

2021 SENATE APPROPRIATIONS

SB 2345

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2345
11/8/2021
Senate Appropriations Committee

A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to provide for a report; and to provide an effective date.

Chairman Holmberg called the meeting to order at 4:32 p.m.

Senators present: Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.

Discussion Topics:

- Oil Well Conversion
- Water Supply Grant Programs
- Deferred Admissions – DOCR
- NDSU Extension Center
- Campus Projects
- UND Space Force
- Hartnett Hall (Minot State)
- Department of Health Building

Lynn Helms, Department of Mineral Resources, testified in favor and submitted testimony #11827.

Andrea Travnicek, Department of Water Resources, testified in favor and submitted testimony #11773.

Dan Jonasson, Public Works Director, City of Minot, testified in favor and submitted testimony #11775

Dave Krabbenhoft, Department of Corrections and Rehabilitation, testified in favor and submitted testimony #11847

Senator Sorvaag moved to amend Section 1, Subsection 5
Senator Poolman seconded the motion.

Motion carried by voice vote.

Bill Peterson, State Historical Society, testified in favor and submitted testimony #11807

Greg Lardy, testified in favor and submitted testimony #11778 and #11779

Julie Ellingson, North Dakota Stockmen Association, testified in favor but submitted no testimony.

Joe Morrisette, Office of Management and Budget, testified in favor and submitted testimony #11785

Senator Bekkedahl moved to amend by adding a section to give OMB the authority to transfer their funds to other agencies.

Senator Poolman seconded the motion.

Motion carried by voice vote.

Representative Sanford, District 17, testified in favor and submitted testimony #11823 and #11849

Andrew Armacost, University of North Dakota, testified in favor and continued on testimony #11849

Douglas Jensen, Bismarck State College, testified in favor and submitted testimony #11816, #11817, #11818

Representative Nathe, District 30, testified in favor and submitted testimony #11848

Steve Shirley, Minot State University, testified in favor and continued testimony #11823

Representative Jon Nelson, District 14, testified in favor but submitted no testimony

Chancellor Mark Hagerott, North Dakota University System, testified in favor and submitted testimony #11928

Christie Massen, North Dakota Department of Health, testified in favor and submitted testimony #11825, and #11826

Senator Wanzek, District 29, testified in favor but submitted no testimony.

Additional written testimony: #11747, #11774, #11780, #11781, #11789, #11791, #11794, #11797, #11809, #11811, #11813, #11815, #11828, #11829, #11831, #11836, #11850

Chairman Holmberg closed the meeting at 5:45 p.m.

Skyler Strand, Committee Clerk

11827

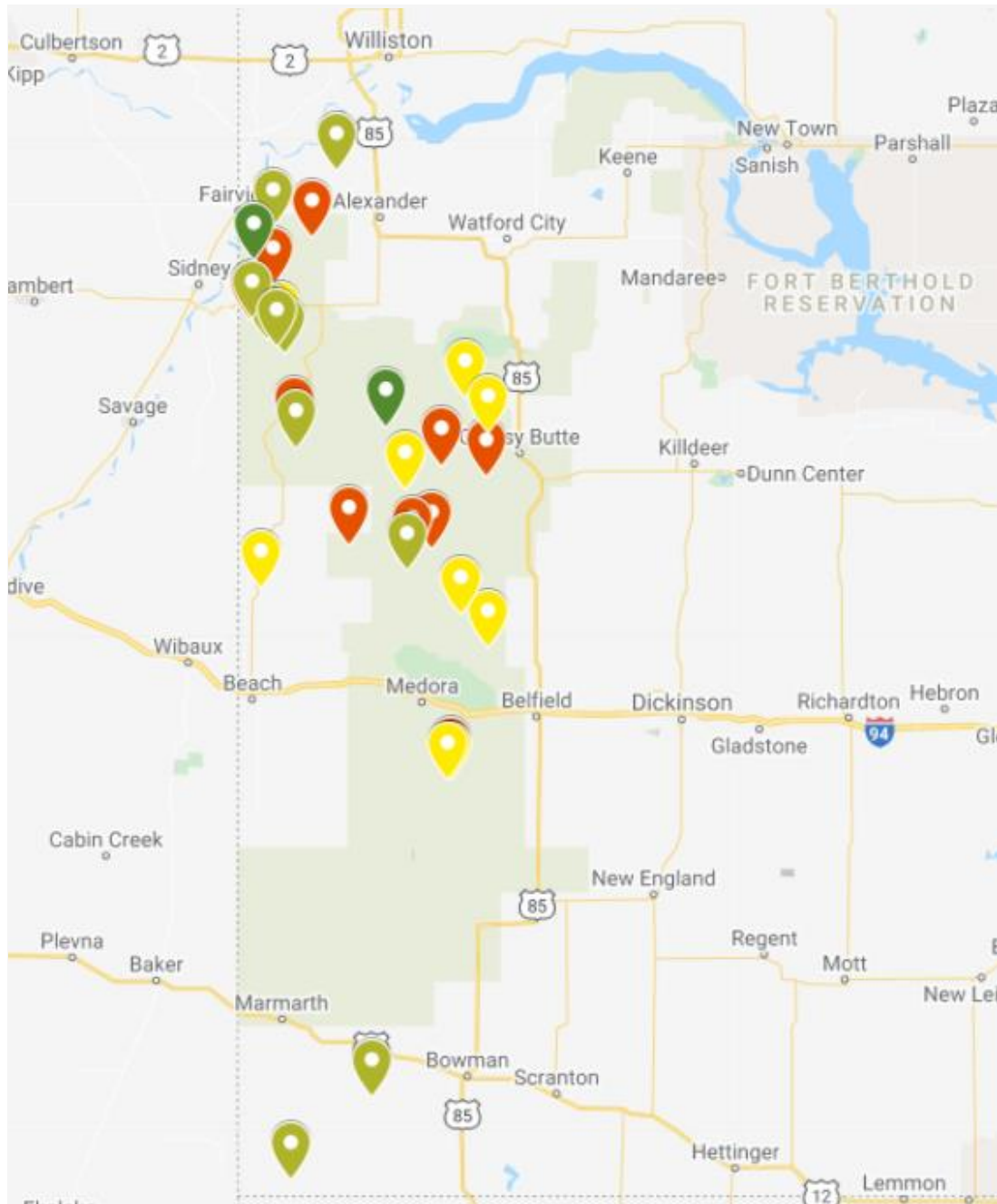
AB Well Conversion to Water Supply

Proposal: Conversion of up to 16 abandoned oil and gas wells to livestock supply freshwater wells for permanent drought relief. Wells selected would have otherwise been orphaned, plugged, and reclaimed. Proposal would be an extension of the 2020 CARES Act Orphan Well Project – currently funded by AWPSRF.

Total amount of request: \$3,200,000

Timeline: Funds obligated by December 31, 2024 and spent by December 31, 2026

Connection to existing programs:	Connection to relevant ARPA guidelines:	Cost analysis
<p>Is it a new program? No, it is an extension of the 2020 CARES Act Orphan Well Project</p> <p>Is it an expansion of an existing program? Yes</p> <p>If yes, what is the current funding? The Abandoned Oil and Gas Well Plugging and Site Reclamation Fund</p> <p>Has this proposal been previously submitted to the legislature? No</p> <p>If so, describe the legislative response. N/A</p>	<p>The project will use funds and government services for pay-as-you-go spending for building new infrastructure and environmental remediation.</p> <p>The project will use funds for forward looking government services for costs incurred after March 3, 2021.</p> <p>The project will not use of funds and government services directly for pension deposits, contributions to reserve funds, or debt service.</p> <p>The project will not use Fiscal Recovery Funds as non-federal match for other federal programs whose statute or regulations bar the use of federal funds to meet matching requirements.</p>	<p>Positions required = 0</p> <p>Temporary or FTE = 0</p> <p>Required salary funding = \$0</p> <p>Expected operating costs, including grant administration costs = \$0</p>



To whom it may concern,

I am a member of the Medora Grazing Association and I am writing in regards to water development within the Grazing Association allotments.

My family has been ranching for four generations, and I have learned the importance and necessity that water is to nature, wildlife, and cattle. In a year of drought, it has become more and more evident how crucial quality water development and water resources are to strengthening and preserving the National Grasslands.

With the multiple fires occurring around the area during this drought, having more reliable water sources throughout the badlands would greatly benefit our fire departments in their jobs without having to go great distances to find readily available water.

Please take into consideration that improving and expanding water development throughout the area will benefit everyone and every living thing involved.

I appreciate your time.

Sincerely,

A handwritten signature in black ink, appearing to read "Colin Madzo".

Colin Madzo
Medora, ND

Prioritized Wells

Priority	File No	Well Name	Well Type	WI_Status	County	Status Date	Company Name
1	6258	FEDERAL 1-17	OG	AB	BILLINGS	15-Mar-20	CITATION OIL & GAS CORP.
1	6598	FEDERAL 14-31	OG	AB	MCKENZIE	01-Aug-15	ALTURAS ENERGY, LLC
1	6776	USA 32-23-21	OG	AB	MCKENZIE	15-Aug-20	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
1	6959	DUNCAN FEDERAL 30-24	OG	AB	MCKENZIE	15-Jun-18	NORTH RANGE RESOURCES, LLC
1	11422	MESA FEDERAL 1-9	OG	AB	GOLDEN VALLEY	01-Oct-16	WHITE ROCK OIL & GAS, LLC
1	12542	BICENTENNIAL 31-35H	OG	AB	MCKENZIE	15-Sep-18	WHITE ROCK OIL & GAS, LLC
1	12908	BLACKTAIL FEDERAL 5-13	OG	AB	BILLINGS	15-Jul-21	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
1	13185	ERRMU 1-19HR	OG	AB	MCKENZIE	15-Dec-19	WHITE ROCK OIL & GAS, LLC
1	14611	TRACY MOUNTAIN FEDERAL 1-17	OG	AB	BILLINGS	15-Sep-19	SOUTHWESTERN PRODUCTION CORP.
1	15802	WINFIELD FEDERAL 1-23H	OG	AB	MCKENZIE	15-Sep-17	WHITE ROCK OIL & GAS, LLC
2	8472	FEDERAL 2-2	OG	AB	BILLINGS	15-Aug-19	CITATION OIL & GAS CORP.
2	13618	TRAILSIDE FEDERAL 12-3	OG	AB	MCKENZIE	15-Oct-19	CITATION OIL & GAS CORP.
2	14635	SQUAW GAP FEDERAL 14-30H	OG	AB	MCKENZIE	15-Aug-19	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
2	14853	TRACY MOUNTAIN FEDERAL 4-17	OG	AB	BILLINGS	15-Oct-19	SOUTHWESTERN PRODUCTION CORP.
2	14974	MONDAK FEDERAL 16-28XHR	OG	AB	MCKENZIE	15-Apr-20	WHITE ROCK OIL & GAS, LLC
2	15147	TRACY MOUNTAIN FEDERAL 2-17	OG	AB	BILLINGS	15-Feb-20	SOUTHWESTERN PRODUCTION CORP.
2	7459	US 3-22	OG	AB	BILLINGS	15-Aug-19	NORTON FRICKEY
2	13781	BIG STICK (MADISON) UNIT 2505	OG	AB	BILLINGS	15-Mar-20	WHITE ROCK OIL & GAS, LLC
2	14411	STORM FEDERAL 24-30H	OG	AB	MCKENZIE	25-Feb-20	WHITE ROCK OIL & GAS, LLC
2	14658	GRASSY BUTTE FEDERAL 14-32H	OG	AB	MCKENZIE	15-Apr-19	WHITE ROCK OIL & GAS, LLC
3	6904	FEDERAL 3-22	OG	AB	MCKENZIE	01-Aug-15	ALTURAS ENERGY, LLC
3	7172	USA 43-30-45	OG	AB	MCKENZIE	15-Jul-20	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
3	7184	FEDERAL 11-44	OG	AB	MCKENZIE	01-Aug-15	ALTURAS ENERGY, LLC
3	10159	L. PAPINEAU U.S.A. 1	OG	AB	MCKENZIE	15-Oct-20	PAUL RANKIN INC.
3	12870	BICENTENNIAL FEDERAL 41-11H	OG	AB	MCKENZIE	15-Nov-18	WHITE ROCK OIL & GAS, LLC
3	5269	MILLER 7X-27	OG	AB	BOWMAN	15-Mar-20	ABRAXAS PETROLEUM CORP.
3	6839	USA 43-11	OG	AB	MCKENZIE	15-Apr-17	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
3	7024	FEDERAL 3-23	GASD	AB	BOWMAN	03-Jun-16	REMUDA ENERGY DEVELOPMENT LLC
3	7155	USA 23-33-41	OG	AB	MCKENZIE	15-Jul-20	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
3	12814	ELKHORN SHORT COM. 3	OG	AB	BILLINGS	15-Jul-21	PRIDE ENERGY, AN OKLAHOMA GENERAL PARTNERSHIP
4	8992	USA 11-4-76	OG	AB	MCKENZIE	15-Jun-19	SCOUT ENERGY MANAGEMENT LLC
4	13411	PIERRE CREEK NELSON FEDERAL 31-26H	OG	A	MCKENZIE	01-Jan-19	WHITE ROCK OIL & GAS, LLC

**North Dakota Department of Water Resources Testimony
Relative To Senate Bill 2345**

Presented To The Interim Senate Appropriations Committee

November 8, 2021

Chairman Holmberg, and members of the Interim Senate Appropriations Committee, I am Andrea Travnicek, Director of the Department of Water Resources, and Secretary to the State Water Commission. I am here today to provide testimony in support of Senate Bill 2345, and the use of American Rescue Plan Act (ARPA) funds to advance the Governor's Accelerate ND plan for strategic water infrastructure projects.

