Section 4 of 2011 SB 2016)	$	(400,000.00)	Jun-13
DISASTER COORDINATION CONTRACT (Section 2 of 2013 HB 1016)	$	(1,031,217.69)	Jun-13
TRANSFER TO ND HOUSING & FIN (Section 4 of 2013 HB 1016)	$	(1,500,000.00)	
HOUSING REHAB AND RETENTION (Section 12 of 2013 HB 1016)	$	(2,461,071.57)	Jun-13
ROAD GRADE RAISING PROJECTS (Section 11 of 2013 HB 1016)	$	(91,986.21)	Jun-13
FLOOD MITIGATION IN INCORPORATED CITIES (Section 11 of 2013 HB 1016)	$	(1,461,014.18)	Jun-13
VALLEY CITY FLOOD PROTECTION (2015 SB 2023)	$	(3,000,000.00)	
2013 SOUTH RED RIVER FLOOD DR4118 (LOAN REPAYMENT 7/27/2015)	$	(842,469.61)	
2013 NORTH RED RIVER FLOOD DR4128 (LOAN REPAYMENT 7/27/2015)	$	(748,664.62)	
2013 WINTER STORM DR4154 (LOAN REPAYMENT 7/27/2015)	$	(36,116.00)	
2014 SUMMER FLOODING DR4190 (LOAN REPAYMENT 7/27/2015)	$	(219,170.40)	
DISASTERS 2009 THRU 2011 (LOAN REPAYMENT 7/27/2015)	$	(1,306,121.00)	
TOTAL EXPENDITURES 7/1/2013 THRU 6/30/2015***	$	(24,872,554.30)	
EXPENDITURES/TRANSFERS AS OF 6/30/2015	$	(86,249,142.20)	

2015-17 EXPENDITURES (7/1/2015 THRU 11/30/2016)***

1829,fma09 2009 FLOOD(Section 1 of 2013 HB 1016)	$	(220,116.43)	

2

1907/3309	2010 FLOOD (Section 1 of 2013 HB 1016)	$	(157,112.12)
1901	APRIL 2010 ICE STORM (Section 1 of 2013 HB 1016)	$	(102,560.07)
1981	2011 FLOOD (Section 1 of 2013 HB 1016)	$	(4,402,064.64)
1986	2011 ICE STORM (Section 1 of 2013 HB 1016)	$	(924.97)
	DISASTER COORDINATION CONTRACT (Section 2 of 2013 HB 1016)	$	(34,810.07)
	HOUSING REHAB AND RETENTION (Section 12 of 2013 HB 1016)	$	(1,088,467.60)
	ROAD GRADE RAISING PROJECTS (Section 11 of 2013 HB 1016)	$	(2,562.14)
	FLOOD MITIGATION IN INCORPORATED CITIES (Section 11 of 2013 HB 1016)		
	2013 SOUTH RED RIVER FLOOD DR4118	$	(103,742.03)
	2013 NORTH RED RIVER FLOOD DR4128	$	(340,102.33)
	2013 WINTER STORM DR4154	$	(56,670.02)
	2014 SUMMER FLOODING DR4190	$	(52,459.69)
	FARGO INTERIOR FLOOD PROTECTION (SECT 11 OF 2015 SB 2020)	$	(30,000,000.00)
	DOUBLE DITCH SITE REPAIRS (2015 SB 2018)		
	BISMARCK AREA FLOOD PROTECTION (SECT 15 OF 2015 SB 2020)	$	(4,000,000.00)
	REPAIR AND REPLACE INFRASTRUCTURE (SECT 2 OF 2015 SB2016)	$	(2,000,000.00)
	DISASTER COORDINATION CONTRACT (SECT 2 of 2015 SB 2016)		
	VOLUNTEER RESPONSE (SECT 2 of 2015 SB 2016)	$	(125,000.00)
		$	(42,686,592.11)

	PROJECTED REMAINING EXPENDITURES				**DE-OBLIGATIONS**
1829,fma09	2009 FLOOD(Section 1 of 2013 HB 1016)	$	(166,030.35)		
1907/3309	2010 FLOOD (Section 1 of 2013 HB 1016)	$	(1,196,952.97)		
1901	APRIL 2010 ICE STORM (Section 1 of 2013 HB 1016)	$	-		
1981	2011 FLOOD (Section 1 of 2013 HB 1016)	$	(10,612,804.65)		
	DISASTER COORDINATION CONTRACT (Section 2 of 2013 HB 1016)	$	-	$	433,972.24
	HOUSING REHAB AND RETENTION (Section 12 of 2013 HB 1016)	$	-	$	992,089.00
	ROAD GRADE RAISING PROJECTS (Section 11 of 2013 HB 1016)	$	(100,000.00)	$	4,595,780.05
	FLOOD MITIGATION IN INCORPORATED CITIES (Section 11 of 2013 HB 1016)	$	-	$	23,098.84
	2013 SOUTH RED RIVER FLOOD DR4118	$	(554,198.13)		
	2013 NORTH RED RIVER FLOOD DR4128	$	(593,686.21)		
	2013 WINTER STORM DR4154	$	(817,298.10)		
	2014 SUMMER FLOODING DR4190	$	(184,696.81)		
	FARGO INTERIOR FLOOD PROTECTION (SECT 11 OF 2015 SB 2020)	$	-		
	DOUBLE DITCH SITE REPAIRS (2015 SB 2018)	$	(2,000,000.00)		
	BISMARCK AREA FLOOD PROTECTION (SECT 14 OF 2015 SB 2020)	$	-		
	REPAIR AND REPLACE INFRASTRUCTURE (SECT 2 OF 2015 SB2016)	$	-		
	DISASTER COORDINATION CONTRACT (SECT 2 of 2015 SB 2016)	$	-	$	1,000,000.00
	VOLUNTEER RESPONSE (SECT 2 of 2015 SB 2016)	$	(75,000.00)		
				$	7,044,940.13
		$	(16,300,667.22)		

UNOBLIGATED FUND BALANCE TO DATE $17,225,488.01

3

January 16, 2017 HB1016/HB1076 attachment C

DISASTER STATUS - As of 11-30-2016

Public Assistance

	Obligated 100%	Fed Share Obligated	State Share Obligated	Fed Share Paid to Date	State Share Paid to Date	Fed Share Remaining	State Share Remaining
DR-1829 - 2009 Flood	$ 103,364,573.72	$ 94,854,702.23	$ 7,127,824.60	$ 88,100,066.18	$ 6,961,794.25	$ 6,754,636.05	$ 166,030.35
DR-1907 - 2010 Flood	$ 23,612,334.35	$ 18,573,477.22	$ 3,393,700.61	$ 17,247,908.07	$ 2,196,747.64	$ 1,325,569.15	$ 1,196,952.97
DR-1981 - 2011 Flood	$ 235,175,666.56	$ 215,621,726.39	$ 18,163,346.96	$ 182,869,735.21	$ 11,853,888.44	$ 32,751,991.18	$ 6,309,458.52
DR-4118 - 2013 Spring Flood	$ 8,626,436.65	$ 6,693,600.68	$ 1,185,603.04	$ 5,987,835.29	$ 778,414.64	$ 705,765.39	$ 407,188.40
DR-4128 - 2013 Flood	$ 13,161,149.98	$ 10,169,867.27	$ 1,506,492.22	$ 8,538,933.03	$ 917,188.62	$ 1,630,934.24	$ 589,303.60
DR-4154 - 2013 Snow Storm	$ 8,226,078.77	$ 6,225,273.47	$ 836,897.55	$ 223,750.33	$ 29,833.38	$ 6,001,523.14	$ 807,064.17
DR-4190 - 2014 Flood	$ 2,968,339.48	$ 2,299,365.40	$ 418,984.77	$ 1,958,968.33	$ 261,041.98	$ 340,397.07	$ 157,942.79
	$ 395,134,579.51	$ 354,438,012.66	$ 32,632,849.75	$ 304,927,196.44	$ 22,998,908.95	**$ 49,510,816.22**	**$ 9,633,940.80**

Hazard Mitigation

	Obligated 100%	Fed Share Obligated	State Share Obligated	Fed Share Paid to Date	State Share Paid to Date	Fed Share Remaining	State Share Remaining
DR-1981 - 2011 Flood	$ 94,579,817.00	$ 71,490,105.00	$ 11,822,477.13	$ 47,435,007.85	$ 7,519,131.00	$ 24,055,097.15	$ 4,303,346.13
DR-4118 - 2013 Spring Flood	$ 1,044,714.00	$ 844,838.00	$ 167,294.13	$ 268,621.77	$ 20,284.40	$ 576,216.23	$ 147,009.73
DR-4128 - 2013 Flood	$ 1,292,805.00	$ 986,558.00	$ 122,098.90	$ 915,922.42	$ 117,716.29	$ 70,635.58	$ 4,382.61
DR-4154 - 2013 Snow Storm	$ 759,823.00	$ 580,986.00	$ 71,534.00	$ 498,487.17	$ 61,300.07	$ 82,498.83	$ 10,233.93
DR-4190 - 2014 Flood	$ 371,530.00	$ 277,278.00	$ 34,863.20	$ 70,806.55	$ 8,109.18	$ 206,471.45	$ 26,754.02
	$ 98,048,689.00	$ 74,179,765.00	$ 12,218,267.36	$ 49,188,845.76	$ 7,726,540.94	**$ 24,990,919.24**	**$ 4,491,726.42**

	Anticipated Disaster Closure
DR-1829 - 2009 Flood	3rd Quarter 2017
DR-1907 - 2010 Flood	2nd Quarter 2017
DR-1981 - 2011 Flood	4th Quarter 2018
DR-4118 - 2013 Spring Flood	4th Quarter 2018
DR-4128 - 2013 Flood	4th Quarter 2018
DR-4154 - 2013 Snow Storm	2nd Quarter 2018
DR-4190 - 2014 Flood	4th Quarter 2018

Grand Total	**$ 74,501,735.46**	**$ 14,125,667.22**

January 24, 2017 HB1016 / HB1096 attachment A

OFFICE OF ADJUTANT GENERAL
GREEN SHEET AD[illegible]ENTS
2017-19 BIENNIA[illegible]ET

	General Fund	Other Funds	Total
Agency Wide:			
1. Provides funding for state employee salary and benefit increases of which $152,583 is for salary increases (1%) and $638,219 is for health insurance increases:	$ 317,191.00	$ 473,611.00	$ 790,802.00
Department of Emergency Services:			
2. Reduces funding for operating expenses	$ (1,153,909.00)	$ -	$ (1,153,909.00)
This adjustment includes $1,437,968 which was DES's 10% reductions which was then reduced by DES's allotment of $284,059 in operating expenses which netted to a reduction of $1,153,909.			
3. Reduces funding for grants	$ -	$ (57,784,088.00)	$ (57,784,088.00)

Includes the following adjustments:

Decreases Emergency Management Performance Grants	$ (500,000.00)
Decreases Homeland Security Grants	$ (1,740,088.00)
Increases Hazardous Material Emergency Preparedness Grants	$ 256,000.00
Increases Hazardous Chemical Grants to Counties	$ 200,000.00
Decreases Public Assistance Grants	$ (51,000,000.00)
Decreases Hazard Mitigation Grants	$ (5,000,000.00)
	$ (57,784,088.00)

These grant adjustments made by the agency to reflect accurate grant projections for the upcoming 2017-19 biennial budget.

4. Removes funding for mortuary response training	$ (191,900.00)	$ -	$ (191,900.00)
Received $200,000 per 2015 HB1018 for Mortuary Response Training $8,100 was part of DES allotment leaving a net amount of $191,900			
5. Reduces capital funding for equipment and information technology	$ -	$ (815,000.00)	$ (815,000.00)
Removed Federal fund authority for Disaster Response Equipment in the 2015-17 budget totalling $740,000 and $75,000 for grant management software.			
6. Adjusts funding for State Radio	$ (100,000.00)	$ 100,000.00	$ -
The executive budget reduced general funding by $100,000 for State Radio operations and increased special fund authority by $100,000 (a zero net affect on total appropriations).			

ND National Guard:

7. Restores f[illegible]or salaries and wages	$ 133,338.00	$ -	$ 133,338.00	
Funding for a temporary administrative staff officer ($60,694) and a vacant HR Technician ($72,644) was used as the National Guard's August 2016 allotment. This adjustment restores that funding to our base budget.				
8. Reduces funding for operating expenses	$ (916,613.00)	$ -	$ (916,613.00)	
This adjustment includes the following:				
NG Operating line 10% agency reduction	$ (746,957.00)			
Civil Air Patrol line 10% agency reduction	$ (3,000.00)			
Air Guard Contract line 10% agency reduction	$ (100,000.00)			
Army Guard Contract line 10% agency reduction	$ (200,000.00)			
Reintegration line 10% agency reduction	$ (284,000.00)			
Army Guard Contract line executive budget reduction	$ (100,000.00)			
Reintegration line executive budget reduction	$ (120,000.00)			
Adds in for base budget adjustment that was incorrect in IBARS under DES	$ 637,344.00			
	$ (916,613.00)			
9. Increases funding for recruitment	$ 100,000.00		$ 100,000.00	
The executive budget added $100,000 to the NG Tuition and Recruiting line.				
10. Reduces funding for grants	$ (146,961.00)		$ (146,961.00)	
This was part of the agency's 10% reduction. Six city-owned armories will be closing in the 2017-19 biennium. This is cost savings from rent payments.				
11. Reduces capital funding for equipment, motor vehicles, and land & buildings	$ (25,000.00)	$ (2,300,194.00)	$ (2,325,194.00)	
In budget prep we reduced our capital assets line by $25,000 for grounds equipment that had been budgeted for in the 2015-17 biennium.				
The Army Guard contracts line was reduced by $2.3 million in federal funding to accurately show a reduction in federal spending for $105,000 in equipment and $2,195,194 in total building improvement projects.				
12. Transfers $637,344 of funding from the general fund from the National Guard operating expenses line item to the Department of Emergency Services operating expenses line item (this transfer between line items appears to have been made in error).	$ -	$ -	$ -	
This was an error in IBARS, therefore no transfer required.				

2.