During the 2021 assembly, the Legislature demonstrated tremendous support for water projects through the passage of House Bill 1020, the Department of Water Resources' (DWR) budget bill; and House Bill 1431, the infrastructure bonding bill. For both of those pieces of legislation, DWR and local water project sponsors from all areas of the state are grateful for your support of water projects during the current budget cycle.

As we look to the future, there are water development funding challenges that will take the collective efforts of all of us to address. But at the same time, support of water development through the use of ARPA funds, bonding, and the state's Resources Trust Fund, provide our state with unique, and promising opportunities. As you know, the Resources Trust Fund was created in large part to fund water projects within the state, and is derived from 20.5% of oil extraction taxes. The future development of oil and gas remains important to the development of water projects in North Dakota, and continued

efforts of DWR to work with water project sponsors to identify needs on a biennial basis are critical to planning for the wise use of Resource Trust Fund dollars. The agency's budgeting and planning efforts, however, do not always include those potential water projects that may materialize after the budget has been finalized. Often times, these projects are economic development investors looking to locate somewhere in the state based on incentives and water availability. Just in my past three months in this role, the Department has been approached by various communities statewide looking to understand the availability of potential funds, and water, for economic development needs.

With all of this in mind, I would like to briefly outline some key take-aways that we have learned through DWR's most recent 2021 water development planning efforts, which involves extensive grassroots input from our state's many local water project sponsors. Within the 2021 Water Development Plan, the Department of Water Resources inventoried about \$646 million in state-supported water project funding needs during the 2021-2023 biennium. The approximately \$402 million in new project funding in HB 1020, combined with the \$510 million of cost-share in HB 1431 through bonding (of which \$435.5 million is for the Fargo Diversion Project and \$74.5 million is for Mouse River Enhanced Flood Protection) greatly help to address a large portion of those needs identified in the next two-year timeframe. However, as you are all aware, North Dakota's largest water projects require longer-term planning and continued commitment to reach completion. The amount of dollars in the Resources Trust Fund and the

buckets the dollars are divided among dictates which projects can be funded with limited flexibility.

To address a longer-term planning horizon, we developed estimates for 10-year water project funding needs, as outlined in the attached bar chart. In addition, we have presented those needs by purpose, with a range of potential revenue streams from the Resources Trust Fund. As you can see, the estimated unfunded water project funding needs from the state over the course of the next ten years is about \$2.5 billion. Those needs compared with Resources Trust Fund revenues of \$200 million, \$300 million, and \$400 million per biennium, yields estimated funding shortfalls from the state of \$1.4 billion, \$984 million, and \$484 million, respectively. I would like to also point out that these estimated shortfalls do already take into consideration the 2021-2023 biennium funding commitments provided for water in HB 1020 and HB 1431 during the 2021 Legislative Assembly.

As previously discussed, in addition to the traditional water infrastructure needs we've identified across the state that could currently use additional funds, we are also learning more about emerging economic development opportunities that will be seeking state cost-share (see attached). Examples include petrochemical manufacturing that will rely on a \$25 million expansion at the Williston Water Treatment Plant; \$14 million for a water supply line from Washburn to the Blue Flint Ethanol Plant; and \$16 million for a water service project from the Grand Forks Water Treatment Plant to their new industrial agriculture park.

On a broader scale, as outlined in recent months by North Dakota's Department of Commerce, Economic Development and Finance Division, they are working on \$25 billion in various projects throughout the state. Of those projects, we know that in some cases water will undoubtedly be a critical factor – particularly for project types like those identified in the attached handout. We are also aware that emerging economic development opportunities can advance more rapidly and are not always easily planned for years in advance. With that in mind, flexibility in the state's ability to support those types of projects might be the difference between their success in North Dakota, versus elsewhere.

By directing dollars toward strategic water investments like value-added agriculture and energy projects today, we can solidify economic development growth opportunities here in North Dakota. The Department of Water Resources is a key partner when formalizing cost-share packages for economic recruitment and investments. The Department does not want to be the limiting factor to potential statewide opportunities not realized during the 21-23 budget planning process. The use of ARPA funds in strategic water investments today can lead to economic diversification initiatives statewide and to accelerated traditional project completions, which can bring quicker returns on investments.

Therefore, in consideration of the large, and important traditional water development needs throughout our state, and emerging economic development opportunities, I

respectfully request your support of the Governor's proposal to invest \$50 million of the state's ARPA funds in strategic water infrastructure projects.

Mr. Chairman, members of the committee, this concludes my testimony, and I will be happy to answer questions that you might have.

2021-2023 WATER-RELATED FUNDING

HB 1020: Water Resources Budget Bill

\$1.1M

Basin-Wide Plan

\$59.6M

Rural Water Supply

\$6.0M

Discretionary Funding

\$63.9M

Salaries & Operating

\$14.2M

General Water

\$125M

Water Supply

\$48M

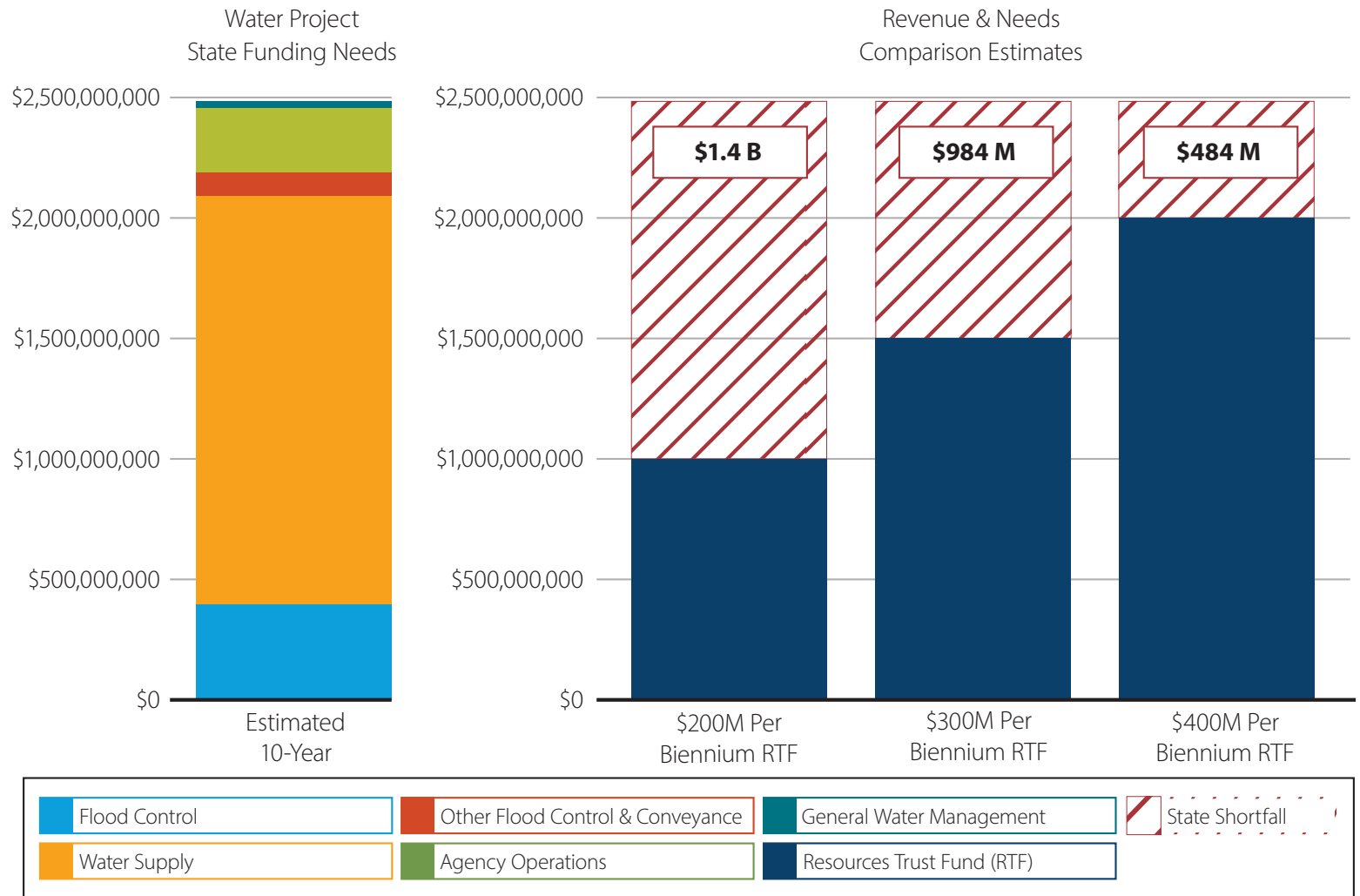
Flood Control

\$148.5M

Capital Assets

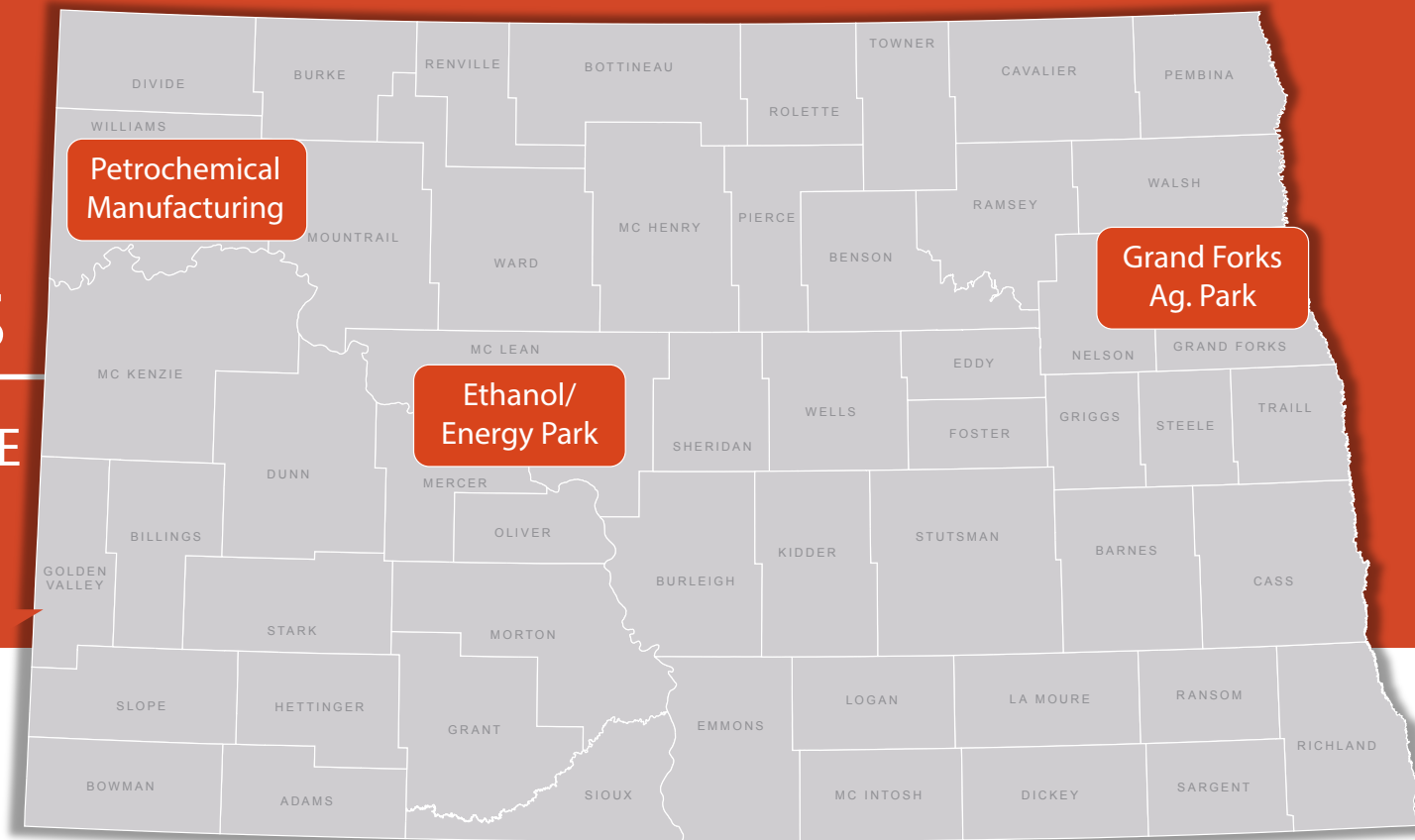
- HB 1020: Largely Funded With Resource Trust Fund Revenue – From 20.5% Of Oil Extraction Tax
- HB 1431: Bonding Bill Supporting Water Infrastructure (\$50M IRLF, \$74.5M Mouse River Flood Protection, \$435.5 FM Flood Control)

10-YEAR WATER PROJECT FUNDING NEEDS & REVENUE COMPARISONS



EMERGING ECONOMIC DEVELOPMENT OPPORTUNITIES

WATER INFRASTRUCTURE
WILL BE A KEY FACTOR



- Department Of Commerce Renewed Approach To Economic Development – Working on \$25B in Projects Statewide

Senate Appropriations Committee
Chairman – Senator Ray Holmberg
November 8, 2021

Testimony

By: Dan Jonasson
Public Works Director
City of Minot
dan.jonasson@minotnd.org
701-857-4140

SB 2345

Mr. Chairman and members of the Committee, my name is Dan Jonasson and I am the Public Works Director for the City of Minot.