January 24, 2017 HB1016 / HB1076 attachment A

Adjutant General
2017 Appropriations Bill
Carry-Over Amendment

Carry-Over Clause

SECTION _. EXEMPTION. The amount appropriated for the radio tower redundancy and next generation 911 in the radio communications line item in subdivision 2 of section 1 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for project costs during the biennium beginning July 1, 2017, and ending June 30, 2019.

January 24, 2017 HB1016 / HB1076 attachment B

2017-19 ARMO[illegible]EQUIREMENT

JULY 1 2017 PAYMENT

Date	Account	Dept	Fund	Class	Amount	Line Descr	Descr
7/31/2015	712160	2000	001	54060	$ 19,952.00	VALLEY CITY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	MAYVILLE,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	**712160**	**2000**	**001**	**54060**	**$ 16,627.00**	**BOTTINEAU,CITY OF**	**ANNUAL ARMORY RENTAL PAYMENT**
7/31/2015	**712160**	**2000**	**001**	**54060**	**$ 16,627.00**	**CARRINGTON,CITY OF**	**ANNUAL ARMORY RENTAL PAYMENT**
7/31/2015	712160	2000	001	54060	$ 14,251.00	DICKINSON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	EDGELEY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	**712160**	**2000**	**001**	**54060**	**$ 16,627.00**	**GRAFTON,CITY OF**	**ANNUAL ARMORY RENTAL PAYMENT**
7/31/2015	712160	2000	001	54060	$ 14,251.00	JAMESTOWN,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	LISBON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	**712160**	**2000**	**001**	**54060**	**$ 16,627.00**	**MOTT,CITY OF**	**ANNUAL ARMORY RENTAL PAYMENT**
7/31/2015	**712160**	**2000**	**001**	**54060**	**$ 16,627.00**	**RUGBY,CITY OF**	**ANNUAL ARMORY RENTAL PAYMENT**
7/31/2015	712160	2000	001	54060	$ 14,251.00	WILLISTON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WISHEK,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
					$ 202,844.00	first year plus an additional two months for highlighted closures	

JULY 1 2018 PAYMENT

Date	Account	Dept	Fund	Class	Amount	Line Descr	Descr
7/31/2015	712160	2000	001	54060	$ 19,952.00	VALLEY CITY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	MAYVILLE,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	DICKINSON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	EDGELEY,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	JAMESTOWN,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	LISBON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WILLISTON,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
7/31/2015	712160	2000	001	54060	$ 14,251.00	WISHEK,CITY OF	ANNUAL ARMORY RENTAL PAYMENT
					$ 119,709.00	2nd year payment without 5 closed armories above.	

$ 322,553.00	2017-19 City Owned Armory Rentals
$ 40,000.00	50/50 amory projects
$ 362,553.00	Total 2017-19 Armory Budget

Total of $509,514 in 2015-17 budget for above - reducing by $146,961 as part of our 10%. These numbers did not include the closing of Mayville.

10/27/2016 Mayville closing also 8/31/2017 but rent paid thru Feb 2019

January 29, 2017 HB 1016 / HB 1076 Attachment A

ADJUTANT GENERAL

2015-17 GENERAL FUND APPROPRIATIONS		$ 33,104,441.00
ALLOTMENTS		$ (2,163,669.00)
ONE TIME		$ (1,844,672.00)
	2017 - 19 BASE BUDGET	**$ 29,096,100.00**
	(SAME FOR BOTH HB 1016 & HB 1076)	

GOVERNOR'S EXECUTIVE

NG:

ADD FUNDING FOR BASE PAYROLL CHANGES	$ 95,033.00
ADD FUNDING FOR RECOMMENDED SALARY/BENEFITS	$ 170,357.00
ADDS ALLOTMENT FOR VACANT POSITIONS	$ 133,338.00
REDUCES FUNDING FOR OPERATING EXPENSES	$ (916,613.00)
INCREASES FUNDING FOR TUITION/RECRUITMENT	$ 100,000.00
REDUCES FUNDING FOR GRANTS	$ (146,961.00)
REDUCES CAPITAL FUND FOR EQUIMENT	$ (25,000.00)
TRANSFERS FUNDING FROM NG OPERATING TO DES OPS	$ (637,344.00)

DES:

ADDS FUNDING FOR BASE PAYROLL CHANGES	$ 49,007.00
ADD FUNDING FOR RECOMMENDED SALARY/BENEFITS	$ 146,834.00
REDUCES FUNDING FOR OPERATIONG EXPENSES	$ (1,153,909.00)
REMOVES MORTUARY FUNDING FOR MORTUARY TRNG	$ (191,900.00)
ADJUSTS STATE RADIO FUNDING	$ (100,000.00)
TRANFERS FROM NG OPERATING TO DES OPERATIING	$ 637,344.00
HB 1076 GENERAL FUND APPROPRIATION	$ 27,256,286.00

GOVERNOR BERGUMS ADJUSTMENTS

NG:

REDUCES FUNDING FOR OPERATING EXPENSES	$ (50,000.00)
ADJUSTS VETERANS CEMETERY FUNDING	$ (50,000.00)
REDUCES REINTEGRATION LINE	$ (227,075.00)

DES:

REDUCES FUNDING FOR OPERATING EXPENSES	$ (218,051.00)
	$ (545,126.00)
TOTAL GENERAL FUND APPROPRIATIONS FOR 2017-19	$ 26,711,160.00

January 24, 2017 HB1016 / HB1076 attachment B

Office of Adjutant General
2017-19 Budget Reductions

13-Jan-17

ADDITIONAL BUDGET CUTS JANUARY 2017	**$**	**545,126.00**

National Guard

			Reductions
	Operating Line 30		
	Travel	$	50,000.00
***	Veterans Cemetery Line 78		
	Salaries & Wages	$	50,000.00
	Reintegration Program Line 77		
	Building Lease	$	227,075.00
	Total	$	327,075.00

Department of Emergency Services

	Operating Line 30		
	IT Equipment	$	110,000.00
	Other Equipment	$	108,051.00
	Total	$	218,051.00

Total For Both Divisions	**$**	**545,126.00**

*** Request to allow current appropriation but reduce general funds by $50,000 and increase special funds by $50,000.

January 24, 2017 HB 1016 HB 1076 Attachment C

Recommendation [illegible] parison Summary
540 Adjutant Ge[illegible]
Biennium 2017-20[illegible]

Description	Executive Budget Recommendation	Remove Compensation /1	5% Health Insurance /2	Remove FTE /3	Adjustments /4	Change +/-	Revised Executive Recommendation
By Line Item							
Salaries and Wages	19,553,424	(71,714)	(157,138)			(228,852)	19,324,572
Operating Expenses	11,135,436				(268,051)	(268,051)	10,867,385
Capital Assets	33,793,046					0	33,793,046
Grants	17,251,712					0	17,251,712
Disaster Costs	51,449,954	(3,052)	(6,687)			(9,739)	51,440,215
Civil Air Patrol	320,278					0	320,278
Tuition Fees	2,617,500					0	2,617,500
Air Guard Contract	8,123,047	(19,836)	(43,463)			(63,299)	8,059,748
Army Guard Contract	57,781,597	(50,352)	(110,331)			(160,683)	57,620,914
Reintegration Program	1,579,685	(4,577)	(10,030)		(227,075)	(241,682)	1,338,003
ND Veterans Cemetary	885,173	(3,052)	(6,687)			(9,739)	875,434
Total Line Items	**204,490,852**	**(152,583)**	**(334,336)**	**0.00**	**(495,126)**	**(982,045)**	**203,508,807**
By Funding Source							
General Funds	27,256,286	(61,201)	(134,102)		(545,126)	(740,429)	26,515,857
Federal Funds	162,915,659	(81,776)	(179,185)			(260,961)	162,654,698
Special Funds	14,318,907	(9,606)	(21,049)		50,000	19,345	14,338,252
Total Fuding Sources	**204,490,852**	**(152,583)**	**(334,336)**	**0.00**	**(495,126)**	**(982,045)**	**203,508,807**
Total FTE	**234.00**			**0.00**		**0.00**	**234.00**

/1 The 0% and 1% increase for state employee salaries has been removed.
/2 Employees will be required to pay for 5% of their health insurance premium
/3 Remove additional FTE
/4 Reduced the general fund of the executive budget recommendation by 2%

February 1, 2017 HB1016/HB1076 attachment a

OFFICE OF ADJUTANT GENERAL
BUDGET CUTS

31-Jan-17

NATIONAL GUARD:

BUDGET LINE	DESCRIPTION		
Salaries & Wages	Temp Custodial Maintenance Hrs Reduced by 180 hrs/week (9 Armories)	$	140,000.00
Operating Expenses	Repairs - Delayed Maintenance	$	33,000.00
Grants	50/50 Armory Projects (40K) & Reduced Mayville Rent ($4K)	$	44,000.00
ND Civil Air Patrol	Travel ($7K) & Aircraft Equipment Rental ($13K)	$	20,000.00
Air Guard Contracts	Repairs - Delayed Maintenance	$	15,000.00
Army Guard Contracts	Repairs - Delayed Maintenance	$	30,000.00
Reintegration	Move Fargo Military Service Center to NDNG Facility	$	85,000.00
	NDNG TOTAL	$	367,000.00

DEPARTMENT OF EMERGENCY SERVICES:

BUDGET LINE	DESCRIPTION		
Operating Expenses	IT Contractual Services - Base Map Maintenance	$	100,000.00
	IT Contractual Services - WebEOC Resource Manager	$	7,200.00
	IT Contractual Services - Electronic Communications Contract	$	115,000.00
	IT Contractual Services - Software Upgrades	$	118,800.00
	Professional Services - 211 Contract/Special Registry	$	80,000.00
	Professional Services - CAD Training	$	12,000.00
	DES TOTAL	$	433,000.00
	GRAND TOTAL	$	800,000.00

February 6, 2017 HB1016 / HB1076 Attachment A

Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540
House Bill No. 1016
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version				House Changes to Revised Executive Budget Increase (Decrease) - Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	234.00	$29,096,100	$204,383,027	$233,479,127	234.00	$29,096,100	$204,383,027	$233,479,127	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$144,039	($391,790)	($247,751)		$144,039	($391,790)	($247,751)				$0
Salary increase				***0***				***0***				***0***
Health insurance increase		253,000	385,219	638,219		253,000	385,219	638,219				0
Employee portion of health insurance		***(134,102)***	***(200,234)***	***(334,336)***				***0***		***134,102***	***200,234***	***334,336***
Restore funding for salaries and wages		133,338		133,338		133,338		133,338				0
Reduce funding for operating expenses		(2,070,521)		(2,070,521)		(2,070,521)		(2,070,521)				0
Increase funding for recruitment		100,000		100,000		100,000		100,000				0
Reduce funding for National Guard grants		(146,961)		(146,961)		(146,961)		(146,961)				0
Realign Department of Emergency Services grants			(57,784,088)	(57,784,088)			(57,784,088)	(57,784,088)				0
Remove funding for mortuary response training		(191,900)		(191,900)		(191,900)		(191,900)				0
Reduce capital funding for equipment, information technology, motor vehicles, and land and buildings		(25,000)	(3,115,194)	(3,140,194)		(25,000)	(3,115,194)	(3,140,194)				0
Adjust funding for state radio		(100,000)	100,000	0		(100,000)	100,000	0				0
Adjust funding between line items				0				0				0
Reduce funding for National Guard travel		***(50,000)***		***(50,000)***		***(50,000)***		***(50,000)***				***0***
Adjust funding for the Veterans' Cemetery		***(50,000)***	***50,000***	***0***		***(50,000)***	***50,000***	***0***				***0***
Reduce funding for the reintegration program		***(227,075)***		***(227,075)***		***(227,075)***		***(227,075)***				***0***
Reduce funding for Department of Emergency Services operating expenses, including information technology equipment and other equipment		***(218,051)***		***(218,051)***		***(218,051)***		***(218,051)***				***0***
Reduce funding for National Guard salaries and wages				0		(140,000)		(140,000)		(140,000)		(140,000)
Reduce funding for maintenance				0		(178,000)		(178,000)		(178,000)		(178,000)
Reduce National Guard grant funding for armories				0		(44,000)		(44,000)		(44,000)		(44,000)

Reduce funding for travel and aircraft equipment rental				0		(20,000)		(20,000)		(20,000)		(20,000)
Reduce funding for the Fargo military service center				0		(85,000)		(85,000)		(85,000)		(85,000)
Remove funding for WebEOC resource manager				0		(7,200)		(7,200)		(7,200)		(7,200)
Reduce funding for electronic communications contract				0		(115,000)		(115,000)		(115,000)		(115,000)
Reduce funding for software upgrades				0		(118,800)		(118,800)		(118,800)		(118,800)
Remove funding for the 211 contract and special needs registry				0		(80,000)		(80,000)		(80,000)		(80,000)
Reduce funding for CAD training				0		(12,000)		(12,000)		(12,000)		(12,000)
Total ongoing funding changes	0.00	($2,583,233)	($60,956,087)	($63,539,320)	0.00	($3,249,131)	($60,755,853)	($64,004,984)	0.00	($665,898)	$200,234	($465,664)
One-time funding items												
Add federal funding for emergency response equipment			569,000	569,000			569,000	569,000				0
Add funding for National Guard Readiness Center project			33,000,000	33,000,000			33,000,000	33,000,000				0
Add funding for mobile repeaters and programming radios for emergency medical services				0			300,000	300,000			300,000	300,000
Total one-time funding changes	0.00	$0	$33,569,000	$33,569,000	0.00	$0	$33,869,000	$33,869,000	0.00	$0	$300,000	$300,000
Total Changes to Base Level Funding	0.00	($2,583,233)	($27,387,087)	($29,970,320)	0.00	($3,249,131)	($26,886,853)	($30,135,984)	0.00	($665,898)	$500,234	($165,664)
2017-19 Total Funding	234.00	$26,512,867	$176,995,940	$203,508,807	234.00	$25,846,969	$177,496,174	$203,343,143	0.00	($665,898)	$500,234	($165,664)
										-2.5%	0.3%	-0.1%

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Veterans' Cemetery maintenance fund	Section 3 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.	Section 3 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.
Maintenance and repairs	Section 4 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.	Section 4 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.
Strategic investment and improvements fund		Section 5 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.