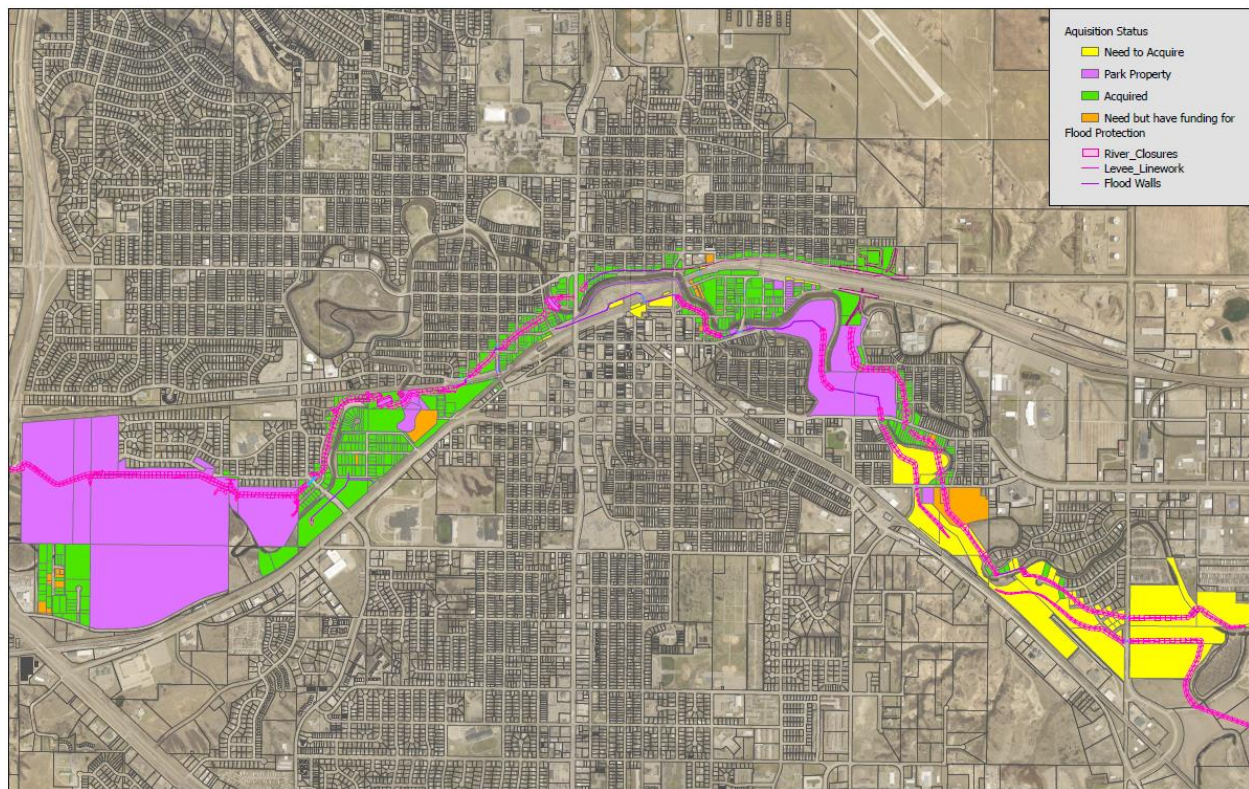
The City of Minot is requesting \$25 million from the American Rescue Plan Act of 2021 (“ARPA”) funds to advance the acquisitions of property necessary to complete the Milestone 2 and Milestone 3 portions of the Mouse River Enhanced Flood Protection Project (“MREFPP”). Advancing these dollars now will enable us to acquire properties that will provide closure to residents waiting for buyout of their otherwise “unsellable” property and relieve them of the high costs they are paying for flood insurance.

Many of these properties are residential properties and the residents are unable to sell them due to because they have been identified as needed to be acquired in the future for flood protection. No one wants to buy a house or property with the uncertainty of when it will be needed for the flood protection project. Many of these residents have asked to be bought out due to this. We could complete the acquisitions for Milestones 2 and 3 with \$25 million. These people could have closure with right-of-way reserved for the future flood control phases and milestones.

Milestone 2 consists of the downtown floodwalls between Broadway Bridge and Roosevelt park, which is identified as MI-6. This portion of the project consists of floodwalls, road closures, levees and a storm water pump station. The next portion of flood control which makes up Milestone 2 is MI-7, which starts at the east end of MI-6 in Roosevelt park at the storm water pump station and continues through Roosevelt park and Roosevelt zoo to Burdick expressway. MI-7 will again consist of levees and floodwalls as the available real estate in this area for flood control is limited and will have a large impact on the Roosevelt Zoo. The final phase of Milestone 2 is MI-8, which starts at Burdick expressway, and includes the replacement of the bridge on Burdick near the zoo and continues south through Parkview mobile home park. This consists of levees, and a bridge replacement on Burdick or Business Hwy. 2, a major corridor in the heart of Minot. The Parkview mobile home park has approximately 140 mobile homes which will require acquisition and relocation.

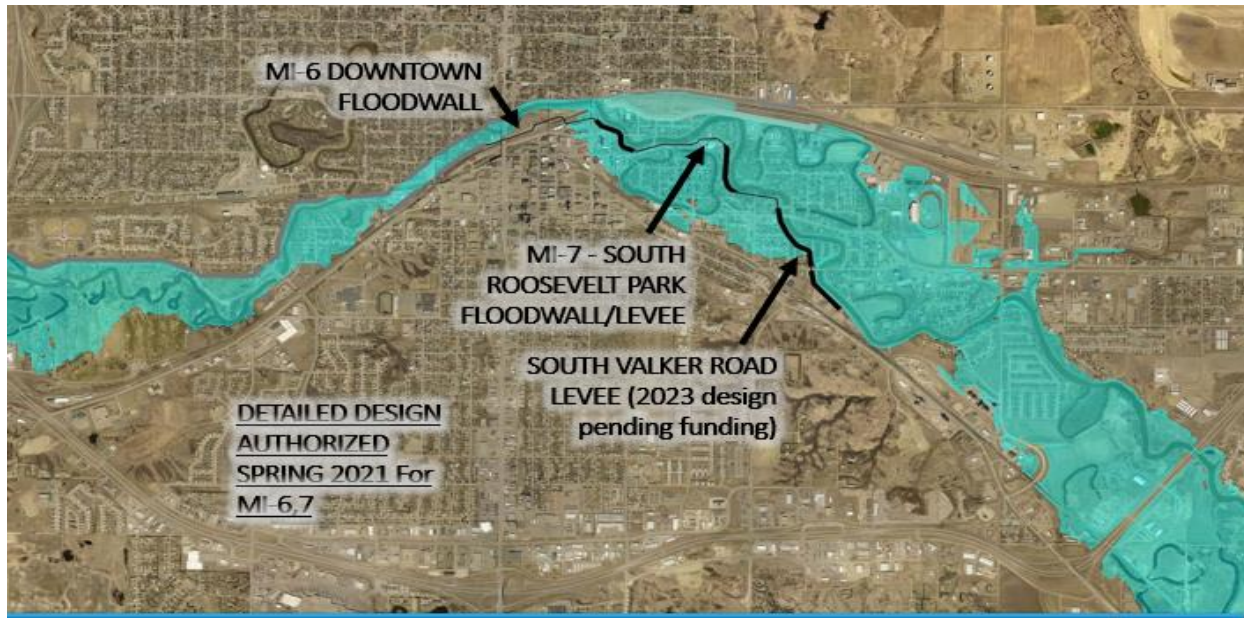
Milestone 2, when complete, would remove an additional 15% of residents in the new FEMA flood plain.

\$25 million dollars would provide the ability to acquire all of the properties needed for all of milestone 2 to proceed in the next 5 years as funding is allocated. We can also acquire all residential properties in milestone 3, giving closure to residents waiting for the purchase of their property who are willing to sell.



Yellow shaded properties denote acquisitions still needed for MREFPP inside Minot.

Milestone 2 of the MREFPP





ACCELERATE ND - DOCR

Prepared for: Senate Appropriations Committee
Chairman: Senator Ray Holmberg
November 8, 2021

Dave Krabbenhoft, Director



1

1

Department of Corrections & Rehabilitation

- *ACCELERATE ND - Supporting the Mission & Vision of DOCR:*
 - *Transforming Lives, Influencing Change, Strengthening Community*
 - *Healthy and Productive Neighbors, a Safe North Dakota*

2

2

DEFERRED ADMISSION HOUSING

Deferred Admission Housing: \$4,800,000

- DOCR coordinated with ND Dept of Health to establish the Vulnerable Population Plan (VP3). Protocols were established and shared with ND sheriffs and jail administrators. This established a mitigation plan to resume admissions to the DOCR, but also provided guidance to local administrators
- DOCR requested CARES Act funding in the 19-21 biennium to provide compensation to the local correctional facilities for housing DOCR sentence individuals during COVID mitigation protocols
- COVID19 outbreaks within close quarters prison housing, among a population with high rates of underlying health conditions, continue to be a daily threat to safety of resident populations and the DOCR staff who serve them

3

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DEFERRED ADMISSION HOUSING

DOCR continues to take action to mitigate the spread of COVID19 to our incarcerated populations but has not yet deferred admissions during the current biennium

The resurgence of COVID19 variants has required the continued mitigation protocols by DOCR and its partners, ND Counties

This request would provide funding to reimburse ND county jails for offender housing attributable to pandemic delayed DOCR admission

Image to right: DOCR VP3 Plan, June 16 2021



June 16, 2021

Re: DOCR VP3 PLAN

Justice involved individuals who are detained or incarcerated represent vulnerable populations. Close quarters for eating and recreation are the rule, and congregate housing is typical. Transport between facilities most often involves groups of justice involved individuals in vans. Social distancing cannot be maintained in such environments. Risk for COVID infection is high, as is the rate of spread of the infection in these environments. Additionally, there are high rates of underlying health conditions among justice involved individuals. Given these conditions, the ND DOCR in coordination with the ND Department of Health has established a process for accepting admissions from North Dakota security and regional correctional facilities.

1. Correctional facilities must have an established robust COVID-19 containment and mitigation plan in place prior to transferring individuals to DOCR facilities. A robust plan includes these elements:

- a) Personnel requiring unvaccinated staff to wear PPE, specifically masks throughout the facility.
- b) Staff and detainee screening are performed upon arrival to the facility.
- c) COVID positive staff members isolate at home and do not work at the correctional facility while infectious.
- d) Staff close contacts as determined by the ND DPH guidelines of COVID positive individuals self-quarantine and do not work at the correctional facility during the quarantine period.

2. All incarcerated individuals approved for admission to DOCR must first undergo one of the below listed testing procedures.

- a) PCR testing procedure: Individuals who are candidates for transfer to DOCR will undergo COVID testing within 7 days of transfer. Once tested, these individuals will be kept in quarantine only with others set to transfer to the ND DOCR at the correctional facility to minimize risk of cross-contamination prior to transfer. Documentation of negative result is required to obtain approval for transport.
- b) TimeNOW testing procedure: Individuals who are candidates for transfer to DOCR will undergo COVID testing no more than one day before transfer. Once tested, these individuals will be kept in quarantine only with others set to transfer to the ND DOCR at the correctional facility to minimize risk of cross-contamination prior to transfer. Documentation of negative result is required to obtain approval for transport.
- c) Individuals who are verified as fully vaccinated and do not have symptoms of COVID-19 do not need to quarantine or be subject to one of the above testing procedures, prior to transfer to the ND DOCR. However, individuals who are fully vaccinated should continue to be tested prior to transfer to the ND DOCR following exposure.



3300 Main Street | Bismarck, ND 58503 | 701.226.6190 | docr.nd.gov

4

4

FREE THROUGH RECOVERY

Free Through Recovery: \$2,995,200

What is Free through Recovery?

- Improve healthcare outcomes and reduce recidivism by delivering high-quality community behavioral health services linked with effective community supervision
- Collaborative relationship between the DOCR, the Department of Human services, Probation and Parole and Community Care Coordination Agencies
- Participant eligibility includes those 18 years of age or older presenting with a behavioral health condition (mental health and/ or substance abuse), are involved in the criminal justice system, and present a risk for future criminal justice involvement

Senate Bill 2015 provided federal funding of \$3.3 million added to \$8 million from general funds for a total of \$11.3 million for the free through recovery program. The source was not specified for the \$3.3 million from federal funds.

This request would provide that source of federal dollars.

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FREE THROUGH RECOVERY

Expected & Reported Outcomes

- Positive gains in housing, employment, recovery, and reduced criminal justice involvement
- Outcome reporting is completed by Care Coordinators and Parole & Probation on a monthly basis, overseen by Regional Administrators
- FTR has served 3,344 participants to date with a current census of 1,088
 - Overall positive outcome percentage of 68.3% (housing 76%, employment 65%, recovery 70%, law enforcement 72%)

Funding the appropriation authorized by SB2015 will:

- Expand the Free Through Recovery program, increasing overall capacity and providing necessary services to additional participants
- Provide the needed increase in services to address behavioral healthcare needs exacerbated by the pandemic
- Fulfill the funding appropriation appropriated by SB2015

6

6

Bill Peterson
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State Historical Society of North Dakota
ND Heritage Center and State Museum
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Andrea Wike
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Internet at remote sites – Capital Improvements

- ✓ No new staff or FTEs,
- ✓ Little ongoing costs other than utilities
- ✓ Leverage private sector
- ✓ Lasting impact
- ✓ Does not increase size of government

Fifty-nine (59) historic sites and museums are owned by the State of North Dakota and are preserved, maintained, and interpreted by the State Historical Society of North Dakota. Some sites are well developed with interpreters, visitor centers with exhibits, furnished buildings, picnic areas, and other amenities. Others lie obscurely in pastures without a monument or fencepost to mark their existence. A few sites are currently closed to visitors because of lack of accessibility, concerns about preservation, or out of respect for American Indians who hold some of these places sacred.

Improving technology infrastructure at our sites ensures that the stories that these sites hold will continue to be preserved, studied, and shared. Improving technology infrastructure will allow us to:

- ✓ Enhance on site visitor experience through various educational mediums
- ✓ Allow for virtual visitor experience through our History Alive program
- ✓ Improve visitor safety
- ✓ Strengthen site preservation through improved security, intrusion, and fire protection systems.

Our developed, staffed sites all have some level of internet connectivity to at least the visitors center or main office. It is the desire to expand on internet connectivity by further distributing the internet connectivity across the sites as well as increasing the capacity at the site. This increased capacity at the sites will allow us to enhance the visitor experience, not only for those visitors who are able to travel to the site and experience the history firsthand but also for those visitors that can join us through our History Alive programs where an interpreter on site can host a live tour with groups and classrooms throughout North Dakota and the world.

Improvement requested at the sites include:

- ✓ Upgrading to fiber connectivity

- ✓ Providing more points of wired and wireless access across the site.
- ✓ Installing internet access at sites that currently do not have access.
- ✓ Installing or upgrading security and surveillance systems.

The pandemic and the necessity of moving to virtual and online platforms for work and program delivery laid bare critical shortcoming in internet connectivity at our historic site near Williston at the Missouri Yellowstone Confluence Interpretive Center. Due to the poor internet service at this location, staff can barely participate in remote meetings and calls, and the delivery of digital content is nearly impossible. The local internet service provider in that area, Nemont, estimates the most effective way to solve our connectivity issues would be to install fiber optic cables to the site, which is not currently in place. Funding for this would allow the agency to be able to effectively participate in the Microsoft Teams work environment and deliver digital content to school groups and other visitors as needed.

The Chateau de Mores in Medora needs to extend its internet connectivity from its Visitor Center to the actual Chateau as well as the Carriage House and Blacksmith Shop. Fort Abercrombie and the visitor experience would also benefit from improved internet capacity by being extended to the block houses. In addition to sites that are staffed, unstaffed sites, such as Double Ditch Indian Village near Bismarck, would benefit from technology installation by providing guest wireless access to reach additional resources telling the story of the site. The technology infrastructure upgrade would also allow for the installation of security cameras to help respond to or mitigate the effects of illegal vandalism and looting.

The State Historical Society also seeks funding to improve connectivity and productivity by installing WIFI capabilities in areas of the Heritage Center in Bismarck that do not currently have WIFI. The collection storage areas (archives, museums, archeology) need expanded wireless access to allow staff to manage the collections more efficiently. With improved wireless access staff can access the collections management software while working at the collection where it is stored instead of making trips between the collection area and where their computer may have an internet connection, reducing the number of times an object or collection may need to be handled.

In addition to improving connectivity, we wish to make our visitors and our sites more safe and secure by adding security measures to some of our remote locations.

The funding requested for technology infrastructure upgrade would allow the State Historical Society to look closely at each of its fifty-nine sites and make the improvements that otherwise would be left undone.

- ✓ Expected Outcome
 - This technology will allow staff to function more productively by allowing data input in collections areas.
 - We will be able to service the residents of North Dakota who participate in our programs, particularly our educational programs, at a higher level than before.
- ✓ Improved internet at our various locations does not require any additional FTEs or temporary employees.
- ✓ This program could be completed between now and 2025.

Project Cost \$750,000

Lewis and Clark Interpretive Center facilities improvement

Acquired in a transfer from the North Dakota State Parks and Recreation in the 2021 Legislative Session, the Lewis and Clark Interpretive Center is a destination in North Dakota and a key attraction. There are capital improvement and deferred maintenance projects at the Lewis and Clark Interpretive Center that did not get funded with the transfer. These projects include a new heat pump, the changing of two furnaces and one boiler from electric to gas heating, and the replacement of one air conditioning unit and one water softener unit.

Project Cost \$200,000

Members of the Senate Appropriations Committee,

Good afternoon, my name is Greg Lardy and I currently serve as the Vice President for Agricultural Affairs at NDSU. I am here today to discuss the State Board of Agricultural Research and Education's (SBARE) capital improvement project priorities outlined in the NDAES budget request for the ARPA funds.

The draft language for SB2345 contains funding for SBARE's number two request is for funding for livestock research facilities at three of the Research Extension Centers (Carrington REC, Central Grasslands REC, and Hettinger REC). This request encompasses several facility upgrades at these locations to improve animal handling and safety, both for animals and employees; enhancing our ability to collect meaningful data related to livestock nutrition, management, and cost of production; and delivering cutting edge research to an industry poised for growth. Investments in these research facilities will result in improvements in productivity and profitability and which ultimately mean additional tax revenue and jobs for the state of North Dakota. The draft bill includes \$446,000 for projects at the Carrington REC, \$1,963,000 for projects at the Central Grasslands REC, and \$3,420,000 for projects at the Hettinger REC.

SB2345 also includes funding for the construction of an agricultural laboratory and shop facility at the Dickinson Research Extension Center. The current facilities lack adequate heating and cooling and have inadequate dust collection systems necessary for the safety of the employees at the REC. The current shop facility is not large enough for service work on full size vehicles such as pickup trucks, much less modern agricultural research equipment. The draft bill contains \$2.2 million for the construction of this facility.

Thank you for your consideration of this request and I would be happy to entertain any questions you may have.

Members of the Senate Appropriations Committee,

Good afternoon, my name is Greg Lardy and I currently serve as the Vice President for Agricultural Affairs at NDSU. I am here today at the request of President Bresciani representing NDSU and to speak to the priorities NDSU has outlined in the budget request for the ARPA funds.

NDSU's number one priority is High Performance Computing and Internet2 Connectivity. The draft of SB2345 introduced for the special session contains \$2.2 million for funding for high performance computing infrastructure at NDSU. This appropriation would allow NDSU to continue to serve the needs related to high performance computing research across many segments of the institution including data management, hardware, and analysis. Almost every research discipline at NDSU would benefit from this appropriation.

Thank you for your consideration of this institutional request.

TESTIMONY OF

Joe Morrisette, Director, Office of Management and Budget

Chairman Holmberg and members of the Senate Appropriations Committee, I am here to testify in support of Sections 10 and 11 of Senate Bill No. 2345.

Section 10 – Deferred Maintenance

Section 10 provides an appropriation of \$10 million from the state's \$1 billion allocation of State Fiscal Recovery Funding through the American Rescue Plan Act (ARPA) to address deferred maintenance of state-owned buildings.

During the 2019-21 biennium, you appropriated \$500,000 to the Office of Management and Budget to conduct a real estate study. Part of that study included a comprehensive building condition assessment on major state-owned buildings, excluding higher education. The assessment included over 120 buildings, occupied by 17 agencies, and comprising 3.7 million square feet. The result was the identification of approximately 1,350 potential facility improvement projects to protect and maintain these buildings. This is the first time we have ever had comprehensive, impartial data regarding building condition on which to base the allocation of extraordinary repair funding. Through the Accelerate ND plan, we proposed funding be allocated for only the most critical of those projects – those identified by the consultant as being in "alarm status." Alarm status was defined as equipment failure inevitable or excessively past its useful life. The cost to address those most critical projects, affecting 15 different agencies, is approximately \$18.7 million.

Although I continue to urge you to consider increasing this amount to the \$18.7 million proposed in the Accelerate ND plan, whatever amount you appropriate, we will prioritize to address the most critical projects. This investment is a wise use of these federal funds. Addressing these deferred maintenance projects now will preserve the significant state investment in these facilities, result in long-term energy savings, and save state general and special fund dollars, as these repairs will only cost more, the longer we wait.

Attached to my testimony is a handout with details from the condition analysis, including the categories of projects based on condition and type of project and the agencies involved.

If this funding is approved, OMB will need authority to transfer this funding to various agencies to address the priority projects. ***I ask you to amend SB2345 to include a section giving OMB the authority to transfer this funding to other agencies and that the transferred funding be appropriated to the affected agencies.***

Section 11 – Legislative HVAC Equipment Replacement

Section 11 provides an appropriation of \$7 million to upgrade HVAC equipment in the legislative chambers and Brynhild Haugland room. The air handling systems in these areas are original to the Capitol building and need replacement. Replacement at this time will allow the use of one-time federal funds to be used in place of general funds. Replacement will allow for a more comfortable working environment and improved energy efficiency.

During the 2019-21 biennium, using Coronavirus Relief Fund money, these systems were upgraded with ionization equipment to purify the air and remove airborne pathogens. The use of that technology will continue and be integrated into the upgraded equipment as part of this project.

Mr. Chairman and committee members, I ask your support for both sections 10 and 11 of SB2345. This concludes my testimony. I would be happy to answer any questions.

STATE FACILITY PROJECT IMPROVEMENT NEEDS

2021 Scope Summary

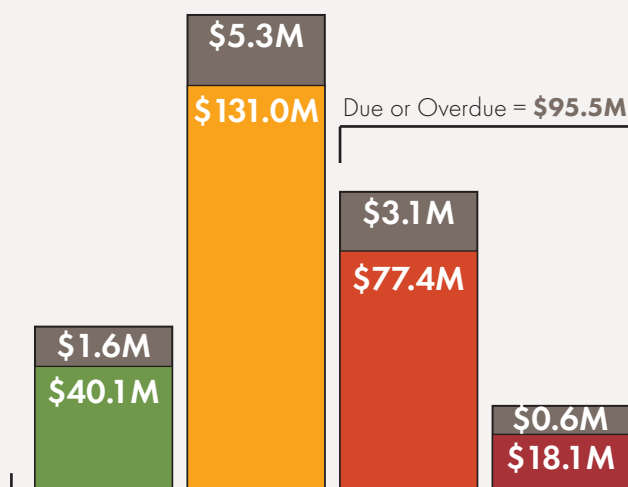
2019 legislature provided **\$500,000 appropriation** to OMB to conduct space utilization and facility condition assessment.

State-owned building square footage totals over **24 million square feet**, with an insured value of **\$4.4 billion**.

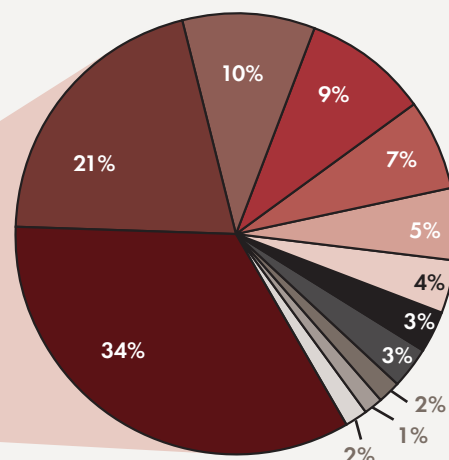
Over **120 state-owned buildings**, occupied by **17 agencies** and comprising **3.7 million square feet** were assessed.

More than **1,350 facility improvement and repair projects** were identified.

IDENTIFIED NEEDS SUMMARY



IMMEDIATE PRIORITY "ALARM" NEEDS BY AGENCY = **\$18.1M**



BIENNIAL COST INFLATER

Additional cost incurred if projects are delayed two years

ACCEPTABLE

Equipment in acceptable condition and within useful life

CAUTION

Equipment operating in a degraded condition

ALERT

Equipment in need of repairs or nearing end of useful life

ALARM

Equipment failure inevitable or excessively past useful life

Department of Corrections & Rehabilitation

Historical Society

Adjutant General

Workforce Safety & Insurance

Department of Transportation

Office of Management & Budget

Veteran's Home

Department of Human Services

Game & Fish Department

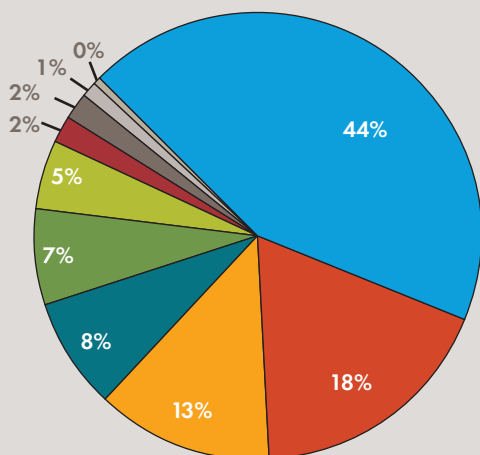
Highway Patrol

Parks & Recreation Department

Other

(Vision Services, Attorney General, Department of Water Resources and Bank of North Dakota)

NEEDS CATEGORIES



- Mechanical (Heating/Cooling)
- Ventilation (Indoor Air Quality)
- Controls (Building Environmental System)
- Exterior (Roofs, Windows, Doors)
- Lighting (convert to LED Technology)
- Electrical Distribution (Electric Service)
- Life Safety (Fire Alarm/Sprinkler)
- Interior Surfaces (Flooring/Finishes)
- Building Envelope (Exterior Walls Sealing)
- ACM (Asbestos Containing Materials)

ND Senate Appropriations Hearing – November 8, 2021

Hartnett Hall Renovation – Minot State University

Dr. Steve Shirley, President & Mr. Brent Winiger, VP Administration & Finance



Located in the heart of the Minot State University campus, Hartnett Hall fronts 11th Avenue, a main traffic artery through campus. Hartnett was constructed in two phases from 1973-1976. The 50,000 square foot building is structurally sound but has become antiquated and has not kept up with changes in education. Ventilation is poor, daylight is scarce, and the building has a claustrophobic atmosphere. Hartnett is important to MSU as a wide variety of general education courses are taught in the building (English Composition, Public Speaking, Literature, Humanities, Foreign Languages, Art, Music, etc). In addition, due to its large size and classroom infrastructure, a number of other classes are held from a variety of academic disciplines including Communication Disorders, Criminal Justice, Psychology, Radiology, and Biology. At its core, Hartnett Hall is home to several specialized academic programs and related venues such as:

- English and Journalism
- Communications
- Humanities
- Art and art studios and galleries
- Aleshire Theatre
- Broadcasting
- KMSU radio and TV studios
- Foreign Languages

Many areas of Hartnett are also used throughout the day during non-class times by Art, Broadcasting, Theatre Arts and other students for specialized projects, practice, and productions.

The project is a priority within the ND University System according to the State Board of Higher Education's priority list from the most recent Legislative session. Hartnett Hall needs a renovation more than any other academic building at MSU.