2.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Exemption - Radio communications	Section 5 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 6 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Tuition, recruiting, and retention	Section 6 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 7 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - National Guard tuition assistance	Section 7 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.
Exemption - Veterans' bonus program	Section 8 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 9 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Veterans' bonus	Section 9 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 10 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Exemption - Radio communications	Section 10 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 11 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Disaster costs	Section 11 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 12 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Radio communications		Section 13 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and next generation 911 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

February 7, 2017 HB 1016 / HB 1076 Attachment A

Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540
House Bill No. 1016
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version				House Changes to Revised Executive Budget Increase (Decrease) - Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	234.00	$29,096,100	$204,383,027	$233,479,127	234.00	$29,096,100	$204,383,027	$233,479,127	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$144,039	($391,790)	($247,751)		$144,039	($391,790)	($247,751)				$0
Salary increase				***0***				***0***				***0***
Health insurance increase		253,000	385,219	638,219		253,000	385,219	638,219				0
Employee portion of health insurance		***(134,102)***	***(200,234)***	***(334,336)***				***0***		***134,102***	***200,234***	***334,336***
Restore funding for salaries and wages		133,338		133,338		133,338		133,338				0
Reduce funding for operating expenses		(2,070,521)		(2,070,521)		(2,070,521)		(2,070,521)				0
Increase funding for recruitment		100,000		100,000		100,000		100,000				0
Reduce funding for National Guard grants		(146,961)		(146,961)		(146,961)		(146,961)				0
Realign Department of Emergency Services grants			(57,784,088)	(57,784,088)			(57,784,088)	(57,784,088)				0
Remove funding for mortuary response training		(191,900)		(191,900)		(191,900)		(191,900)				0
Reduce capital funding for equipment, information technology, motor vehicles, and land and buildings		(25,000)	(3,115,194)	(3,140,194)		(25,000)	(3,115,194)	(3,140,194)				0
Adjust funding for state radio		(100,000)	100,000	0		(100,000)	100,000	0				0
Adjust funding between line items				0				0				0
Reduce funding for National Guard travel		***(50,000)***		***(50,000)***		***(50,000)***		***(50,000)***				***0***
Adjust funding for the Veterans' Cemetery		***(50,000)***	***50,000***	***0***		***(50,000)***	***50,000***	***0***				***0***
Reduce funding for the reintegration program		***(227,075)***		***(227,075)***		***(227,075)***		***(227,075)***				***0***
Reduce funding for Department of Emergency Services operating expenses, including information technology equipment and other equipment		***(218,051)***		***(218,051)***		***(218,051)***		***(218,051)***				***0***
Reduce funding for National Guard salaries and wages				0		(140,000)		(140,000)		(140,000)		(140,000)
Reduce funding for maintenance				0		(178,000)		(178,000)		(178,000)		(178,000)
Reduce National Guard grant funding for armories				0		(44,000)		(44,000)		(44,000)		(44,000)

Reduce funding for travel and aircraft equipment rental				0		(20,000)		(20,000)		(20,000)		(20,000)
Reduce funding for the Fargo military service center				0		(85,000)		(85,000)		(85,000)		(85,000)
Remove funding for WebEOC resource manager				0		(7,200)		(7,200)		(7,200)		(7,200)
Reduce funding for electronic communications contract				0		(115,000)		(115,000)		(115,000)		(115,000)
Reduce funding for software upgrades				0		(118,800)		(118,800)		(118,800)		(118,800)
Reduce funding for CAD training				0		(12,000)		(12,000)		(12,000)		(12,000)
Reduce funding for Department of Emergency Services salaries and wages				0		(200,000)		(200,000)		(200,000)		(200,000)
Total ongoing funding changes	0.00	($2,583,233)	($60,956,087)	($63,539,320)	0.00	($3,369,131)	($60,755,853)	($64,124,984)	0.00	($785,898)	$200,234	($585,664)
One-time funding items												
Add federal funding for emergency response equipment			569,000	569,000			569,000	569,000				0
Add funding for National Guard Readiness Center project			33,000,000	33,000,000			33,000,000	33,000,000				0
Add funding for mobile repeaters and programming radios for emergency medical services				0			300,000	300,000			300,000	300,000
Total one-time funding changes	0.00	$0	$33,569,000	$33,569,000	0.00	$0	$33,869,000	$33,869,000	0.00	$0	$300,000	$300,000
Total Changes to Base Level Funding	0.00	($2,583,233)	($27,387,087)	($29,970,320)	0.00	($3,369,131)	($26,886,853)	($30,255,984)	0.00	($785,898)	$500,234	($285,664)
2017-19 Total Funding	234.00	$26,512,867	$176,995,940	$203,508,807	234.00	$25,726,969	$177,496,174	$203,223,143	0.00	($785,898)	$500,234	($285,664)
										-3.0%	0.3%	-0.1%

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Employee health insurance premiums		Section 2 identifies $638,219 included in Section 1 of the bill is for employee health insurance premium increases, including $253,000 from the general fund.
Veterans' Cemetery maintenance fund	Section 3 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.	Section 4 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.
Maintenance and repairs	Section 4 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.	Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Strategic investment and improvements fund		Section 6 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.
Exemption - Radio communications	Section 5 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Tuition, recruiting, and retention	Section 6 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - National Guard tuition assistance	Section 7 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.	Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.
Exemption - Veterans' bonus program	Section 8 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Exemption - Veterans' bonus	Section 9 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Radio communications	Section 10 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Disaster costs	Section 11 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Radio communications		Section 14 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and next generation 911 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

February 7, 2017 HB 1016 / HB 1076 attachment B

17.0501.01002
Title.

Fiscal No. 1

Prepared by the Legislative Council staff for
House Appropriations - Government
Operations Division Committee
February 6, 2017

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1016

Page 1, line 2, remove "and"

Page 1, line 2, after "transfer" insert "; and to provide exemptions"

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$33,075	$6,673,161
Operating expenses	3,685,547	(192,613)	3,492,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(11,986)	299,787
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	35,249	8,089,803
Army guard contract	59,870,605	(2,167,524)	57,703,081
Veterans' cemetery	811,486	70,835	882,321
Reintegration program	1,903,743	(641,115)	1,262,628
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
Total general fund	$17,689,002	($1,320,635)	$16,368,367"

Page 2, replace lines 7 through 14 with:

"Salaries and wages	$12,441,232	$24,695	$12,465,927
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,718,692)	51,446,792
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
Total general fund	$11,407,098	($2,048,498)	$9,358,602"

Page 2, replace lines 19 through 22 with:

"Grand total general fund	$29,096,100	($3,369,131)	$25,726,969
Grand total special funds	204,383,027	(26,886,853)	177,496,174
Grand total all funds	$233,479,127	($30,255,984)	$203,223,143
Full-time equivalent positions	234.00	(0.00)	234.00"

"**SECTION 2. HEALTH INSURANCE INCREASE.** The appropriation in section 1 of this Act includes the sum of $638,219, of which $253,000 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,249 per month.

Page 3, replace lines 6 through 9 with:

"Flood mitigation	2,000,000	0
National guard readiness center	0	33,000,000

Emergency response equipment	0	569,000
Mobile repeaters and programming radios	0	300,000
Total all funds	$5,614,172	$33,869,000
Total other funds	3,769,500	33,869,000
Total general fund	$1,844,672	$0"

Page 3, after line 22, insert:

"**SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes $300,000 of one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios.

SECTION 7. EXEMPTION. Any amounts carried over in the radio communications line item for the state radio tower package, in section 11 of chapter 50 of the 2015 Session Laws are not subject to section 54-44.1-11 and any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 8. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting, and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 9. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in section 15 of chapter 50 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance to eligible members of the North Dakota national guard, during the biennium beginning July 1, 2017, and ending June 30, 2019, contingent upon the adjutant general certifying to the office of management and budget that the national guard has received a new assignment in association with the Grand Forks air force base.

SECTION 10. EXEMPTION. Any amounts carried over pursuant to section 16 of chapter 50 of the 2015 Session Laws that is unexpended as of June 30, 2017, is not subject to section 54-44.1-11 and is available for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 11. EXEMPTION. The amount appropriated in the grants line item in subdivision 1 of section 1 of chapter 50 of the 2015 Session Laws for payment of adjusted compensation to veterans is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 12. EXEMPTION. Any amounts carried over in the radio communications line item for the state radio tower package pursuant to section 17 of chapter 50 of the 2015 Session Laws are not subject to section 54-44.1-11. Any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 13. EXEMPTION. Any amounts carried over in the disaster costs line for grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding pursuant to section 18 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, is not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 14. EXEMPTION. The amounts appropriated for radio tower redundancy and next generation 911 in the radio communications line item in subdivision 2 of section 1 of chapter 50 of the 2015 Session Laws which are unexpended as of June 30, 2017, is not subject to section 54-44.1-11. Any unexpended funds are available for completing these projects during the biennium beginning July 1, 2017, and ending June 30, 2019."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of House Action

	Base Budget	House Changes	House Version
Adjutant General			
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
General fund	$17,689,002	($1,320,635)	$16,368,367
Department of Emergency Services			
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
General fund	$11,407,098	($2,048,496)	$9,358,602
Bill total			
Total all funds	$233,479,127	($30,255,984)	$203,223,143
Less estimated income	204,383,027	(26,886,853)	177,496,174
General fund	$29,096,100	($3,369,131)	$25,726,969

House Bill No. 1016 - Adjutant General - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$6,640,086	$33,075	$6,673,161
Operating expenses	3,685,547	(192,613)	3,492,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(11,986)	299,787
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	35,249	8,089,803
Army guard contract	59,870,605	(2,167,524)	57,703,081
Veterans' Cemetery	811,486	70,835	882,321
Reintegration program	1,903,743	(641,115)	1,262,628
Total all funds	$84,553,854	$30,009,960	$114,563,814
Less estimated income	66,864,852	31,330,595	98,195,447
General fund	$17,689,002	($1,320,635)	$16,368,367
FTE	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of House Changes

	Adds Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Adjusts Funding for Salaries and Wages[3]	Reduces Funding for Operating Expenses[4]	Increases Funding for Recruitment[5]	Adjusts Funding for Veterans' Cemetery[6]
Salaries and wages	$20,797	$91,584	($79,306)			
Operating expenses				(192,613)		
Capital assets						
Grants						
Civil air patrol	8,152	2,862		(23,000)		
Tuition, recruiting, and retention					100,000	
Air guard contract	64,390	85,859		(115,000)		
Army guard contract	181,099	208,927	72,644	(330,000)		
Veterans' Cemetery	56,525	14,310				
Reintegration program	57,788	17,172		(716,075)		
Total all funds	$388,751	$420,714	($6,662)	($1,376,688)	$100,000	$0
Less estimated income	293,717	287,072	0	0	0	50,000
General fund	$95,034	$133,642	($6,662)	($1,376,688)	$100,000	($50,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Grant Funding for Armories[7]	Reduces Funding for Capital Assets[8]	Adds One-Time Funding for National Guard Readiness Center Project[9]	Total House Changes
Salaries and wages				$33,075
Operating expenses				(192,613)
Capital assets		(25,000)	33,000,000	32,975,000
Grants	(190,961)			(190,961)
Civil air patrol				(11,986)
Tuition, recruiting, and retention				100,000
Air guard contract				35,249
Army guard contract		(2,300,194)		(2,167,524)
Veterans' Cemetery				70,835
Reintegration program				(641,115)
Total all funds	($190,961)	($2,325,194)	$33,000,000	$30,009,960
Less estimated income	0	(2,300,194)	33,000,000	31,330,595
General fund	($190,961)	($25,000)	$0	($1,320,635)
FTE	0.00	0.00	0.00	0.00

[1] Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in health insurance premiums from $1,130 to $1,249 per month.

[3] Funding from the general fund is reduced by $140,000 for temporary custodial maintenance staff. Funding of $60,694 removed to meet August 2016 special legislative session budget reductions is restored for an administrative staff officer temporary position. Funding of $72,644 removed to meet August 2016 special legislative session budget reductions is restored for a human resources technician position.

[4] Funding is reduced from the general fund for operating expenses, including travel, maintenance, and repairs.

[5] Funding from the general fund is increased for National Guard recruitment to provide a total of $2,617,500.

[6] Funding for the Veterans' Cemetery is adjusted to reduce funding from the general fund by $50,000 and increase funding from special funds by $50,000.

[7] Grant funding from the general fund for armories is reduced by $190,961 to provide a total of $318,553.

[8] Capital funding is reduced for equipment, land and buildings, and motor vehicles.

[9] One-time funding from other funds, including $32 million from federal funds and $1 million from the National Guard military grounds fund, is added for the National Guard readiness center project.

House Bill No. 1016 - Department of Emergency Services - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$12,441,232	$24,695	$12,465,927
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,718,692)	51,446,792
Total all funds	$148,925,273	($60,265,944)	$88,659,329
Less estimated income	137,518,175	(58,217,448)	79,300,727
General fund	$11,407,098	($2,048,496)	$9,358,602
FTE	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of House Changes

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Reduces Funding for Salaries and Wages[3]	Reduces Funding for Operating Expenses[4]	Adjusts Funding for State Radio[5]	Reduces Funding for Grants[6]
Salaries and wages	$20,310	$204,385	($200,000)			
Operating expenses				(1,916,859)		
Capital assets						
Grants						(1,784,088)
Disaster costs	(656,812)	13,120				(56,000,000)
Total all funds	($636,502)	$217,505	($200,000)	($1,916,859)	$0	($57,784,088)
Less estimated income	(685,507)	98,147	0	0	100,000	(57,784,088)
General fund	$49,005	$119,358	($200,000)	($1,916,859)	($100,000)	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Capital Assets[7]	Adds One-Time Funding for Emergency Response Equipment[8]	Adds One-Time Funding for Emergency Medical Services[9]	Total House Changes
Salaries and wages				$24,695
Operating expenses			300,000	(1,616,859)
Capital assets	(740,000)	569,000		(171,000)
Grants				(1,784,088)
Disaster costs	(75,000)			(56,718,692)
Total all funds	($815,000)	$569,000	$300,000	($60,265,944)
Less estimated income	(815,000)	569,000	300,000	(58,217,448)
General fund	$0	$0	$0	($2,048,496)
FTE	0.00	0.00	0.00	0.00

[1] Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in health insurance premiums from $1,130 to $1,249 per month.