BUILDING CONDITION

- Hartnett Hall is a nearly 50 year-old board-formed concrete, multi-purpose building with diminished functionality for students, faculty and the Minot community. The building is in the heart of campus but is functionally and aesthetically not engaging nor competitive. Despite being home to several key liberal arts programs and many of MSU's general education courses, faculty and students often note the academic and learning spaces are unwelcoming, sized incorrectly, and lack modern functionality.
- Ventilation is poor and a perception exists on campus that the building is unhealthy. Natural light is scarce, and interior finishes and furniture need a major refresh.
- Student recruitment for the programs located in Hartnett are impacted by the lack of good academic and collaborative spaces as well as the dated, claustrophobic layout of the building.
- Students utilize the building well beyond traditional scheduled hours for, among other things: hands-on practice, course projects, theatre presentations and productions, student newspaper, audio & video labs, art studios, costume and scene shops, and the campus radio and TV stations.

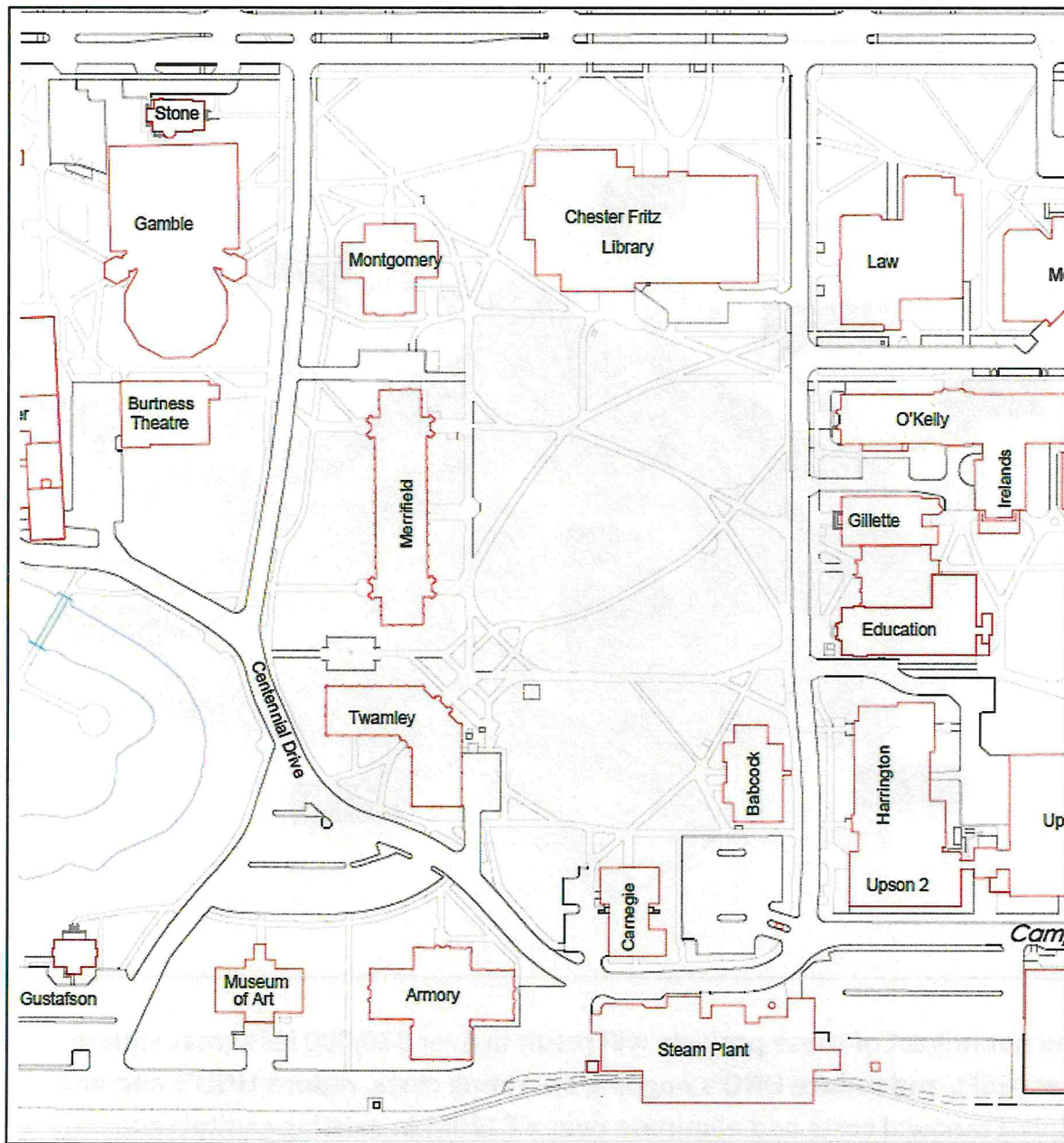
THE PROJECT

- Predesign work by JLG Architects estimates the cost of full renovation at \$25.2 million. The building is 49,940 square feet.
- The project seeks to revitalize and modernize the building, relieve congestion, improve entrances, enhance flexibility of spaces, enhance technology, upgrade ventilation, refresh finishes, provide new furnishings, and improve daylight.
- The project was supported and on the SBHE's priority list during the previous Legislative session.
- The project addresses a large backlog of deferred maintenance at MSU.

Many recent MSU capital needs have been addressed the past several years through external fund-raising (Summer Amphitheatre renovation, MSU Dome seating renovation, Northwest Arts Center, etc) and/or student-supported bonding either directly or to match capital building fund appropriations. Outside funding for renovations the magnitude required with Hartnett Hall are difficult to procure, and why MSU is requesting ARPA funding for this project.

Thank you for your consideration.

UND Academic Quad (before)



UND Academic Quad Projects:

Chester Fritz Library

Merrifield Hall

O'Kelly Hall

Demolition of Gamble Hall

Twamley Hall

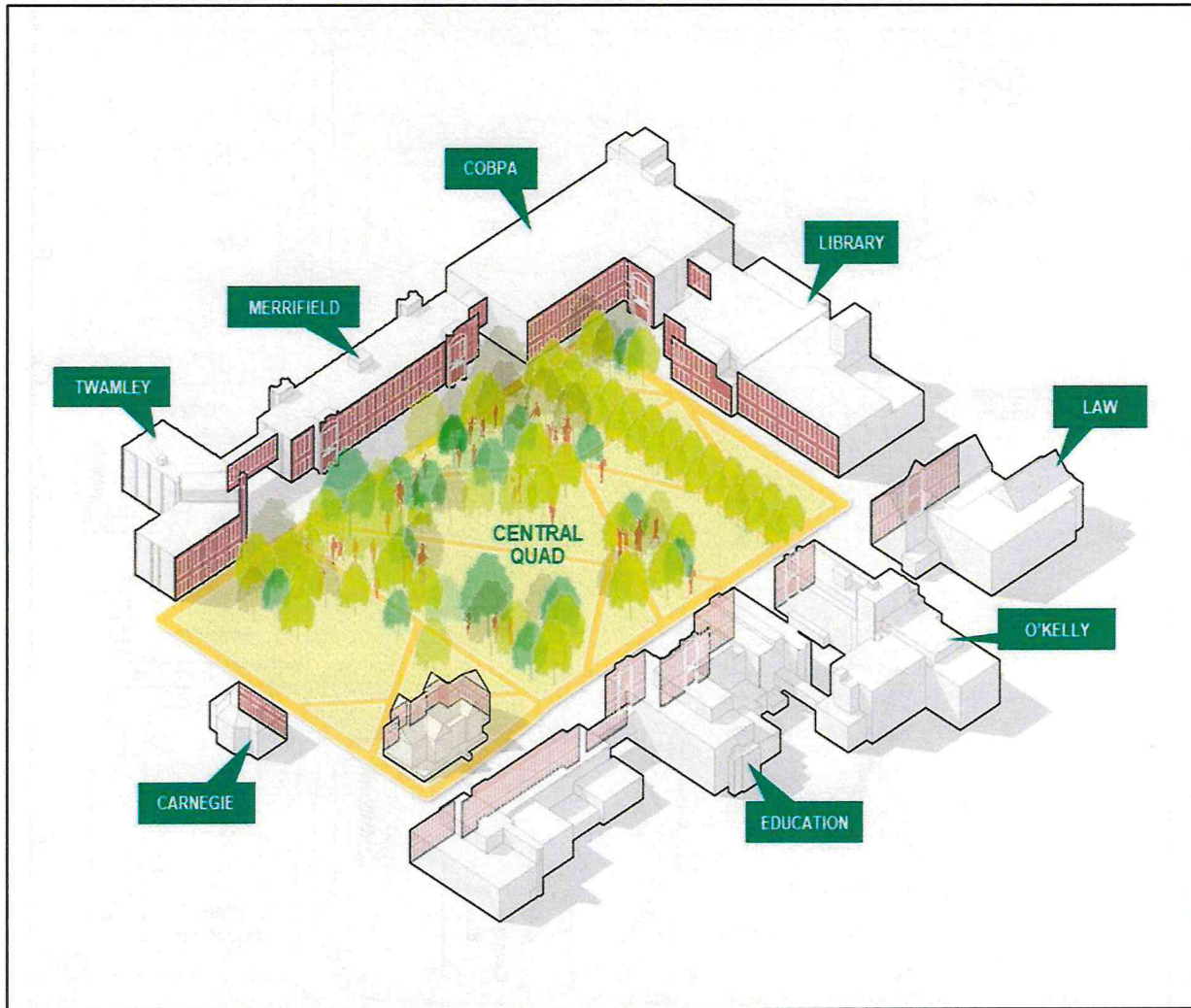
Carnegie hall

Demolition of Montgomery Hall

Nistler Hall (new COBPA)

Gershman Center

UND Academic Quad (after)



The net impact of these projects will result in over 320,000 less gross square feet (GSF), and reduce UND's ongoing operating costs, reduce UND's ongoing capital renewal costs and eliminate over a \$120M in existing capital renewal needs.

Bismarck State College
Building workforce to drive the economy

SENATE APPROPRIATIONS COMMITTEE
JANUARY 19, 2021
Dr. Doug Jensen, President





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**COMMUNITY
DEVELOPMENT**



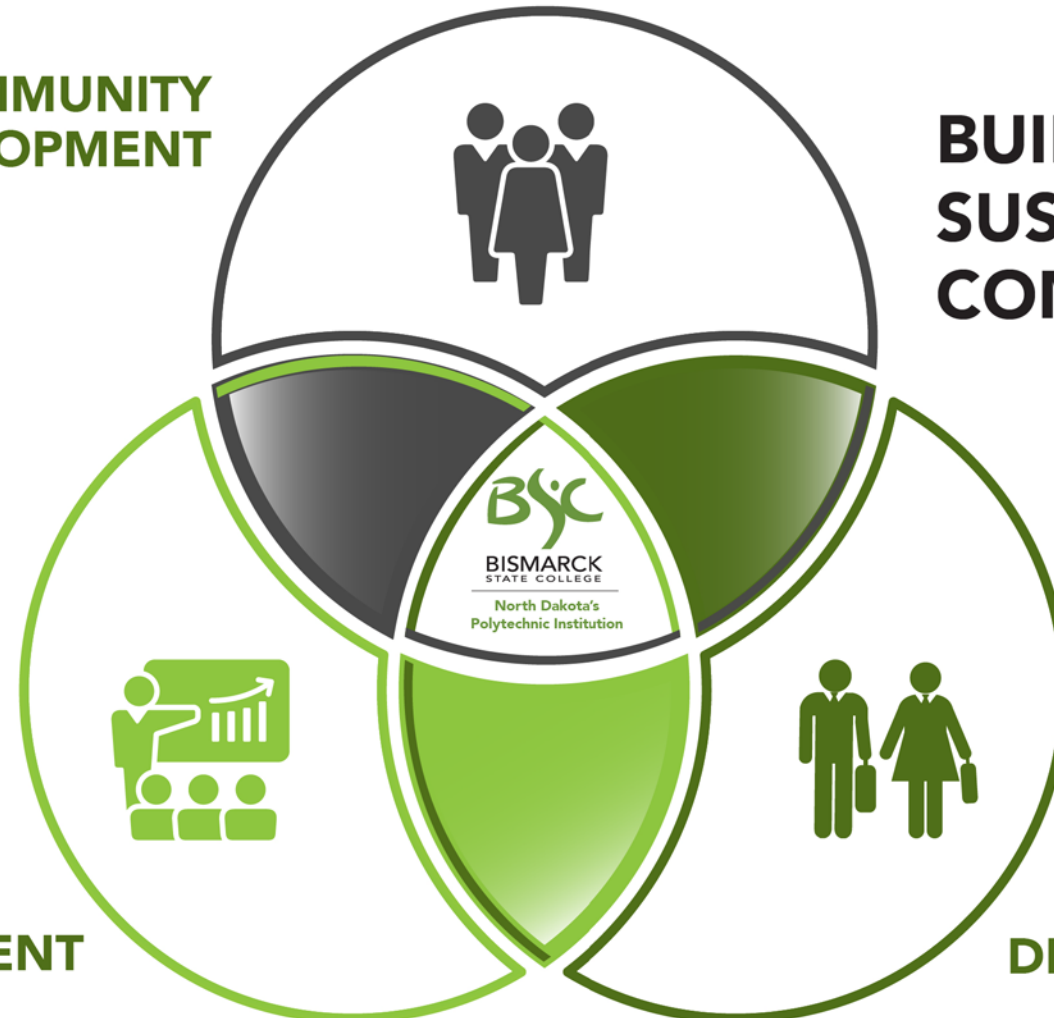
**BUILDING
SUSTAINABLE
COMMUNITIES**



**ECONOMIC
DEVELOPMENT**



**WORKFORCE
DEVELOPMENT**



7:2:1 RATIO

of the 21st Century Workplace

7



Associate Degree or Industry-Recognized
Certification Holders

2



Bachelor Degree
Holders

1



Graduate
Degree Holder

Current biennium accomplishments (2019-21)

- Launched BSC as North Dakota's Polytechnic Institution
- Drove additional workforce in High Priority Occupations
 - Instrumentation & Control
 - Cybersecurity
 - CDL program established
 - Phlebotomy program
 - Emergency CNA program for NDDoH
- BSC Health Sciences – \$8.9M
 - Increased program capacity enrolling more students – need stat on up/down students)
 - Added new programs
 - Sonography
 - Expanded hands-on learning in simulated hospital environment
 - Enhanced P3s







Current challenges

- Ability to move at the speed of industry and advancements in technology
 - Internet of Things (IoT) - changing all occupations (Industry 4.0)
 - Build the workforce to meet needs for expanding ND economy
- Increasing and expanding pathways with K12
 - Mobile apps
 - Cybersecurity
- Current funding formula
 - Insufficient funding for career and technical programs
 - New polytechnic program start-up costs (state funding delayed for 4 years)
- Capital facility and equipment needs
 - Align with industry sector demands

2019-21 Base Budget compared to 2021-23 Needs-Based Budget (all funds and FTE)

	2019-21 Base Level	Requested Adjustments	2021-23 SBHE Needs-Based Budget	Executive Recommendation	Difference from 2019-21 Base Level	Difference from SBHE Needs-Based Budget
Campus Operations	\$ 98,743,682	\$ (1,280,982)	\$ 97,462,700	\$ 94,833,161	\$ (3,910,521)	\$ (2,629,539)
Capital Assets	\$ 1,922,561	\$ -	\$ 1,922,561	\$ 1,922,561	\$ -	\$ -
Plant Improvement Carryover						
Capital Projects - Non-State Funded						
Capital Projects - Non-State Carryover						
Operating Carryover						
Total Appropriation	\$ 100,666,243	\$ (1,280,982)	\$ 99,385,261	\$ 96,755,722	\$ (3,910,521)	\$ (2,629,539)
General Fund	\$ 31,068,227	\$ (2,405,428)	\$ 28,662,799	\$ 26,358,629	\$ (4,709,598)	\$ (2,304,170)
Special Funds	\$ 69,598,016	\$ 1,124,446	\$ 70,722,462	\$ 70,397,093	\$ 799,077	\$ (325,369)
Total Funding Sources	\$ 100,666,243	\$ (1,280,982)	\$ 99,385,261	\$ 96,755,722	\$ (3,910,521)	\$ (2,629,539)

Impact of Executive Budget with no change to existing funding formula

- Potential \$4.7 million reduction for BSC creates dramatic changes
 - BSC position reductions
 - 65% of operating expenses are employee wages and benefits
 - High priority programs delayed or reduced (high operating cost/high demand)
 - Cybersecurity
 - Agriculture
 - Energy
 - Healthcare
 - Manufacturing/Automation
 - Lack of skilled talent creates negative economic impact to ND
 - Results in delayed economic growth due to fewer companies expanding or locating in ND
 - A loss in economic opportunity

Challenges of COVID

- Most classes moved online
- Stressed workforce
 - Working from home, caring for family, online learning - all disrupted employees lives and their ability to serve our students
- To address challenges BSC used \$4.2M state CARES funding to:
 - Install technology in classrooms (\$1.9M)
 - Upgrade online learning environment for students (\$550,000)
 - Make HVAC upgrades (\$850,000)
 - Provide personal protective equipment (PPE) and sanitation (\$460,000)
 - Provide other student-related COVID costs (\$440,000)
 - Quarantine overflow costs - hotels
 - COVID case managers

Next biennium plans (2021-23)

- Advance North Dakota's Polytechnic Institution
- Invest in students – they stick, they stay
 - In 2017, 81.4% of ND high school graduates who earned an associate's degree from BSC stayed in the state for employment or re-enrolled in an NDUS school within one year of graduation.
- Investment will drive ND future digital economy
 - Design, develop and implement new cyber and digital 2- and 4-year degrees
 - Expand business and industry partnerships (P3s)
 - Advance ND's economic development
 - Amazon, Bobcat, Cloverdale

Next biennium goals

- Build the highly-skilled talent for industry needs
- Expand P3s in order to:
 - Implement emerging and advancing technologies
 - Establish more career pathways for students in K-12
 - Design, develop and implement stackable certificates, two- and four-year degrees
 - Automation Management/Industrial Automation
 - Mechatronics Engineering
 - Supply Chain and Logistics Management
 - Process Control and Instrumentation
 - Other high priority degrees as defined by industry



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INTERNET of THINGS INDUSTRY 4.0



COMMUNICATIONS

- Global access
- Reduce costs and energy



INDUSTRIAL

- Smart Connected Products
- Quality Control



UTILITIES

- Demand management
- Response Applications



AUTOMOTIVE

- Streamline manufacturing
- Analyze vehicle behavioral data



RETAIL

- Personalized advertisements
- Automated checkouts



MEDICAL

- Maintaining uptime of devices
- Remote monitoring



AGRICULTURE

- Soil quality
- Weather conditions



ENVIRONMENTAL

- Weather Analysis
- Reduce traffic congestion



MILITARY/DEFENSE

- Recognize/Identify targets
- Defense intelligence



HOME

- Smart Temperature Control
- Optimized energy use





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**ADDITIVE
MANUFACTURING**



**INTERNET OF
THINGS**



**MES/MOM ADVANCED
PROCESS CONTROL**



**AUGMENTED
REALITY**



CLOUD



**INDUSTRY
4.0**



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CYBERSECURITY



**SYSTEM
INTEGRATION**



**DATA SCIENCE
BUSINESS INTELLIGENCE**



**DIGITAL TWIN/ SIMULATION/
OPTIMIZATION**



ROBOTS





polytechnic.

Hands-on learning. **WORKFORCE READY.**

At North Dakota's Polytechnic Institution, learning is hands-on and grounded in the principles of STEAM (science, technology, engineering, the arts and mathematics). The curriculum is designed in collaboration with business and industry partners focusing on high-priority occupations. Students learn during internships, through cooperative projects and in state-of-the-art classrooms. Whether studying arts and sciences or pursuing highly technical programming, North Dakota's Polytechnic prepares students to be workforce ready and succeed wherever their educational journey takes them.



STUDENT

You choose. You learn.
You gain practical skills for the workplace and life.



EMPLOYER

You consult. You support.
You design curriculum, enhance community, and help shape lives.



THE POLYTECHNIC ADVANTAGE

Hands-on practical and purposeful learning.

Flexible career pathways that fit your life.

Professional connections to enrich your career.

**FLEXIBLE.
AFFORDABLE.
TRANSFERABLE.**

Maximize your potential at:
bismarckstate.edu/polytechnic

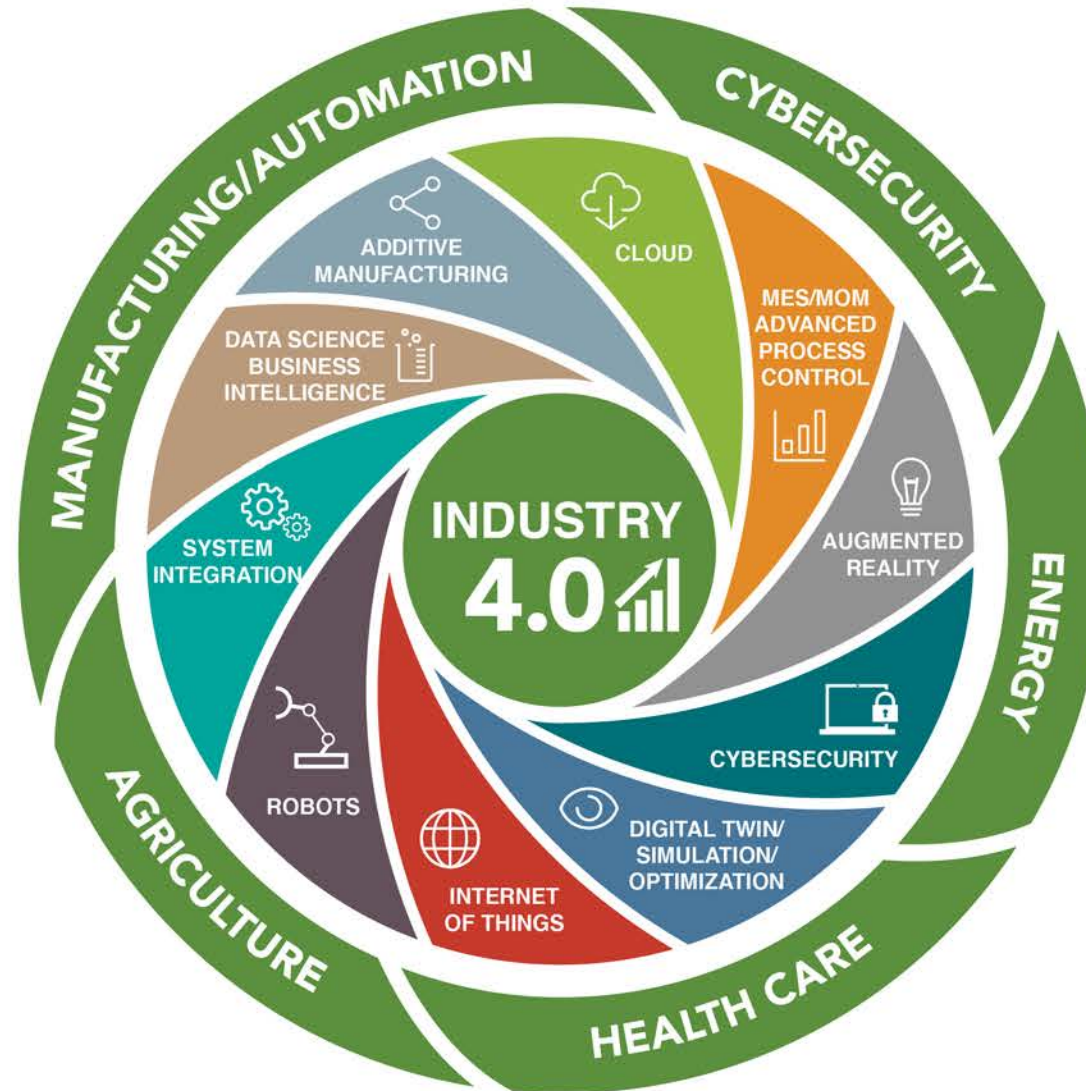
Public Private Partnerships (P3s)

- Public private partnerships are economic force multipliers that advance innovation beyond what traditional partnership structures cannot achieve.
- Future economic development opportunities will require the public and private sector to operate outside of their silos.