[3] Funding is reduced by $200,000 from the general fund for Department of Emergency Services salaries and wages.

[4] Funding is reduced from the general fund for operating expenses as follows:

	General Fund Reductions
Miscellaneous operating expenses	($1,153,908)
Mortuary response training	(191,900)
Additional reduction, including IT equipment and other equipment	(218,051)
Base map maintenance	(100,000)
WebEOC resource manager	(7,200)
Electronic communications contract	(115,000)
Software upgrades	(118,800)
CAD training	(12,000)
Total	($1,916,859)

[5] Funding for state radio is adjusted to reduce funding from the general fund by $100,000 and increase funding from the radio communications fund by $100,000.

[6] Funding is reduced from federal and special funds relating primarily to emergency management, hazard mitigation, and public assistance grants.

[7] Funding is reduced for capital assets, including equipment and information technology equipment and software.

[8] One-time funding from federal funds is added for emergency response equipment.

[9] One-time funding from the strategic investment and improvements fund is added for mobile repeaters and programming radios for emergency medical services.

This amendment also:

- Adds a new section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Adds a new section to designate $300,000 of one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.
- Adds a new section to allow funds appropriated for the 2015-17 biennium for radio tower redundancy and next generation 911 to be continued and expended during the 2017-19 biennium.

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services
House Bill No. 1016

Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

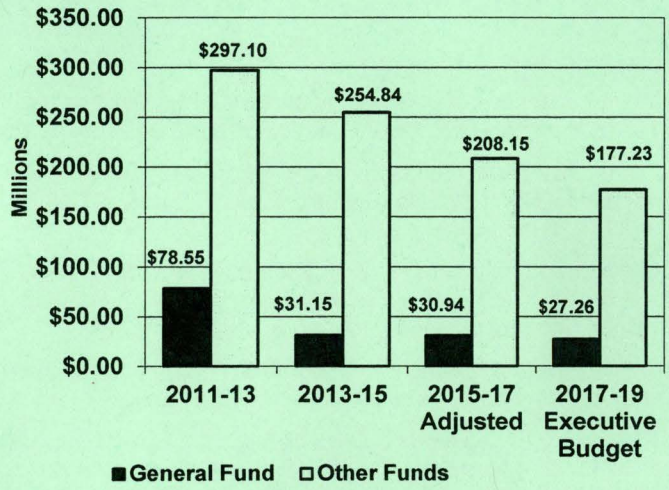
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	234.00	$27,256,286	$177,234,566	$204,490,852
2015-17 Adjusted Legislative Appropriations[1]	234.00	30,940,772	208,152,527	239,093,299
Increase (Decrease)	0.00	($3,684,486)	($30,917,961)	($34,602,447)

[1]The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016 and transfers from the targeted market equity pool, but do not include additional special funds authority of $17 million resulting from Emergency Commission action during the 2015-17 biennium.

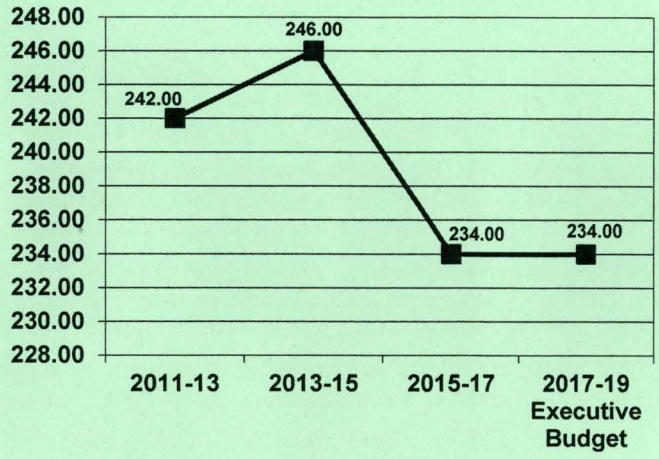
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	$27,256,286	$0	$27,256,286
2015-17 Adjusted Legislative Appropriations	29,096,100	1,844,672	30,940,772
Increase (Decrease)	($1,839,814)	($1,844,672)	($3,684,486)

Agency Funding



FTE Positions



Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	$27,256,286	$177,234,566	$204,490,852
2017-19 Base Level	29,096,100	204,383,027	233,479,127
Increase (Decrease)	($1,839,814)	($27,148,461)	($28,988,275)

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Dalrymple and Burgum Executive Budget Highlights (With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which $152,583 is for salary increases and $638,219 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) **The House removed funding for the salary increases.**	$317,191	$473,611	$790,802
Department of Emergency Services			
2. Reduces funding for operating expenses	($1,153,909)	$0	($1,153,909)

3. Reduces funding for grants	$0	($57,784,088)	($57,784,088)
4. Removes funding for mortuary response training	($191,900)	$0	($191,900)
5. Reduces capital funding for equipment and information technology	$0	($815,000)	($815,000)
6. Adjusts funding for state radio	($100,000)	$100,000	$0
7. The Burgum budget further reduced funding for operating expenses	($218,051)	$0	($218,051)
National Guard			
8. Restores funding for salaries and wages	$133,338	$0	$133,338
9. Reduces funding for operating expenses	($916,613)	$0	($916,613)
10. Increases funding for recruitment	$100,000	$0	$100,000
11. Reduces funding for grants	($146,961)	$0	($146,961)
12. Reduces capital funding for equipment, motor vehicles, and land and buildings	($25,000)	($2,300,194)	($2,325,194)
13. Transfers $637,344 of funding from the general fund from the National Guard operating expenses line item to the Department of Emergency Services operating expenses line item. (This transfer between line items appears to have been made in error.) **The House did not provide for this transfer.**	$0	$0	$0
14. The Burgum budget further reduced funding for National Guard travel and the reintegration program and adjusted funding for the Veterans' Cemetery	($327,075)	$50,000	($277,075)

Other Sections in House Bill No. 1016

Health insurance increase - The House added Section 2, which identifies the appropriation includes $638,219, of which $253,000 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,249 per month.

Veterans' Cemetery maintenance fund - Section 4 provides an additional appropriation for any funds which are received and deposited in the Veterans' Cemetery maintenance fund pursuant to North Dakota Century Code Sections 37-03-14 and 39-04-10.10 for the operation of the Veterans' Cemetery for the 2017-19 biennium.

Maintenance and repairs - Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.

Strategic investment and improvements fund - The House added Section 6, which provides for $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.

Exemption - Radio communications - Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - Tuition, recruiting, and retention - Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - National Guard tuition assistance - Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

Exemption - Veterans' bonus program - Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Exemption - Veterans' bonus - Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Exemption - Radio communications - Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - Disaster costs - Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption - Radio communications - The House added Section 14, which provides that any unexpended general or special funds appropriation authority in the radio communications line item relating to radio tower redundancy and Next Generation 9-1-1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Continuing Appropriations

National Guard emergency fund - Section 37-01-04.1 - This fund allows the National Guard to respond to state emergencies.

National Guard military grounds fund - Section 37-03-13 - This fund is used for collecting rental revenues to be used for purchasing military training grounds.

Veterans' Cemetery maintenance fund - Section 37-03-14 - This fund is used to support the operations of the Veterans' Cemetery. The fund receives $5 from the issuance of each veteran's license plate, grave opening and closing fees, and private and federal funds for the operation of the Veterans' Cemetery.

Veterans' Cemetery trust fund - Section 39-04-10.10 - This fund receives $5 from the issuance of each veteran's license plate and donations. The interest in the fund is to be deposited in the Veterans' Cemetery maintenance fund for the purpose of providing funding for salaries and maintenance at the cemetery.

Deficiency Appropriation

House Bill No. 1024 provides a deficiency appropriation of $79,500 from the strategic investment and improvements fund to repay Bank of North Dakota loans relating to the 2015 Burleigh County fires.

Significant Audit Findings

There were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1027 - Amends Sections 57-40.6-01(2), 57-40.6-04, and 57-40.6-10(4), relating to the standards and guidelines for emergency services communications systems; and repeals Section 57-40.6-03.1, relating to 911 database management charges.

House Bill No. 1104 - Amends Section 37-01-04, relating to the Governor's authority to call out the National Guard.

House Bill No. 1105 - Amends Section 39-01-01(2), relating to the definitions of emergency vehicles.

House Bill No. 1106 - Amends Section 37-17.1-04, relating to definitions of disasters and emergencies.

House Bill No. 1108 - Amends Section 44-04-18.4(7), relating to the availability of records involving security and cyber attacks.

House Bill No. 1109 - Amends Sections 37-01-03, 37-01-43, 37-28-02(6), and 37-28-03, relating to the operation of the North Dakota National Guard.

House Bill No. 1178 - Increases the prepaid wireless emergency 911 fee from 2 percent to 2.5 percent of gross receipts.

House Bill No. 1359 - Provides for an alert notice system for disabled and vulnerable elderly adults and minors who have developmental disabilities who are reported missing.

Senate Bill No. 2106 - Amends Section 37-17.3-08, relating to the state radio fee system.

Senate Bill No. 2107 - Creates Section 37-01-47, relating to health insurance coverage for National Guard service members, and amends Sections 37-04-08 and 37-07-05, relating to pay and benefits of National Guard members.

Senate Bill No. 2110 - Relating to hazardous chemical preparedness and response program fees and fines.

Senate Bill No. 2174 - Provides for $11 million of borrowing and appropriation authority for the Adjutant General for law enforcement support costs related to unlawful activity associated with the construction of the Dakota Access Pipeline. Of the $11 million, $3 million is for a grant to a county that has experienced an emergency related to protest activities. The source of funds is loan proceeds from the Bank of North Dakota.

Senate Bill No. 2204 - Provides for the creation of a statewide interoperability radio network fund and surcharges assessed for certain traffic violations.

Senate Bill No. 2316 - Relates to disclosure of information concerning toxic or hazardous substances.

Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540
House Bill No. 1016
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	234.00	$29,096,100	$204,383,027	$233,479,127	234.00	$29,096,100	$204,383,027	$233,479,127
2017-19 Ongoing Funding Changes								
Base payroll changes		$144,039	($391,790)	($247,751)		$144,039	($391,790)	($247,751)
Salary increase				***0***				***0***
Health insurance increase		253,000	385,219	638,219		253,000	385,219	638,219
Employee portion of health insurance		***(134,102)***	***(200,234)***	***(334,336)***				***0***
Restore funding for salaries and wages		133,338		133,338		133,338		133,338
Reduce funding for operating expenses		(2,070,521)		(2,070,521)		(2,070,521)		(2,070,521)
Increase funding for recruitment		100,000		100,000		100,000		100,000
Reduce funding for National Guard grants		(146,961)		(146,961)		(146,961)		(146,961)
Realign Department of Emergency Services grants			(57,784,088)	(57,784,088)			(57,784,088)	(57,784,088)
Remove funding for mortuary response training		(191,900)		(191,900)		(191,900)		(191,900)
Reduce capital funding for equipment, information technology, motor vehicles, and land and buildings		(25,000)	(3,115,194)	(3,140,194)		(25,000)	(3,115,194)	(3,140,194)
Adjust funding for state radio		(100,000)	100,000	0		(100,000)	100,000	0
Adjust funding between line items				0				0
Reduce funding for National Guard travel		***(50,000)***		***(50,000)***		***(50,000)***		***(50,000)***
Adjust funding for the Veterans' Cemetery		***(50,000)***	***50,000***	***0***		***(50,000)***	***50,000***	***0***
Reduce funding for the reintegration program		***(227,075)***		***(227,075)***		***(227,075)***		***(227,075)***
Reduce funding for Department of Emergency Services operating expenses, including information technology equipment and other equipment		***(218,051)***		***(218,051)***		***(218,051)***		***(218,051)***
Reduce funding for National Guard salaries and wages				0		(140,000)		(140,000)
Reduce funding for maintenance				0		(178,000)		(178,000)

Reduce National Guard grant funding for armories				0		(44,000)		(44,000)
Reduce funding for travel and aircraft equipment rental				0		(20,000)		(20,000)
Reduce funding for the Fargo military service center				0		(85,000)		(85,000)
Remove funding for WebEOC resource manager				0		(7,200)		(7,200)
Reduce funding for electronic communications contract				0		(115,000)		(115,000)
Reduce funding for software upgrades				0		(118,800)		(118,800)
Reduce funding for CAD training				0		(12,000)		(12,000)
Reduce funding for Department of Emergency Services salaries and wages				0		(200,000)		(200,000)
Total ongoing funding changes	0.00	($2,583,233)	($60,956,087)	($63,539,320)	0.00	($3,369,131)	($60,755,853)	($64,124,984)
One-time funding items								
Add federal funding for emergency response equipment			569,000	569,000			569,000	569,000
Add funding for National Guard Readiness Center project			33,000,000	33,000,000			33,000,000	33,000,000
Add funding for mobile repeaters and programming radios for emergency medical services				0			300,000	300,000
Total one-time funding changes	0.00	$0	$33,569,000	$33,569,000	0.00	$0	$33,869,000	$33,869,000
Total Changes to Base Level Funding	0.00	($2,583,233)	($27,387,087)	($29,970,320)	0.00	($3,369,131)	($26,886,853)	($30,255,984)
2017-19 Total Funding	234.00	$26,512,867	$176,995,940	$203,508,807	234.00	$25,726,969	$177,496,174	$203,223,143

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Employee health insurance premiums		Section 2 identifies $638,219 included in Section 1 of the bill is for employee health insurance premium increases, including $253,000 from the general fund.
Veterans' Cemetery maintenance fund	Section 3 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.	Section 4 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Maintenance and repairs	Section 4 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.	Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.
Strategic investment and improvements fund		Section 6 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.
Exemption - Radio communications	Section 5 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Tuition, recruiting, and retention	Section 6 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - National Guard tuition assistance	Section 7 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.	Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	House Version
Exemption - Veterans' bonus program	Section 8 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Veterans' bonus	Section 9 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Radio communications	Section 10 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Disaster costs	Section 11 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Radio communications		Section 14 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and Next Generation 9-1-1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments

(As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	$30,158,941	$2,945,500	$33,104,441
General fund reductions	(1,062,841)	(1,100,828)	(2,163,669)
Adjusted 2015-17 appropriations	$29,096,100	$1,844,672	$30,940,772
Dalrymple Executive Budget changes	(1,839,814)	(1,844,672)	(3,684,486)
2017-19 Dalrymple Executive Budget	$27,256,286	$0	$27,256,286

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
National Guard			
Vacant administrative staff officer position	($60,694)	$0	($60,694)
Vacant human resources technician position	(72,644)	0	(72,644)
Reduce funding for operating expenses	(637,344)	0	(637,344)
Department of Emergency Services			
Reduce funding for operating expenses	(284,059)	0	(284,059)
Reduce funding for mortuary response training	(8,100)	0	(8,100)
Reduce funding for firefighter training grants	0	(825,828)	(825,828)
Reduce funding for emergency response supplies	0	(275,000)	(275,000)
Total reductions	($1,062,841)	($1,100,828)	($2,163,669)
Percentage reduction to ongoing and one-time general fund appropriations	3.52%	37.37%	6.54%

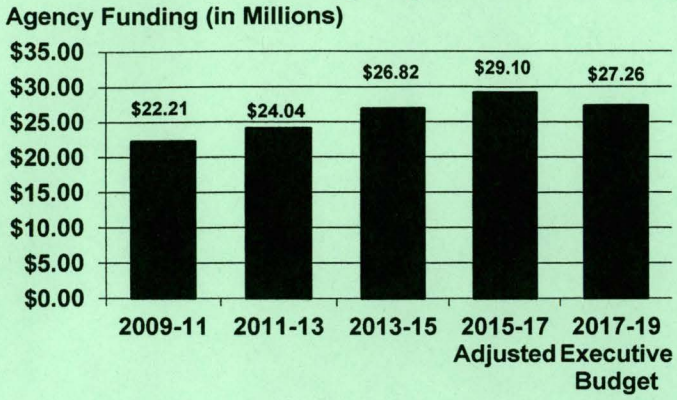
2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

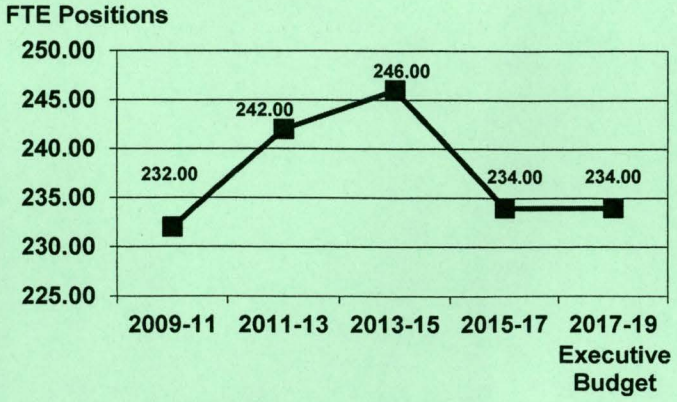
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
National Guard			
Adds funding for base payroll changes	$95,033	$0	$95,033
Adds funding for recommended salary and benefit increases	170,357	0	170,357
Restores funding for vacant positions	0	133,338	133,338
Reduces funding for operating expenses	(1,553,957)	637,344	(916,613)
Increases funding for recruitment	100,000	0	100,000
Reduces funding for grants	(146,961)	0	(146,961)
Reduces capital funding for equipment, motor vehicles, and land and buildings	(25,000)		(25,000)
Transfers funding from National Guard operating expenses line item to Department of Emergency Services operating expenses line item	(637,344)	0	(637,344)
Department of Emergency Services			
Adds funding for base payroll changes	49,007	0	49,007
Adds funding for recommended salary and benefit increases	146,834	0	146,834
Reduces funding for operating expenses	(1,437,968)	284,059	(1,153,909)
Removes funding for mortuary response training	(200,000)	8,100	(191,900)
Adjusts funding for state radio	(100,000)	0	(100,000)
Transfers funding from National Guard operating expenses line item to Department of Emergency Services operating expenses line item	637,344	0	637,344
Total	($2,902,655)	$1,062,841	($1,839,814)

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services

Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11





Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	$22,209,867	$24,035,127	$26,824,589	$29,096,100	$27,256,286
Increase (decrease) from previous biennium	N/A	$1,825,260	$2,789,462	$2,271,511	($1,839,814)
Percentage increase (decrease) from previous biennium	N/A	8.2%	11.6%	8.5%	(6.3%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	8.2%	20.8%	31.0%	22.7%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

1. Added 4 FTE regional emergency management coordinator positions	$157,684
2. Added funding for computer-aided dispatch maintenance	$356,000
3. Added funding for National Guard facility utilities	$105,000
4. Added funding for facility maintenance and repairs	$265,000
5. Added funding for state radio tower expenses	$180,000

2013-15 Biennium

1. Increased funding for the National Guard tuition program	$110,000
2. Added 4 FTE communication specialist positions in the state radio dispatch center	$386,048
3. Added funding for state radio tower maintenance	$360,000

2015-17 Biennium (Original Amounts)

1. Added funding for operating costs of the ND Cares Task Force	$260,000
2. Added funding for various maintenance items	$861,280
3. Added funding to realign state radio dispatch positions within the employee classification system	$192,621
4. Added funding for mortuary response training (This item was affected by the August 2016 agency budget reductions)	$200,000

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

1. Reduce funding for operating expenses	($2,070,522)
2. Restore funding for vacant positions	$133,338
3. Increase funding for recruitment	$100,000
4. Reduce funding for National Guard grants	($146,961)
5. Remove funding for mortuary response training	($191,900)
6. Adjust funding for state radio	($100,000)
7. The Burgum budget reduced general fund appropriations by an additional 2 percent	($545,126)

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TESTIMONY OF
MAJOR GENERAL ALAN S. DOHRMANN
THE ADJUTANT GENERAL
BEFORE THE
SENATE APPROPRIATIONS COMMITTEE
9 MARCH 2017
ENGROSSED HOUSE BILL 1016

Since assuming the duties as Adjutant General just over a year ago, my number one priority has been readiness. This agency's purpose is to be ready when our citizens, communities, state or nation need us, often when they are in great need or crisis. Whether we deploy Guard members overseas or for domestic operations to protect our citizens; or we need our division of Homeland security to manage complex emergencies; or need state radio operators to deliver emergency services to someone in distress, we must be always ready, always there.

To be ready, we need to have our organization filled, trained and equipped. In the North Dakota National Guard that means filling approximately 200 vacancies that exist in our formation. After a five year steady decline in our strength, we managed to grow both the Army and Air National Guard this year. That's the good news, but we need to continue to grow and achieve our end-strength goals to ensure we don't have more military units transferred to other states that are able to achieve or exceed their end-strength goals.

We understand that the budget is tight this year and every agency has to be part of the solution to balance the budget for this and the next biennium. We believe we are being part of that solution in our budget proposal, while still funding critical programs that ensure the readiness of the entire agency.

And, we will be needed. Many parts of this country are not touched by the on-going war on terror; some may think it's about over, but we in North Dakota know that is not the case. This past week we sent off our 136th Combat Sustainment Support Battalion to Fort Hood, Texas to complete their training for their upcoming mission in Afghanistan. They will be followed by our Air Defense Battalion deploying to Washington D.C. to protect the sky over the National Capital Region. We will also deploy our Military Police and our fixed wing aviators in the next 12 months for operations in Afghanistan. Our Air National Guard will deploy more airmen this year than any time in the last 15 years. All told, we will deploy approximately 500 North Dakota National Guard members in the next 12 months.

In addition to our federal commitments, the National Guard has been actively supporting the protest that Morton County and the State have been engaged in over six months. It is unprecedented to use a state Guard for this long for a law enforcement mission. But we have been forced to use 37,000 man days of Guard support due to the relatively small numbers of law enforcement in the state. And, with many parts of the state experiencing record snow fall, we are already planning to call out the Guard this spring to support civil authorities.

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Current Budget Status (2015 -17)

General Funds:
The requirement of general funds for the North Dakota National Guard (NDNG) and DES for the 2015-17 biennium has been on track as projected. However, we have three State Radio projects that will not be completed by June 30, 2017. The first of those three is the State Radio Tower Package where we have requested carry over in Sections 7 and 12 of this bill. The other two projects are the Next Generation 911 and the Radio Tower Redundancy projects which we are currently working with DOT and ITD. Carry over for those two projects are in Section 14. Also, to promote recruiting, retention and readiness, we are requesting carry-over for the tuition assistance and veterans bonus programs in Sections 8, 9, 10 and 11 of this bill.

As approved by the August 2016 special session, our total allotment for 2015-17 is $2,163,669, see Attachment #1 for details.

We are anticipating general fund turn back for two one-time appropriations from 2015 for the Message Switch Test Server and the Firefighter Training grant detailed on page three of this document. We are also anticipating turn back for the Next Generation 911 and State Radio Redundancy maintenance packages. As mention earlier, these on-going appropriated projects will not be completed until the next biennium. Both programs are discussed in more detail on page four of this document.

Federal Funds:
This biennium, the DES estimates approximately $72 million in federal funds of which $58 million are FEMA grant funds and $14 million are Homeland Security grant funds. Thus far, $41 million has been dispersed to counties, cities, tribal governments, emergency management entities, and first responder organizations. Federal funding received has mostly been expended for disaster recovery efforts resulting from 2009, 2010, 2011, 2013 and 2014 presidential declared disasters. Funds have also been expended to improve state, county, and tribal preparedness planning, law enforcement planning, intelligence analysis activities, interoperable communications, and supporting regional response capabilities.

The NDNG has received $38 million in federal funding to date in the current biennium to support the Air and Army Guard facilities, missions, and employees.

One-time Funding 2015-17:
The NDNG division received two one-time appropriations for the 2015-17 biennium:

1. $500,000 (general funds) was received for payment of adjusted compensation to veterans. Approximately $50,000 has been spent to date. We will have increased payments in the upcoming biennium due the deployments I mentioned eariler. A request for carry-over of this appropriation as well as the 2013-15 appropriation is included in Sections 10 and 11 of this bill.

2. $139,000 was provided for the purchase of approximately 36 acres adjacent to the ND Dakota Veterans Cemetery. Of that amount $69,500 was general funds and $69,500 in special fund authority for funding received from the ND Veterans Cemetery Foundation. The purchase was completed in October 2015.

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The DES division received nine one-time appropriations for the 2015-17 biennium:

1. Disaster Volunteer Coordination $200,000 Disaster Relief Funds – This service was contracted with Lutheran Disaster Response with payments to date totaling $150,000. All remaining funds will be expended by June 30, 2017.

2. Next Generation 911, $386,000 General Funds – To date $135,000 have been spent on software and hardware through ITD for implementation. We do not expect this project to be completed by June 30, 2017 and are requesting carry-over authority (Section 14) to complete this project in the 2017-19 biennium.

3. Microsoft SQL Enterprise for CAD, $90,000 General Funds – Project is completed with a total cost of $99,462. Actual cost came in higher than projected; the difference will be covered with funds excess to our requirements in the Message Switch Test Server appropriations.

4. Message Switch Test Server, $70,000 General Funds – No expenditures will occur for this appropriation and, after covering the excess cost of the Microsoft SQL Enterprise for CAD overruns, the remaining funds will be turned back.

5. Radio Tower Redundancy, $80,000 General Funds – There have been no expenditures to date for this project and we are requesting carry-over authority (Section 14) to complete this validated requirement.

6. $1,000,000 was appropriated from the Disaster Relief Fund for a Disaster Recovery Assistance Contract. There have been no expenditures to date on this appropriation. A carry-over of $468,782 from the 2013-15 biennium per SB 2016 Section 12 was authorized and of that amount, $34,810 has been spent to date through a contract with Witt Obrien. We do not expect to spend any remaining funds and will de-obligate $1,433,972 from the State Disaster Relief Fund.

7. $550,000 was appropriated from General Funds for emergency response supplies. $275,000 of this appropriation was part of our agency's allotment. We will spend the remaining funds during the last six months of the current biennium to purchase response supplies needed to respond to hazardous material spills on waterways.

8. Firefighter Stipends, $500,000 Insurance Tax Distribution Fund – To date, $11,238 has been spent to send firefighters to Pueblo CO for "Crude by Rail Emergency Response" training at the Security and Emergency Response Training Center, (SERTC). We do not anticipate significant additional expenditures in the remainder of the 2017-19 biennium.

9. Firefighter Training, $1,200,000 General Funds – No expenditures to date as this project did not receive the anticipated support. Of this amount, $825,828 was used as our agency's 2015-17 allotment. The remaining $374,172 will be turned back.

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Ongoing General Fund Increases 2013-15:

1. Increased funding for the National Guard Tuition Program - $110,000
   This increase was due to a reduction in federal tuition assistance and has allowed the NDNG to continue to provide 100% tuition reimbursement. This program has been most critical and successful as a recruitment tool.

2. Added 4 FTE Communication Specialists in the SR Dispatch Center - $386,048
   As the increased overall activity in the state and the addition of two additional counties, these positions remain critical to full manning of each shift.

3. Added funding for State Radio Tower Maintenance - $360,000
   This funding covers our monthly radio tower maintenance for the additional tower sites added through the State Radio tower project.

Ongoing Funding General Fund Increases 2015-17:

1. Operating Costs for ND Cares - $260,000
   This was a new program created during the 2015-17 biennium to bring together community leadership, local, state and federal organizations, providers and stakeholders across the state to commit support to Veterans, Service Members, Families and Survivors.

2. Maintenance for the Records Management System - $150,000
   We have expended approximately $44,000 to date for maintenance expenses. The second payment is due in the upcoming months, which will expend the remaining funds.

3. Next Generation 911 Maintenance - $209,280
   As discussed on page two, we do not expect the initial project to be completed by June 30, 2017 and will most likely turn back a portion or all of this 2015-17 appropriation.