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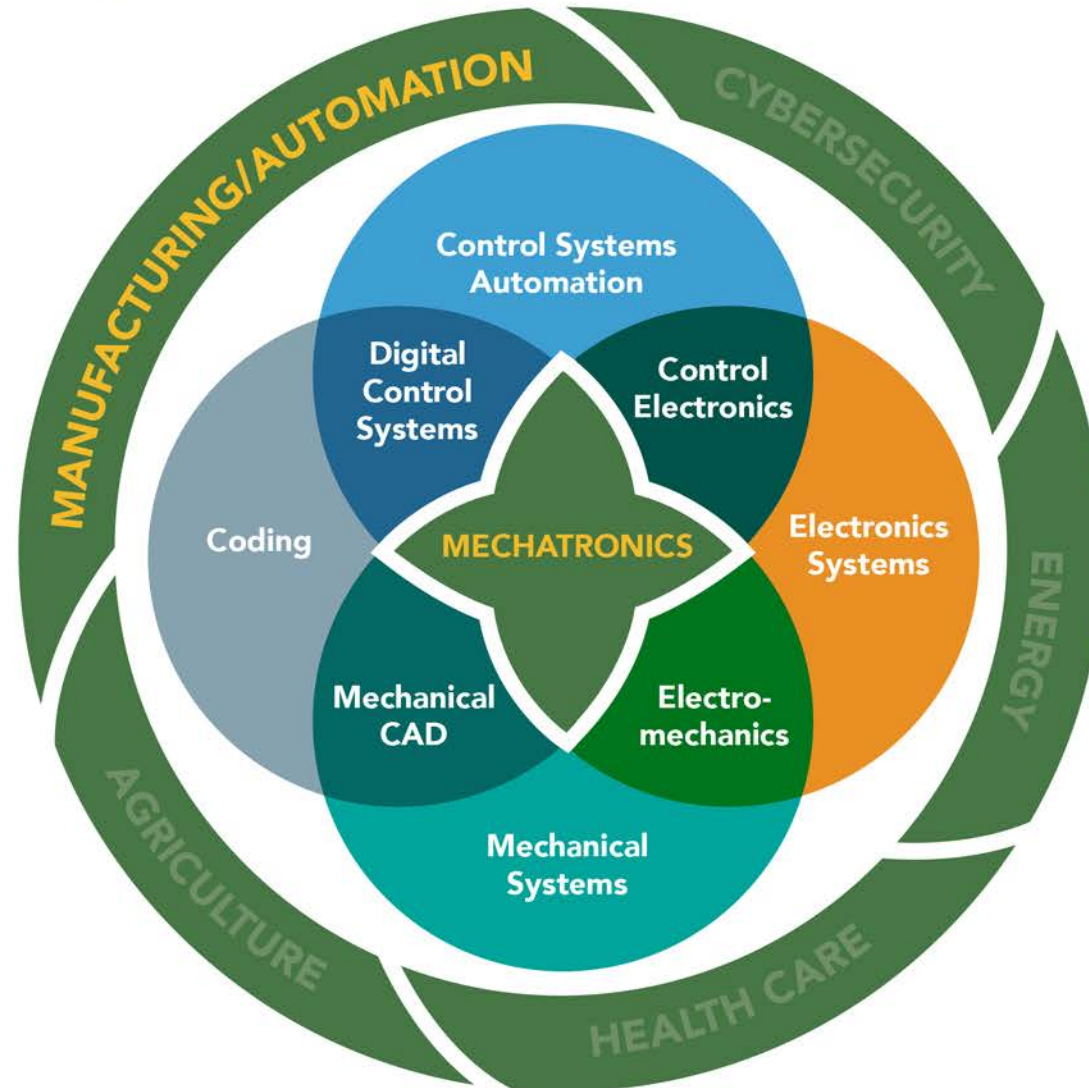
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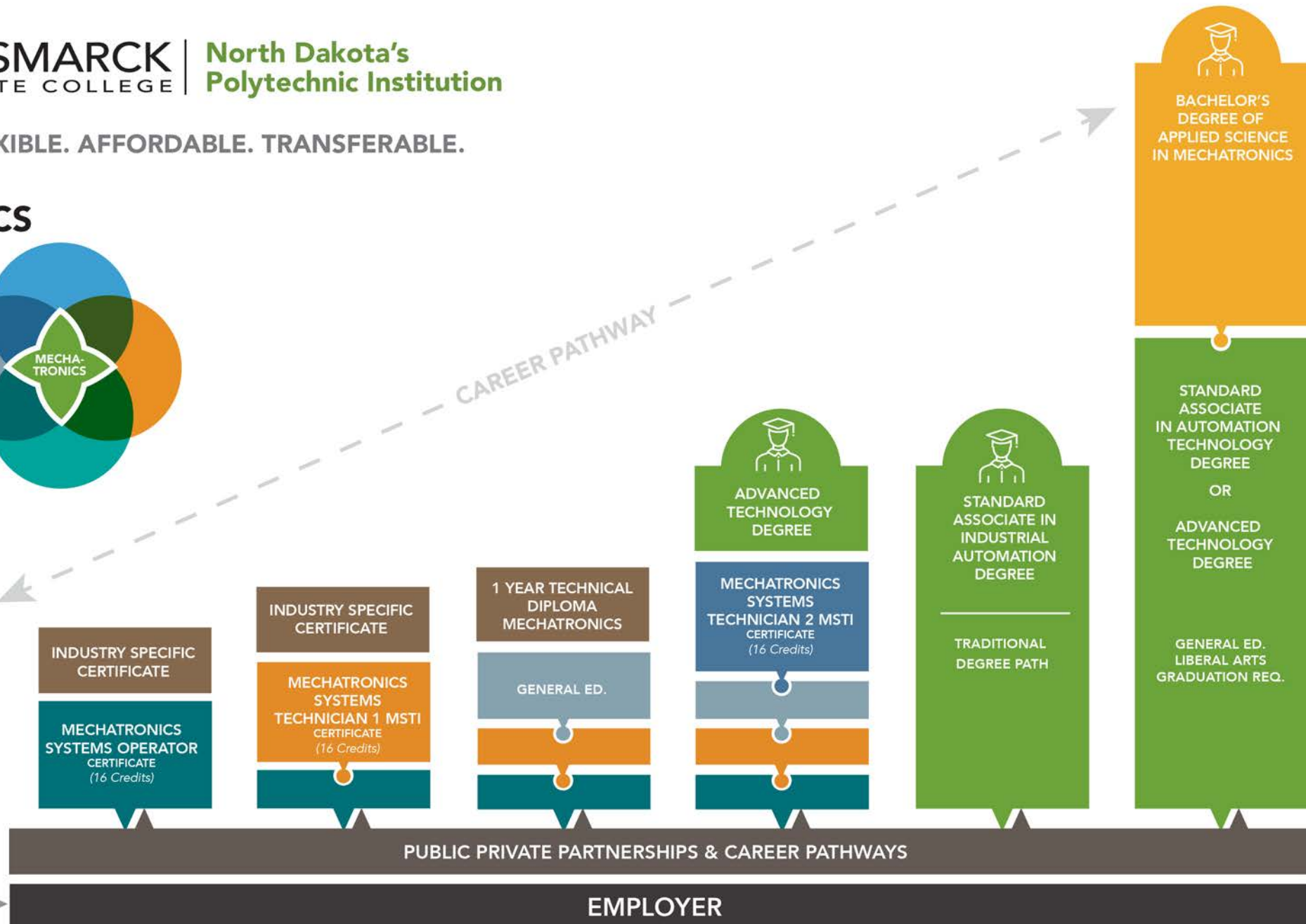
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FLEXIBLE. AFFORDABLE. TRANSFERABLE.

MECHATRONICS PATHWAY



INDUSTRY
4.0



Our request

1. Fund proposed changes to higher education funding formula for career and technical education and cybersecurity
2. Provide \$5M for new polytechnic program startup investment to support 5-7 new BAS programs in high demand areas (Manufacturing/Automation, Cybersecurity, Energy, Agriculture, Healthcare)
3. Continue ND Challenge Grant program to secure matching funds for endowed scholarships
4. Support and fund BSC's capital project needs

1. Fund proposed changes to higher education funding formula

- Increases funding for career and technical education and cybersecurity programs
 - Weight for Cybersecurity/Computer Science changes from 1 for freshman/sophomore classes to 2.5; and from 2 for junior/senior classes to 5.
 - Weight for Career/Technical changes from 2 to 3 or 5 (depending on program).

NOTE: North Dakota needs highly-skilled, technical talent to respond to job growth demand. Without these investments the capacity to meet this demand will be severely delayed.

2. Provide \$5M for new polytechnic program startup investment

- Supports 5-7 new BAS programs in high demand areas
 - Advanced Manufacturing, Mechatronics Applied Engineering, Digital, etc.
- Each new polytechnic program requires ≈\$1M startup investment
 - Capital investment for equipment and program facility enhancements
 - Faculty with industry experience
 - Curriculum and content development
 - Instructional and lab supplies
 - Recruitment and partnership development

3. Continue ND Challenge Grant program

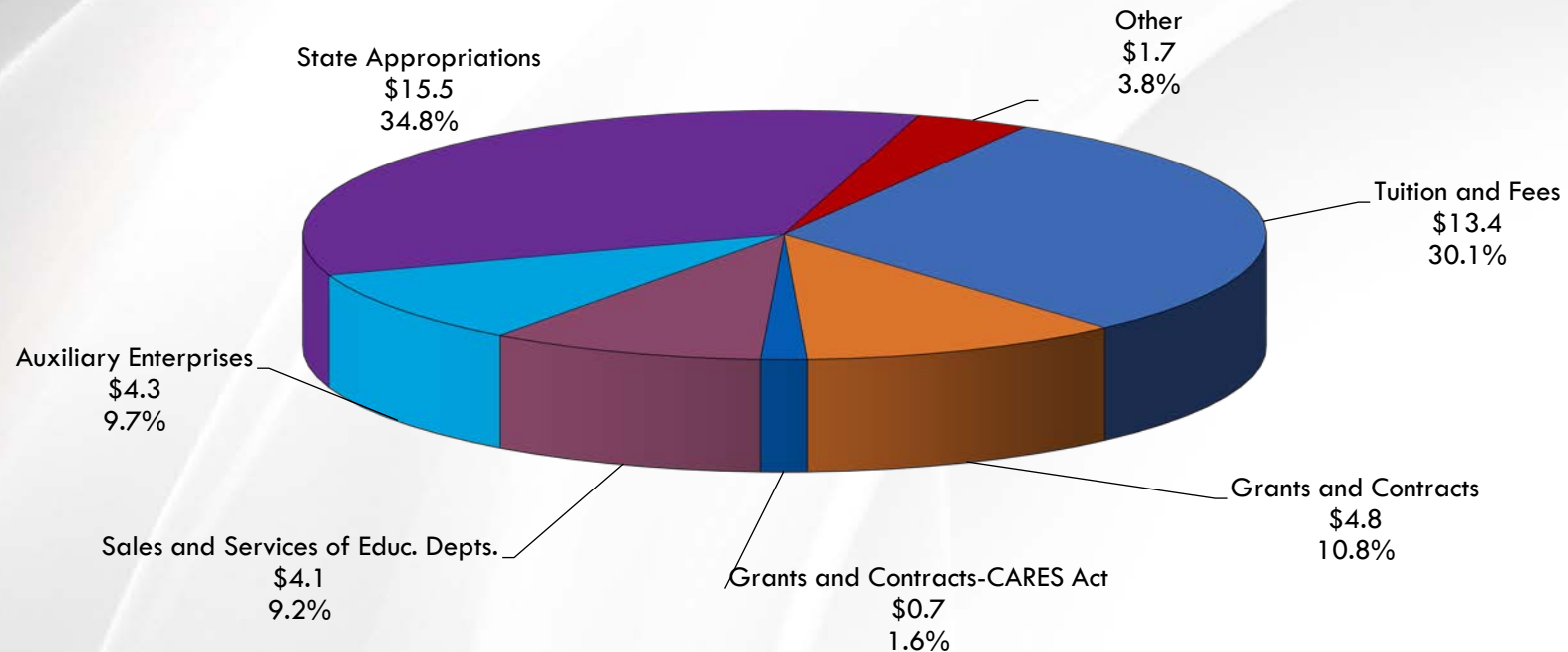
- Creates excellent public/private partnerships
- Leverages funding to support educational scholarships
- Incentivizes donors to support BSC students through matching funds
- BSC Foundation successfully obtained all eligible matches each biennium to invest in endowed scholarships
 - FY13-19: \$2.5M investment provided \$7.5M benefit to students
 - FY20-21: \$950K investment provided \$2.85M benefit to students

4. Support and fund BSC's polytechnic capital project needs

- Integrating the arts and humanities into STEM programming (STEAM)
- Megalabs
- More instructional/lab space for hands-on-collaborative learning, equipment, classroom and project space
- More K-12 collaboration
- Better meet coding, cybersecurity, and digital skill demand
- Enhance public/private partnerships (P3s), opportunities and collaboration
 - Cyber Range, Emerging Digital Academy, Hour of Code

FY20 Total Revenue, Excluding Capital

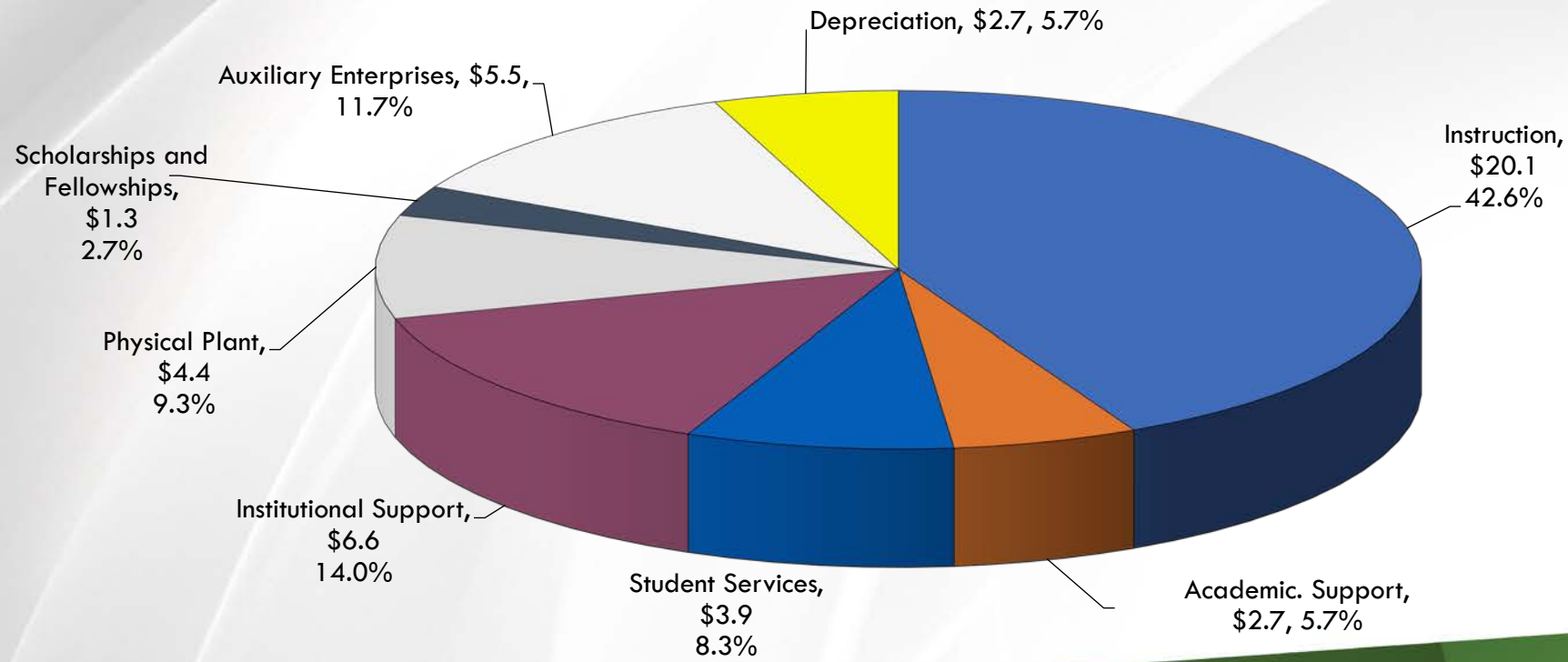
Fiscal Year 2020
Total Revenue \$44.5 million



FY20 Operating Expenses by Function

(excluding capital items and other nonoperating expenses)

Fiscal Year 2020
Total Operating Expenses: \$47.2 million





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Addendum

Student profile – Fall 2020

PROGRAMS

Liberal Arts	990	27%
Technical	1,583	43%
BAS	210	6%
Non-Degree		
Early Entry	657	18%
Other	276	7%



MODE OF EDUCATION

Face-to-Face	1,282	34%	} 2,335 on campus
Blended (Face-to-Face + Online)	1,053	28%	
Distance/Online			
In North Dakota	828	22%	
Out-of-State	553	15%	



FINANCIAL AID

Offered Aid	1,685
Any Federal Aid	1,266
Pell Grant	462
Supplemental Grant	195
Federal Loan	531
Work-Study	78
Indian Scholarship/Tribal Grant	19
Other ND Grant/Scholarship	819
BSC Scholarship/Waiver	350
Other Grant/Scholarship/Waiver	468
Other Loan	92