4. State Wide Base Map Maintenance - $382,000
   We are currently assessing alternative vendors to find the most cost effective program to maintain the base map. We assumed risk by identifying $95,500 of this appropriation to cover our allotment. We believe this is a prudent risk with the available options, which include the possibility of purchasing off-the-shelve map data, or work with NDDOT to secure the required data.

5. Radio Redundancy Maintenance - $120,000
   As discussed on page two, we do not expect the initial project to be completed by June 30, 2017 and expect to turn back this funding for the 2015-17 biennium.

6. Added Funding for Realignment of State Radio Dispatchers - $192,621
   This Funding was necessary to provide competitive salaries for State Radio dispatcher positions. Alignment of salaries has significantly increased the number of qualified applicants for vacant positions.

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7. Mortuary Team Expense - $200,000
   There have been no expenditures to date. Of this amount, $8,100 was part of our 2015-17 allotment. Anticipate a partnership with the Department of Health and expending the remaining $191,900 by May 30, 2017.

2017-19 Biennial Budget Overview

General Funds: The base budget has been reduced overall by $3,369,131 in Engrossed HB 1016. Our testimony by budget line will focus on the significant budget adjustments. We have also provided the following attachments: Attachment #2, our agency general fund reductions to meet the 90 percent budget request guideline, Attachment #3, Governor Burgum's January executive changes, Attachment #4, House changes and Attachment #5 which is a comprehensive summary of all budget changes.

Federal & Special Funds: Overall, federal and special funds for 2017-19 have been reduced by approximately $27 million. This is due mainly to a reduction of federal and special fund payments ($57 million) for Presidential Disasters as current disasters are nearing closeout and $3.0 million reduction in Army Guard federal projects. The off-setting increase has been the federal authority of $32 million and $1 million special fund increase for construction of a new Fargo Readiness Center in the National Guard capital assets line. I will address this in more detail in the National Guard capital assets line.

Optional Adjustments: Our budget submission included only one optional adjustment which was our request to construct a new Fargo Readiness Center as discussed below in the National Guard Capital Assets line and included in HB 1016.

One-time Appropriations: Currently there are three one-time appropriations included, the National Guard's Fargo Readiness Center ($33 million federal and special funds), DES's emergency response equipment ($569,000 federal funds) and State Radio's mobile repeaters ($300,000 special funds).

The following is a brief line-by-line description of the 2017-19 budget request for the agency which includes the major variances from the 2015-17 biennium:

Subdivision 1. National Guard –

Salaries and Wages

This salary line includes 35 ND National Guard FTE's and temporary employees that support our state-owned and funded armories as well as one FTE supporting the National Guard Tuition program and one FTE supporting ND Cares.

Several executive budget adjustments were made for salaries and health insurance increases and also the restoration of salary allotments ($133,338) that had been removed from the base budget.

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Major Budget adjustments for 2017-19:

1. House Adjustment for reduction of temporary custodial maintenance (Attachment #4) - ($140,000)

Operating Expenses

This line of our budget supports NDNG state-supported facilities and provides operational support to state funded employees to include the ND Cares program. This budget line supports many of the 280 state-owned buildings and infrastructure with capitalized costs of $185 million and $50 million, respectively.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction package (Attachment #2) – ($746,957)
2. January Executive reduction for travel (Attachment #3) – ($50,000)
3. House adjustment for additional delayed maintenance & repair (Attachment #4) – ($33,000)

House action in Engrossed HB 1016 also includes an increase of $637,344 that is a correction of an error occurring in IBARS that removed that amount from the NG Operating Expenses and added into DES Operating Expenses.

Capital Assets

Proposed funding for this line is $33,224,046 ($224,046 general, $1.0 million special and $32 million federal) which includes the following:

1. $224,046 (general funds) for special assessments and payment in lieu of taxes at Camp Grafton.
2. $32 million federal and $1.0 million special funding for the construction of a new Fargo Readiness Center and Unheated Vehicle Storage Building. This facility is needed to meet Army space requirements to house, support and train three Army National Guard units. Design and construction of this 98,225 sq ft facility will begin in 2019. The completion date is projected for March 2021. The completed facility will require three FTE's, utilities and maintenance funded at 50% state general funds and 50% federal funds. Full biennial costs are estimated at $562,000 with $281,000 state general funds and $281,000 federal funds.

Grants

This line provides rental payments and 50/50 maintenance project costs for community owned armories partially occupied by NDNG units throughout the State. Currently, the NG leases space in thirteen armories but we will be vacating six by August 2017. This line also provides veterans bonus payments. No additional requests were made for veterans bonus payments as we believe the

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request for carry over (Sections 10 & 11) will allow us to meet obligations through the 2017-19 biennium.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction package for armory closings (Attachment #2) - $(146,961)
2. House adjustment for elimination of 50/50 maintenance projects in city-owned armories of $40K and additional armory rent savings of $4K, (Attachment #4) – ($44,000)

Civil Air Patrol

The North Dakota Civil Air Patrol (CAP) has become an agency that is often called upon for civilian search and rescue as well as information gathering during state disasters. There is one FTE in this program.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction package for maintenance & repair (Attachment #2) - $(3,000)
2. House adjustment for travel and equipment rental, (Attachment #4) – ($20,000)

Tuition, Recruiting and Retention

The base funding of $2.5 million (general funds) was increased by $100,000 general funds in the executive budget for tuition, recruiting and retention incentives. The tuition program continues to be the number one recruiting tool and critical to meet end strengths necessary for our state and federal missions. This funding along with federal funding has allowed 100% tuition reimbursement during this biennium. If federal tuition assistance continues at the same level, we hope to continue providing 100% tuition reimbursement in the next biennium.

No additional changes in this budget line.

Air Guard Contracts

This budget line supports the state funded facilities and state FTE's (28) at the ND Air National Guard located at Hector Field in Fargo.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction package for maintenance & repair, (Attachment #2) - $(100,000)
2. House adjustment for maintenance & repair, (Attachment #4) – ($15,000)

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Army Guard Contracts

This budget line supports federally funded facilities and 78 FTE's, many of which require a state match of general funds.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction package for maintenance & repair, (Attachment #2) - $(200,000)
2. Initial executive budget reduction, (Attachment #5) – ($100,000)
3. House adjustment for maintenance & repair, (Attachment #4) – ($30,000)

There is also additional reductions in federal funding of approximately $3.0 million for federal construction projects.

Veterans Cemetery Salaries

This line of our budget supports salaries for five FTE's and several temporary employees at the North Dakota Veterans Cemetery. This budget line has an overall increase of $70,835 to fund salaries and benefits. However, as shown below, the base budget was reduced by $73,442 in general funds to meet the 10% general funds reduction and another $50,000 general funds in the January 2017 executive reductions. Special funds, derived from federal and private burial revenue and license plate fees, were used to replace general fund requirements for both those reductions to fully fund salaries.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction for salaries & wages (Attachment #2) - $(73,442)
2. January Executive reduction for salaries & wages (Attachment #3) – ($50,000)

Reintegration Program

The reintegration program supports Soldiers and Airmen during the course of their deployment and assists them and their Families in transitioning once the Soldier and Airmen return from deployment. Whenever there is a deployment, the service members and their Families are at risk for numerous issues such as chemical dependency, mental health issues, relationship issues, suicides, violence and many others. This program prepares the member and their loved ones for reintegration into the family, employer and community upon their return. This program is supported by FTE's to include five Outreach Specialists and three Human Resource Counselors. The program currently also supports travel and two Military Service Center (MSC) facilities, one in Bismarck and one in Fargo.

In an effort to consolidate resources and meet budget constraints, we have just recently terminated our lease and vacated the Bismarck MSC facility and relocated to the Raymond J. Bohn Armory in

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Bismarck. The Fargo location will also be relocated to an existing NDNG location during the 2017-19 biennium to meet budget reductions.

Major Budget adjustments for 2017-19:

1. Agency 10% for Bismarck MSC relocation & operational costs (Attachment #2) - $(284,000)
2. Initial executive budget reduction – ($120,000)
3. January Executive reduction for operating expenses (Attachment #3) – ($227,075)
4. House adjustment for relocation of Fargo MSC relocation (Attachment #4) – ($85,000)

Total Reductions – ($716,075)

Subdivision 2. ND Department of Emergency Services –

Salaries and Wages

This budget line supports 5 administrative FTE's, 34 Homeland Security FTE along with federally funded temporaries, and 40 State Radio FTE's.

Major Budget adjustments for 2017-19:

1. House adjustment for salaries & wages (Attachment #4) – ($200,000)

Operating Expenses

The operating expense line supports the basic operating costs of DES with over 50% funding supporting State Radio.

Major Budget adjustments for 2017-19:

1. Agency 10% reduction for multiple operating accounts, (Attachment #2) – ($1,437,968)
2. Initial executive budget reduction replaced general funds with State Radio fund, (Attachment #5) - ($100,000)
3. January Executive reduction for equipment replacements, (Attachment #3) – ($218,051)
4. House adjustment for IT & professional service contracts, (Attachment #4) – ($353,000)
5. House adjustment for Mobile Repeaters added as special one-time funding - $300,000

In addition to the above reductions, an adjustment of ($637,344) was made to correct the IBARS error whereby operating expenses were erroneously removed from NG operating expenses base budget and placed in DES operating expenses base budget. An adjustment for $284,059 was made to restore allotments taken out of the base budget. An adjustment was also made to reduce the base budget for mortuary expenses net of allotments at ($191,000).

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Capital Assets

Our NDDES total capital asset line is $569,000 one-time funding, of which $349,000 is funded with federal Emergency Performance Grants and $220,000 is Homeland Security funds intended for the purchase of disaster response equipment if federal funding is available.

No additional changes in this budget line.

Grants

The Grants line has a decrease in base level funding of $1.8 million. This amount is made up of several adjustments including a reduction of $1,740,088 in Homeland Security Grants, a reduction of $500,000 in Emergency Performance Management Grants, an increase of $256,000 in Hazardous Materials Emergency Preparedness Grants and an increase of $200,000 in Hazardous Chemical Grants.

The following is a list of the grant programs that DES now manages, all of which are specifically targeted to accomplish federal goals:

Public Assistance Grant Program
Hazard Mitigation Grant Program
Homeland Security Grant Program
Hazardous Materials Emergency Preparedness Grant
Emergency Management Performance Grants

These grant programs are restrictive in terms of purpose and rules which limit our flexibility to internally utilize those federal funds for operations.

Disaster Costs

This budget line was newly created by the 2009 Legislature due to the extent of the damages and the significant funding for the 2009 flood. Since 2009 we have expended most of our disaster funds through this budget line. At the time of our budget submission we estimated approximately $51.4 million in disaster spending for the 2017-19 biennium which is a decrease of $56.7 million from the base budget. The timing of these expenditures is highly dependent upon completion of on-going repair projects as well as mitigation projects.

The funding for this line is primarily federal funding of $42.9 million, however, it also includes an estimated $8.4 million from the State Disaster Relief fund and $20,000 in general funds.

Radio Communications

There are no new State Radio initiatives planned for the upcoming biennium. However, we are requesting carry over (Sections 7 and 12) for the State Radio Tower Package and carry over for the Radio Tower Redundancy and Next Generation 911 projects (Section 14).

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I will now briefly address Sections 2 through 14 of HB 1016.

Health Insurance Increase (Section 2.) This section provides an increase of $638,219 for health insurance increases of which $253,000 in general funds and $385,219 includes special and federal funding.

One-time Funding (Section 3.) This section lists 2015-17 one-time funding as well as 2017-19 one-time funding which have been addressed above in the individual budget lines.

Veterans Cemetery Maintenance Fund (Section 4.) This section provides a continuing special fund appropriation for the operations of the North Dakota Veterans Cemetery for the 2017-19 biennium utilizing revenue generated from burial income and license plate sales. This is in addition to the Veterans Cemetery appropriation in Section 1. Subdivision 1. This authority has been used for several bienniums and allows efficient fiscal management of the ND Veterans Cemetery

Maintenance and Repairs (Section 5.) This allows the agency the ability to transfer to the operating or capital assets line up to $500,000 from other budget lines. This may only be used for the maintenance and repair of state-owned armories.

Estimated Income – Strategic Investment and Inprovements Fund (Section 6.) This section provides $300,000 in one-time funding in subdivision 2 of section 1 from the strategic investment and improvements fund for mobile repeaters and programing radios for State Radio.

Exemption (Section 7.) This section provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption (Section 8.) This section provides that any unexpended general or special funds appropriation authority carried over in the tuition, recruiting and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption (Section 9.) This section provides that any unexpended general or special funds appropriation authority carried over in the tuition, recruiting and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. This was a contingent funding upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base. We will be requesting an amendment that removes the restriction that makes it contingent on a mission at the GFAFB and has it included our tuition assistance base budget.

Exemption (Section 10.) This section provides that any unexpended general or special funds appropriation authority carried over in the grants line item relating to the payment of adjusted compensation to veterans for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds

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from this appropriation must be transferred to the Veterans Cemetery trust fund during the 2017-19 biennium.

Exemption (Section 11. This section provides that any unexpended general or special funds appropriation authority carried over in the grants line item relating to the payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans Cemetery trust fund during the 2017-19 biennium.

Exemption (Section 12.) This section provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

Exemption (Section 13.) This section provides that any unexpended general or special funds appropriation authority carried over in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. There is currently $4,695,780 remaining of this appropriation but we will only request a carryover appropriation of $100,000 for remaining payments. Therefore, approximately $4,595,780 can be de-obligated against the state disaster relief fund at this time.

Exemption (Section 14.) This section provides that any unexpended general or special funds appropriation authority for radio tower redundancy and next generation 911 projects carried over in the radio communications line item in subdivision 2 of section 1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

This agency did not have any formal audit findings.

Mr. Chairman, that completes my testimony, I will try to answer any questions you might have and I ask for your favorable support of HB 1016.

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Office of Adjutant General
2015-17 Allotments (August 2016)

Attachment #1

National Guard

		Ongoing	One-Time	Total
Salaries & Wages				
	Vacant temporary administrative staff officer	$ 60,694.00		$ 60,694.00
Operating				
	Delayed maintenance & repair	$ 451,344.00		
	IT replacements	$ 50,000.00		
	Travel	$ 36,000.00		
	Small ground equipment replacements	$ 100,000.00		
		$ 637,344.00		$ 637,344.00
Army Guard Contract				
	Vacant HR technician position	$ 72,644.00		$ 72,644.00
			Division Total	**$ 770,682.00**

Department of Emergency Services

Operating				
	Travel	$ 32,400.00		
	Delayed SR tower maintenance	$ 91,159.00		
	Delayed base map maintenance	$ 95,500.00		
	IT replacements	$ 65,000.00		
	Mortuary team expense		$ 8,100.00	
	50% reduction of disaster response supplies		$ 275,000.00	
		$ 284,059.00	$ 283,100.00	$ 567,159.00
Grants				
	Fire Training Grant		$ 825,828.00	$ 825,828.00
			Division Total	**$ 1,392,987.00**
			Agency Total	**$ 2,163,669.00**

Office of Adjutant General
2017-19 10% Budget Reductions

Attachment #2

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National Guard

		10% Reductions
Operating		
Repairs	$	656,957.00
Professional Services	$	10,000.00
Misc Supplies	$	20,000.00
Buildings & Grounds	$	20,000.00
Travel	$	40,000.00
	$	746,957.00
Grants		
City Armory Rent	$	146,961.00
Civil Air Patrol		
Repairs	$	3,000.00
Air Guard Contract		
Building Maintenance & Repair	$	100,000.00
Army Guard Contract		
Building Maintenance & Repair	$	200,000.00
Veterans Cemetery		
Salaries & Wages	$	73,442.00
Reintegration Program		
Professional Supplies	$	10,000.00
Building Lease	$	74,000.00
Building Maintenance & Repair	$	100,000.00
Professional Development	$	40,000.00
Professional Services	$	60,000.00
	$	284,000.00
Total	$	1,554,360.00

Department of Emergency Services

Operating		
Travel	$	10,000.00
Miscellaneous Supplies	$	5,000.00
Office Supplies	$	5,000.00
Repairs	$	265,000.00
Professional Development	$	15,000.00
IT Equipment	$	434,556.00
Other Equipment	$	511,412.00
Professional Services	$	192,000.00
Total	$	1,437,968.00

Total For Both Divisions	**$**	**2,992,328.00**

Office of Adjutant General
2017-19 Budget Reductions

13-Jan-17

Attachment #3

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EXECUTIVE BUDGET CUTS JANUARY 2017 **$** **545,126.00**

National Guard

			Reductions
	Operating Line 30		
	Travel	$	(50,000.00)
***	Veterans Cemetery Line 78		
	Salaries & Wages	$	(50,000.00)
	Reintegration Program Line 77		
	Building Lease	$	(176,000.00)
	Repairs	$	(30,000.00)
	Professional Development	$	(10,000.00)
	Fees - Professional Services	$	(11,075.00)
	Division Total	$	(327,075.00)

Department of Emergency Services

Operating Line 30		
IT Equipment	$	(110,000.00)
Other Equipment	$	(108,051.00)
Division Total	$	(218,051.00)

Total For Both Divisions	**$**	**(545,126.00)**

*** Request to allow current appropriation but reduce general funds by $50,000 and increase special funds by $50,000.

OFFICE OF ADJUTANT GENERAL
BUDGET CUTS - HOUSE ADJUSTMENTS

Attachment #4

NATIONAL GUARD:

BUDGET LINE	DESCRIPTION		
Salaries & Wages	Temp Custodial Maintenance Hrs Reduced by 180 hrs/week (9 Armories)	$	140,000.00
Operating Expenses	Repairs - Delayed Maintenance	$	33,000.00
Grants	50/50 Armory Projects (40K) & Reduced Mayville Rent ($4K)	$	44,000.00
ND Civil Air Patrol	Travel ($7K) & Equipment Rental ($13K)	$	20,000.00
Air Guard Contracts	Repairs - Delayed Maintenance	$	15,000.00
Army Guard Contracts	Repairs - Delayed Maintenance	$	30,000.00
Reintegration	Move Fargo Military Service Center to NDNG Facility	$	85,000.00
	DIVISION TOTAL	$	367,000.00

DEPARTMENT OF EMERGENCY SERVICES:

BUDGET LINE	DESCRIPTION		
Salaries & Wages		$	200,000.00
Operating Expenses	IT Contractual Services - Base Map Maintenance	$	100,000.00
	IT Contractual Services - WebEOC Resource Manager	$	7,200.00
	IT Contractual Services - Electronic Comm Contract	$	115,000.00
	IT Contractual Services - Software Upgrades	$	118,800.00
	Professional Services - CAD Training	$	12,000.00
	DIVISION TOTAL	$	553,000.00
	TOTAL BOTH DIVISIONS	$	920,000.00

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OFFICE OF ADJUTANT GENERAL 2017-19 BUDGET CHANGES

Attachment #5

INCLUDES AGENCY 10%, EXECUTIVE & HOUSE REDUCTIONS

NATIONAL GUARD:

BUDGET LINE	EXECUTIVE CHANGES AT ORIGINAL BUDGET SUBMITTAL	1/ AGENCY 10% BUDGET	2/ JANUARY 2017 EXECUTIVE	3/ HOUSE	BUDGET LINE TOTALS
Salaries & Wages	$0	$0	$0	($140,000)	($140,000)
Operating Expenses	$0	($746,957)	($50,000)	($33,000)	($829,957)
Grants	$0	($146,961)	$0	($44,000)	($190,961)
ND Civil Air Patrol	$0	($3,000)	$0	($20,000)	($23,000)
Tuition & Enlistment Comp	$100,000	$0	$0	$0	$100,000
Air Guard Contracts	$0	($100,000)	$0	($15,000)	($115,000)
Army Guard Contracts	($100,000)	($200,000)	$0	($30,000)	($330,000)
Veterans Cemetery	$0	($73,442)	($50,000)	$0	($123,442)
Reintegration	($120,000)	($284,000)	($227,075)	($85,000)	($716,075)
Division Totals	**($120,000)**	**($1,554,360)**	**($327,075)**	**($367,000)**	**($2,368,435)**

DEPARTMENT OF EMERGENCY SERVICES:

BUDGET LINE					
Salaries & Wages	$0	$0	$0	($200,000)	($200,000)
Operating Expenses	($100,000)	($1,437,968)	($218,051)	($353,000)	($2,109,019)
Division Totals	**($100,000)**	**($1,437,968)**	**($218,051)**	**($553,000)**	($2,309,019)
AGENCY TOTALS	**($220,000)**	**($2,992,328)**	**($545,126)**	**($920,000)**	**($4,677,454)**

1/ Detailed on Attachment #2
2/ Detailed on Attachment #3
3/ Detailed on Attachment #4

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Office of Adjutant General
Proposed Changes to Engrossed HB 1016

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Amendment to Section 9:

Page 4, line 16, overstrike ", contingent upon the adjutant general certifying to the office of management and budget that the national guard has received a new assignment in association with the Grand Forks air force base"

Renumber accordingly

Reinstatement of House Reductions:

National Guard:		
Operating Expenses - Delayed Maintenance & Repair	$	33,000.00
Air Guard Contracts - Delayed Maintenance & Repair	$	15,000.00
Army Guard Contract - Delayed Maintenance & Repair	$	30,000.00
Division Total	$	78,000.00
Department of Emergency Services:		
Salaries & Wages	$	150,000.00
IT Contractual Services - Software Upgrades	$	118,800.00
Division Total	$	268,800.00
Agency Total	$	346,800.00

HB 1016 Subcom
3-27-17

17.0501.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Hogue
March 23, 2017

#1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1016

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$6,640,086	$26,439	$6,666,525
Operating expenses	3,685,547	(159,613)	3,525,934
Capital assets	249,046	32,975,000	33,224,046
Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(12,193)	299,580
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	44,028	8,098,582
Army guard contract	59,870,605	(2,152,661)	57,717,944
Veterans' cemetery	811,486	69,798	881,284
Reintegration program	1,903,743	(642,359)	1,261,384
Total all funds	$84,553,854	$30,057,478	$114,611,332
Less estimated income	66,864,852	31,309,926	98,174,778
Total general fund	$17,689,002	($1,252,448)	$16,436,554"

Page 2, replace lines 7 through 14 with:

"Salaries and wages	$12,441,232	$159,887	$12,601,119
Operating expenses	8,905,310	(1,616,859)	7,288,451
Capital assets	740,000	(171,000)	569,000
Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,719,643)	51,445,841
Total all funds	$148,925,273	($60,131,703)	$88,793,570
Less estimated income	137,518,175	(58,224,473)	79,293,702
Total general fund	$11,407,098	($1,907,230)	$9,499,868"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	$29,096,100	($3,159,678)	$25,936,422
Grand total special funds	204,383,027	(26,914,547)	177,468,480
Grand total all funds	$233,479,127	($30,074,225)	$203,404,902"

Page 2, line 24, replace "$638,219" with "$591,978"

Page 2, line 24, replace "$253,000" with "$234,453"

Page 2, line 25, replace "$1,249" with "$1,241"

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 27, after "biennium" insert "and the 2017-19 biennium one-time funding items in the appropriation in section 1 of this Act"

Page 3, after line 15, insert:

"The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The adjutant general shall report to the

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appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 4, line 16, remove ", contingent upon the adjutant general"

Page 4, remove line 17

Page 4, line 18, remove "assignment in association with the Grand Forks air force base"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Adjutant General				
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
Department of Emergency Services				
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
Bill total				
Total all funds	$233,479,127	$203,223,143	$181,759	$203,404,902
Less estimated income	204,383,027	177,496,174	(27,694)	177,468,480
General fund	$29,096,100	$25,726,969	$209,453	$25,936,422

House Bill No. 1016 - Adjutant General - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$6,640,086	$6,673,161	($6,636)	$6,666,525
Operating expenses	3,685,547	3,492,934	33,000	3,525,934
Capital assets	249,046	33,224,046		33,224,046
Grants	509,514	318,553		318,553
Civil air patrol	311,773	299,787	(207)	299,580
Tuition, recruiting, and retention	2,517,500	2,617,500		2,617,500
Air guard contract	8,054,554	8,089,803	8,779	8,098,582
Army guard contract	59,870,605	57,703,081	14,863	57,717,944
Veterans' Cemetery	811,486	882,321	(1,037)	881,284
Reintegration program	1,903,743	1,262,628	(1,244)	1,261,384
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
FTE	155.00	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Maintenance and Repairs[2]	Total Senate Changes
Salaries and wages	($6,636)		($6,636)
Operating expenses		33,000	33,000
Capital assets			
Grants			
Civil air patrol	(207)		(207)

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Tuition, recruiting, and retention			
Air guard contract	(6,221)	15,000	8,779
Army guard contract	(15,137)	30,000	14,863
Veterans' Cemetery	(1,037)		(1,037)
Reintegration program	(1,244)		(1,244)
Total all funds	($30,482)	$78,000	$47,518
Less estimated income	(20,669)	0	(20,669)
General fund	($9,813)	$78,000	$68,187
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $78,000 from the general fund for maintenance and repairs is restored. The House had reduced funding for maintenance and repairs by $178,000 from the general fund.

House Bill No. 1016 - Department of Emergency Services - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$12,441,232	$12,465,927	$135,192	$12,601,119
Operating expenses	8,905,310	7,288,451		7,288,451
Capital assets	740,000	569,000		569,000
Grants	18,673,247	16,889,159		16,889,159
Disaster costs	108,165,484	51,446,792	(951)	51,445,841
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
FTE	79.00	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Salaries and Wages[2]	Total Senate Changes
Salaries and wages	($14,808)	$150,000	$135,192
Operating expenses			
Capital assets			
Grants			
Disaster costs	(951)		(951)
Total all funds	($15,759)	$150,000	$134,241
Less estimated income	(7,025)	0	(7,025)
General fund	($8,734)	$150,000	$141,266
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $150,000 from the general fund for salaries and wages is restored. The House had reduced salaries and wages funding by $200,000 from the general fund.

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This amendment also removes contingency language from Section 9 to allow the Adjutant General to spend the money carried over from the 2015-17 biennium in the tuition, recruiting, and retention line item without certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

HB1016 Sub-com
3-27-17
#2

Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540
House Bill No. 1016
Base Level Funding Changes

	House Version				Senate Version				Senate Changes to House Version Increase (Decrease) - House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	234.00	$29,096,100	$204,383,027	$233,479,127	234.00	$29,096,100	$204,383,027	$233,479,127	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$144,039	($391,790)	($247,751)		$144,039	($391,790)	($247,751)				$0
Salary increase				***0***				***0***				***0***
Health insurance increase		253,000	385,219	638,219		234,453	357,525	591,978		(18,547)	(27,694)	(46,241)
Employee portion of health insurance				***0***				***0***				***0***
Restore funding for salaries and wages		133,338		133,338		133,338		133,338				0
Reduce funding for operating expenses		(2,070,521)		(2,070,521)		(2,070,521)		(2,070,521)				0
Increase funding for recruitment		100,000		100,000		100,000		100,000				0
Reduce funding for National Guard grants		(146,961)		(146,961)		(146,961)		(146,961)				0
Realign Department of Emergency Services grants			(57,784,088)	(57,784,088)			(57,784,088)	(57,784,088)				0
Remove funding for mortuary response training		(191,900)		(191,900)		(191,900)		(191,900)				0
Reduce capital funding for equipment, information technology, motor vehicles, and land and buildings		(25,000)	(3,115,194)	(3,140,194)		(25,000)	(3,115,194)	(3,140,194)				0
Adjust funding for state radio		(100,000)	100,000	0		(100,000)	100,000	0				0
Adjust funding between line items				0				0				0
Reduce funding for National Guard		***(50,000)***		***(50,000)***		***(50,000)***		***(50,000)***				***0***
Adjust funding for the Veterans' Cemetery		***(50,000)***	***50,000***	***0***		***(50,000)***	***50,000***	***0***				***0***
Reduce funding for the reintegration program		***(227,075)***		***(227,075)***		***(227,075)***		***(227,075)***				***0***
Reduce funding for Department of Emergency Services operating expenses, including information technology equipment and other equipment		***(218,051)***		***(218,051)***		***(218,051)***		***(218,051)***				***0***
Reduce funding for National Guard salaries and wages		(140,000)		(140,000)		(140,000)		(140,000)				0
Reduce funding for maintenance		(178,000)		(178,000)		(100,000)		(100,000)		78,000		78,000
Reduce National Guard grant funding for armories		(44,000)		(44,000)		(44,000)		(44,000)				0
Reduce funding for travel and aircraft equipment rental		(20,000)		(20,000)		(20,000)		(20,000)				0

Reduce funding for the Fargo military service center		(85,000)		(85,000)		(85,000)		(85,000)				0
Remove funding for WebEOC resource manager		(7,200)		(7,200)		(7,200)		(7,200)				0
Reduce funding for electronic communications contract		(115,000)		(115,000)		(115,000)		(115,000)				0
Reduce funding for software upgrades		(118,800)		(118,800)		(118,800)		(118,800)				0
Reduce funding for CAD training		(12,000)		(12,000)		(12,000)		(12,000)				0
Reduce funding for Department of Emergency Services salaries and wages		(200,000)		(200,000)		(50,000)		(50,000)		150,000		150,000
Total ongoing funding changes	0.00	($3,369,131)	($60,755,853)	($64,124,984)	0.00	($3,159,678)	($60,783,547)	($63,943,225)	0.00	$209,453	($27,694)	$181,759
One-time funding items												
Add federal funding for emergency response equipment			569,000	569,000			569,000	569,000				0
Add funding for National Guard Readiness Center project			33,000,000	33,000,000			33,000,000	33,000,000				0
Add funding for mobile repeaters and programming radios for emergency medical services			300,000	300,000			300,000	300,000				0
Total one-time funding changes	0.00	$0	$33,869,000	$33,869,000	0.00	$0	$33,869,000	$33,869,000	0.00	$0	$0	$0
Total Changes to Base Level Funding	0.00	($3,369,131)	($26,886,853)	($30,255,984)	0.00	($3,159,678)	($26,914,547)	($30,074,225)	0.00	$209,453	($27,694)	$181,759
2017-19 Total Funding	234.00	$25,726,969	$177,496,174	$203,223,143	234.00	$25,936,422	$177,468,480	$203,404,902	0.00	$209,453	($27,694)	$181,759

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	House Version	Senate Version
Employee health insurance premiums	Section 2 identifies $638,219 included in Section 1 of the bill is for employee health insurance premium increases, including $253,000 from the general fund.	Section 2 identifies $591,978 included in Section 1 of the bill is for employee health insurance premium increases, including $234,453 from the general fund.
Veterans' Cemetery maintenance fund	Section 4 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.	Section 4 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.
Maintenance and repairs	Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.	Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.
Strategic investment and improvements fund	Section 6 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.	Section 6 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	House Version	Senate Version
Exemption - Radio communications	Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Tuition, recruiting, and retention	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - National Guard tuition assistance	Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.	Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Veterans' bonus program	Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Veterans' bonus	Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	House Version	Senate Version
Exemption - Radio communications	Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Disaster costs	Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Radio communications	Section 14 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and Next Generation 9-1-1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 14 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and Next Generation 9-1-1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

17.0501.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Hogue
March 23, 2017

HB 1016
3-28-17
#1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1016

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

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Grants	509,514	(190,961)	318,553
Civil air patrol	311,773	(12,193)	299,580
Tuition, recruiting, and retention	2,517,500	100,000	2,617,500
Air guard contract	8,054,554	44,028	8,098,582
Army guard contract	59,870,605	(2,152,661)	57,717,944
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Total all funds	$84,553,854	$30,057,478	$114,611,332
Less estimated income	66,864,852	31,309,926	98,174,778
Total general fund	$17,689,002	($1,252,448)	$16,436,554"

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Grants	18,673,247	(1,784,088)	16,889,159
Disaster costs	108,165,484	(56,719,643)	51,445,841
Total all funds	$148,925,273	($60,131,703)	$88,793,570
Less estimated income	137,518,175	(58,224,473)	79,293,702
Total general fund	$11,407,098	($1,907,230)	$9,499,868"

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Page 2, line 24, replace "$253,000" with "$234,453"

Page 2, line 25, replace "$1,249" with "$1,241"

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 27, after "biennium" insert "and the 2017-19 biennium one-time funding items in the appropriation in section 1 of this Act"

Page 3, after line 15, insert:

"The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The adjutant general shall report to the

appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 4, line 16, remove ", contingent upon the adjutant general"

Page 4, remove line 17

Page 4, line 18, remove "assignment in association with the Grand Forks air force base"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Adjutant General				
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
Department of Emergency Services				
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
Bill total				
Total all funds	$233,479,127	$203,223,143	$181,759	$203,404,902
Less estimated income	204,383,027	177,496,174	(27,694)	177,468,480
General fund	$29,096,100	$25,726,969	$209,453	$25,936,422

House Bill No. 1016 - Adjutant General - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$6,640,086	$6,673,161	($6,636)	$6,666,525
Operating expenses	3,685,547	3,492,934	33,000	3,525,934
Capital assets	249,046	33,224,046		33,224,046
Grants	509,514	318,553		318,553
Civil air patrol	311,773	299,787	(207)	299,580
Tuition, recruiting, and retention	2,517,500	2,617,500		2,617,500
Air guard contract	8,054,554	8,089,803	8,779	8,098,582
Army guard contract	59,870,605	57,703,081	14,863	57,717,944
Veterans' Cemetery	811,486	882,321	(1,037)	881,284
Reintegration program	1,903,743	1,262,628	(1,244)	1,261,384
Total all funds	$84,553,854	$114,563,814	$47,518	$114,611,332
Less estimated income	66,864,852	98,195,447	(20,669)	98,174,778
General fund	$17,689,002	$16,368,367	$68,187	$16,436,554
FTE	155.00	155.00	0.00	155.00

Department No. 540 - Adjutant General - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Maintenance and Repairs[2]	Total Senate Changes
Salaries and wages	($6,636)		($6,636)
Operating expenses		33,000	33,000
Capital assets			
Grants			
Civil air patrol	(207)		(207)

Tuition, recruiting, and retention			
Air guard contract	(6,221)	15,000	8,779
Army guard contract	(15,137)	30,000	14,863
Veterans' Cemetery	(1,037)		(1,037)
Reintegration program	(1,244)		(1,244)
Total all funds	($30,482)	$78,000	$47,518
Less estimated income	(20,669)	0	(20,669)
General fund	($9,813)	$78,000	$68,187
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $78,000 from the general fund for maintenance and repairs is restored. The House had reduced funding for maintenance and repairs by $178,000 from the general fund.

House Bill No. 1016 - Department of Emergency Services - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$12,441,232	$12,465,927	$135,192	$12,601,119
Operating expenses	8,905,310	7,288,451		7,288,451
Capital assets	740,000	569,000		569,000
Grants	18,673,247	16,889,159		16,889,159
Disaster costs	108,165,484	51,446,792	(951)	51,445,841
Total all funds	$148,925,273	$88,659,329	$134,241	$88,793,570
Less estimated income	137,518,175	79,300,727	(7,025)	79,293,702
General fund	$11,407,098	$9,358,602	$141,266	$9,499,868
FTE	79.00	79.00	0.00	79.00

Department No. 542 - Department of Emergency Services - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases[1]	Restores Funding for Salaries and Wages[2]	Total Senate Changes
Salaries and wages	($14,808)	$150,000	$135,192
Operating expenses			
Capital assets			
Grants			
Disaster costs	(951)		(951)
Total all funds	($15,759)	$150,000	$134,241
Less estimated income	(7,025)	0	(7,025)
General fund	($8,734)	$150,000	$141,266
FTE	0.00	0.00	0.00

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month. Section 2 is also adjusted to reflect the change.

[2] Funding of $150,000 from the general fund for salaries and wages is restored. The House had reduced salaries and wages funding by $200,000 from the general fund.

This amendment also removes contingency language from Section 9 to allow the Adjutant General to spend the money carried over from the 2015-17 biennium in the tuition, recruiting, and retention line item without certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.

April 11, 2017 HB 1016 Attachment A

Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540
House Bill No. 1016
Base Level Funding Changes

	House Version				Senate Version				Senate Changes to House Version Increase (Decrease) - House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	234.00	$29,096,100	$204,383,027	$233,479,127	234.00	$29,096,100	$204,383,027	$233,479,127	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$144,039	($391,790)	($247,751)		$144,039	($391,790)	($247,751)				$0
Health insurance increase		253,000	385,219	638,219		234,453	357,525	591,978		(18,547)	(27,694)	(46,241)
Restore funding for salaries and wages		133,338		133,338		133,338		133,338				0
Reduce funding for operating expenses		(2,070,521)		(2,070,521)		(2,070,521)		(2,070,521)				0
Increase funding for recruitment		100,000		100,000		100,000		100,000				0
Reduce funding for National Guard grants		(146,961)		(146,961)		(146,961)		(146,961)				0
Realign Department of Emergency Services grants			(57,784,088)	(57,784,088)			(57,784,088)	(57,784,088)				0
Remove funding for mortuary response training		(191,900)		(191,900)		(191,900)		(191,900)				0
Reduce capital funding for equipment, information technology, motor vehicles, and land and buildings		(25,000)	(3,115,194)	(3,140,194)		(25,000)	(3,115,194)	(3,140,194)				0
Adjust funding for state radio		(100,000)	100,000	0		(100,000)	100,000	0				0
Adjust funding between line items				0				0				0
Reduce funding for National Guard travel		(50,000)		(50,000)		(50,000)		(50,000)				0
Adjust funding for the Veterans' Cemetery		(50,000)	50,000	0		(50,000)	50,000	0				0
Reduce funding for the reintegration program		(227,075)		(227,075)		(227,075)		(227,075)				0
Reduce funding for Department of Emergency Services operating expenses, including information technology equipment and other equipment		(218,051)		(218,051)		(218,051)		(218,051)				0
Reduce funding for National Guard salaries and wages		(140,000)		(140,000)		(140,000)		(140,000)				0
Reduce funding for maintenance		(178,000)		(178,000)		(100,000)		(100,000)		78,000		78,000
Reduce National Guard grant funding for armories		(44,000)		(44,000)		(44,000)		(44,000)				0
Reduce funding for travel and aircraft equipment rental		(20,000)		(20,000)		(20,000)		(20,000)				0
Reduce funding for the Fargo military service center		(85,000)		(85,000)		(85,000)		(85,000)				0

Remove funding for WebEOC resource manager		(7,200)		(7,200)		(7,200)		(7,200)				0
Reduce funding for electronic communications contract		(115,000)		(115,000)		(115,000)		(115,000)				0
Reduce funding for software upgrades		(118,800)		(118,800)		(118,800)		(118,800)				0
Reduce funding for CAD training		(12,000)		(12,000)		(12,000)		(12,000)				0
Reduce funding for Department of Emergency Services salaries and wages		(200,000)		(200,000)		(50,000)		(50,000)		150,000		150,000
Total ongoing funding changes	0.00	($3,369,131)	($60,755,853)	($64,124,984)	0.00	($3,159,678)	($60,783,547)	($63,943,225)	0.00	$209,453	($27,694)	$181,759
One-time funding items												
Add federal funding for emergency response equipment			569,000	569,000			569,000	569,000				0
Add funding for National Guard Readiness Center project			33,000,000	33,000,000			33,000,000	33,000,000				0
Add funding for mobile repeaters and programming radios for emergency medical services			300,000	300,000			300,000	300,000				0
Total one-time funding changes	0.00	$0	$33,869,000	$33,869,000	0.00	$0	$33,869,000	$33,869,000	0.00	$0	$0	$0
Total Changes to Base Level Funding	0.00	($3,369,131)	($26,886,853)	($30,255,984)	0.00	($3,159,678)	($26,914,547)	($30,074,225)	0.00	$209,453	($27,694)	$181,759
2017-19 Total Funding	234.00	$25,726,969	$177,496,174	$203,223,143	234.00	$25,936,422	$177,468,480	$203,404,902	0.00	$209,453	($27,694)	$181,759

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	House Version	Senate Version
Employee health insurance premiums	Section 2 identifies $638,219 included in Section 1 of the bill is for employee health insurance premium increases, including $253,000 from the general fund.	Section 2 identifies $591,978 included in Section 1 of the bill is for employee health insurance premium increases, including $234,453 from the general fund.
Veterans' Cemetery maintenance fund	Section 4 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.	Section 4 provides an additional appropriation for any funds which 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 Veterans' Cemetery for the 2017-19 biennium.
Maintenance and repairs	Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.	Section 5 provides that the Adjutant General may transfer up to $500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2017-19 biennium. Any amounts transferred must be reported to the Office of Management and Budget.
Strategic investment and improvements fund	Section 6 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.	Section 6 designates $300,000 from the strategic investment and improvements fund for mobile repeaters and programming radios for emergency medical services.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	House Version	Senate Version
Exemption - Radio communications	Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 7 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the state radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Tuition, recruiting, and retention	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 8 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - National Guard tuition assistance	Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Funding authority is contingent upon the Adjutant General certifying to the Office of Management and Budget that the National Guard has received a new assignment in association with the Grand Forks Air Force Base.	Section 9 provides that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item relating to the contingent appropriation for the purpose of providing tuition assistance to eligible members of the National Guard for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Veterans' bonus program	Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 10 provides that any unexpended general or special funds appropriation authority carried over relating to the $5 million appropriated for payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, 2013-15, and 2015-17 bienniums is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.
Exemption - Veterans' bonus	Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.	Section 11 provides that any unexpended general or special funds appropriation authority in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2017-19 biennium.

Other Sections in Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	House Version	Senate Version
Exemption - Radio communications	Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 12 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to state radio tower package for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Disaster costs	Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 13 provides that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.
Exemption - Radio communications	Section 14 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and Next Generation 9-1-1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.	Section 14 provides that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to radio tower redundancy and Next Generation 9-1-1 for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2017-19 biennium.

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