Destination of ND high school graduates

Fall 2020	Total first-time freshmen	Total first-time freshmen from ND*	% of first-time freshmen from ND with total first-time freshmen	Number of ND first-time freshmen HS Grad Past Year
BSC	795	748	94.09%	620
NDSU	2307	809	35.07%	750
UND	1614	674	41.76%	535
NDSCS	683	371	54.32%	301
MiSU	396	235	59.34%	208
WSC	283	197	69.61%	147
LRSC	181	145	80.11%	114
VCSU	195	134	68.72%	120
DSU	224	136	60.71%	104
DCB	122	74	60.66%	51
MaSU	142	77	54.23%	64

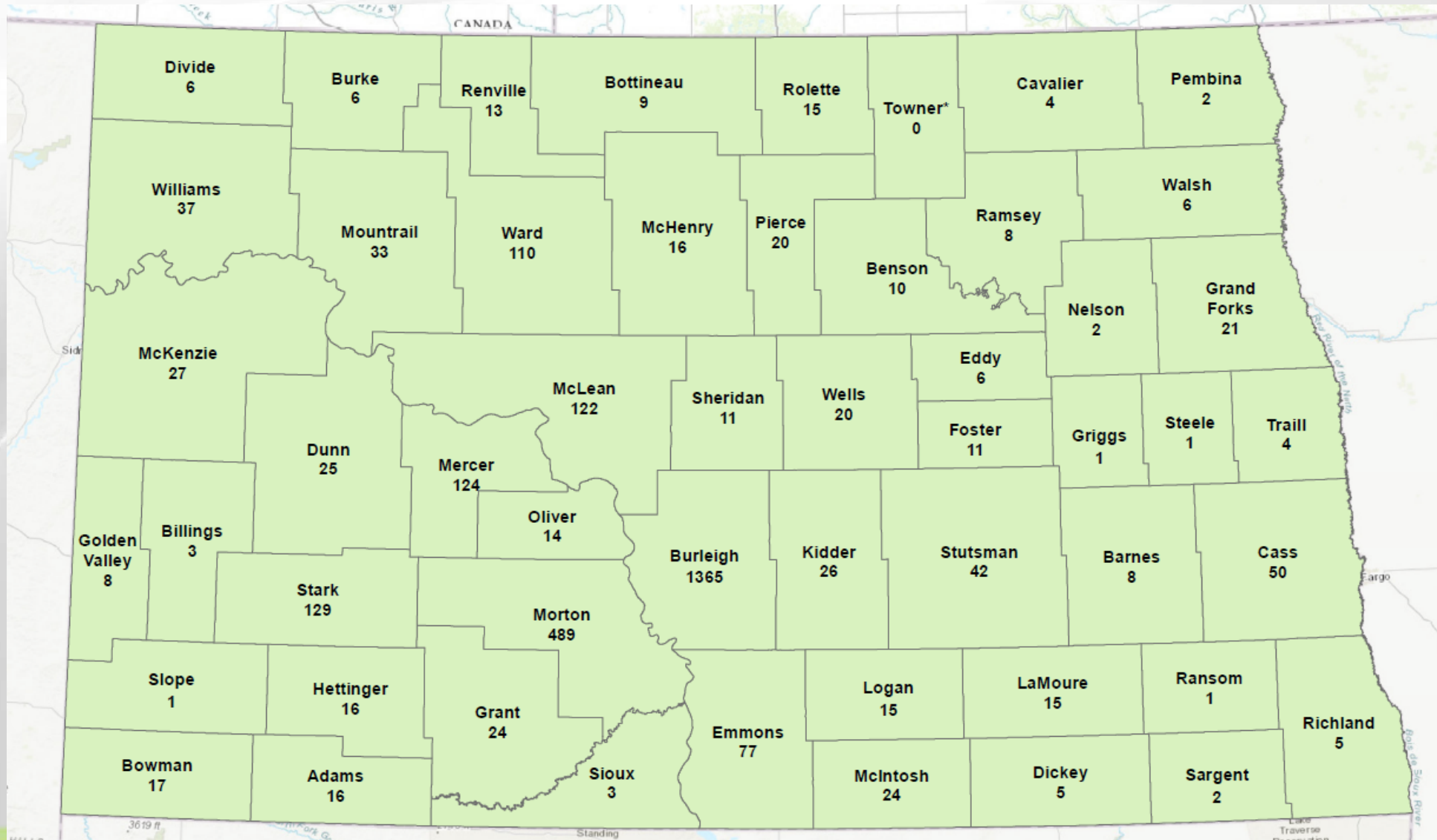
**Not reported: % of all ND high school graduates enrolling directly from high school*



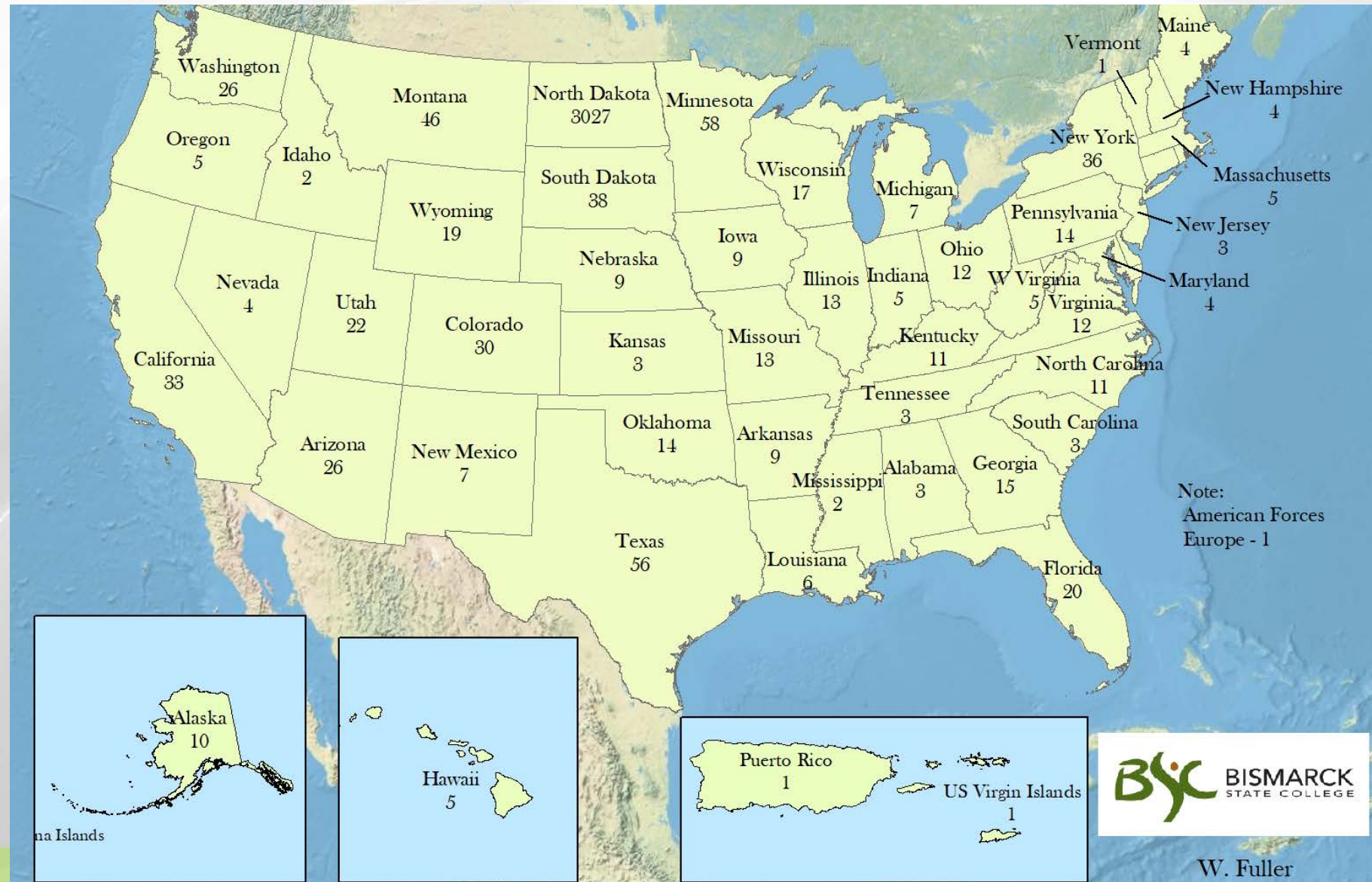
4th week enrollment Fall 2020

	Fall 2018	Fall 2019	Fall 2020	2019-20 Change	2019-20 % Change
Enrollment					
PT headcount	1738	1706	1761	+55	+3.2%
FT headcount	2040	2033	1955	-78	-4%
Total Headcount	3778	3779	3716	-63	-1.7%
FTE	2645	2598	2558	-40	-1.6%
Total Credit Hours	39,167	38,971	38,372	-599	-1.6%

BSC 4th week Fall 2020 enrollment - ND



BSC student enrollment 4th week Fall 2020 – U.S.





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11817

FUNDING BSC'S SUCCESSFUL POLYTECHNIC MISSION

North Dakota's Polytechnic Institution

HOUSE APPROPRIATIONS COMMITTEE

MARCH 17, 2021

Dr. Doug Jensen, President



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Critical Date

September 2018 – SBHE authorizes Bismarck State College to pursue an expanded Polytechnic mission



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Design, Develop, and Implement a Polytechnic Mission

- National Coalition of Advanced Technology Centers (NCATC)
 - September 2020: BSC engaged NCATC to assess readiness to pursue expanded Polytechnic mission
 - NCATC engages 17 stakeholder groups in a collaborative conversation and fact finding
 - K-12, Marketing and Recruitment, Local Government and Economic Leaders, State Government, TrainND, BSC Faculty, BSC Students, Manufacturing, Energy, Cyber, Health Science, Agriculture, STEAM Stakeholders, Executive Team, Leadership Team, Polytechnic Working Group, and Futurist Group.
 - NCATC Study is the foundation of the Strategic Plan for the role out of the BSC Polytechnic expanded mission
 - Strategic Plan includes organizational structure, Business and Industry Leadership Teams (BILT), operational, programming, equipment, and facility needs

North Dakota's Polytechnic Institution



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Design, Develop, and Implement a Polytechnic Institute

- November 2020: Gray & Associates Economic Environmental Scan and Competitive Analysis Study
 - Study provided guidance on emerging and future educational needs to develop a robust talent development system for High Priority Occupations (HPOs)
 - Mechatronics/Robotics/Automation Engineering
 - Computer Science
 - Health Care Admin/Management
 - Registered Nursing
 - Business Admin and Management
 - Logistics/Materials/Supply Chain Management
 - Other Engineering and Digital Disciplines

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Funding BSC's Polytechnic Mission

- Each new polytechnic program requires startup investment (~\$1M)
 - Faculty with industry experience
 - Curriculum and content development
 - Instructional and lab supplies
 - Specialized Equipment
 - Marketing new student populations
 - Recruitment and partnership development



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4 Year Delay in State Funding

- Polytechnic programs started in Fall 2021 will not be included for state funding until FY 2026 - 2027 biennium
- Operating on student tuition only
 - Does not cover direct program operational cost
 - Does not allow for any additional student services support cost
 - Does not cover curriculum development
 - Does not cover specialized equipment



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Mechatronics Start-up Forecast – One Example

	FY22		FY23		FY24		FY25		FY26		FY27	
REVENUE												
Enrollment Student - 15 per yr	Annual	15	Annual	27	Annual	45	Annual	67	Annual	67	Annual	67
On Campus Credit Hrs/Student		\$ 87,219.00		\$ 156,994.20		\$ 261,657.00		\$ 389,578.20		\$ 389,578.20		\$ 389,578.20
TOTAL REVENUES		87,219		156,994		261,657		389,578		389,578		389,578
STATE APPROPRIATION - Engineer		-		-		-		-		120,112		216,201
DIRECT EXPENSES												
FTE Faculty	Average	2.5	Average	2.5	Average	3.5	Average	4.0	Average	4.0	Average	4.0
Salary	55,000	137,500	56,100	140,250	57,200	200,200	58,300	233,200	59,500	238,000	60,700	242,800
FB	48%	66,000		67,320		96,096		111,936		114,240		116,544
TOTAL SALARIES & FB		203,500		217,668		306,394		355,234		362,338		369,442
Instructional supplies		15,000		20,000		25,000		25,000		25,000		25,000
Professional Development		8,000		8,000		10,000		12,000		12,000		12,000
Operating Expense		15,000		15,000		18,000		20,000		20,000		20,000
Marketing/Outreach		75,000		75,000		50,000		50,000		45,000		45,000
TOTAL OPERATING		113,000		118,000		103,000		107,000		102,000		102,000
TOTAL DIRECT EXPENSES		316,500		335,668		409,394		462,234		464,338		471,442
OPERATING CONTRIBUTION		(229,281)		(178,674)		(147,737)		(72,656)		45,352		134,337
Start-up Equipment/Facility ¹		1,197,500		-		-		-		-		-
NET CONTRIBUTION/(LOSS)		\$ (1,426,781)		\$ (178,674)		\$ (147,737)		\$ (72,656)		\$ 45,352		\$ 134,337
Loss on Start Up		(1,426,781)		(1,605,455)		(1,753,192)		(1,825,848)				



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Projected Mechatronic Start-up Equipment

Tabletop Mechatronics Smart Factory trainers	\$ 387,100
Robotic Arm	212,900
Logistics trainer	220,000
Click PLCs, HMI Screens	30,000
Automatic Guided Vehicle	45,000
Full-size Mechatronics Trailer	300,000
Smart Automation Certification Alliance Membership - Industry 4.0 Certifications	2,500
	\$ 1,197,500





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Polytechnic Infrastructure

- Non-traditional academic, collaborative learning spaces
 - Flexible, adaptive and configurable instructional spaces
 - Supports project-based learning and multidisciplinary activities

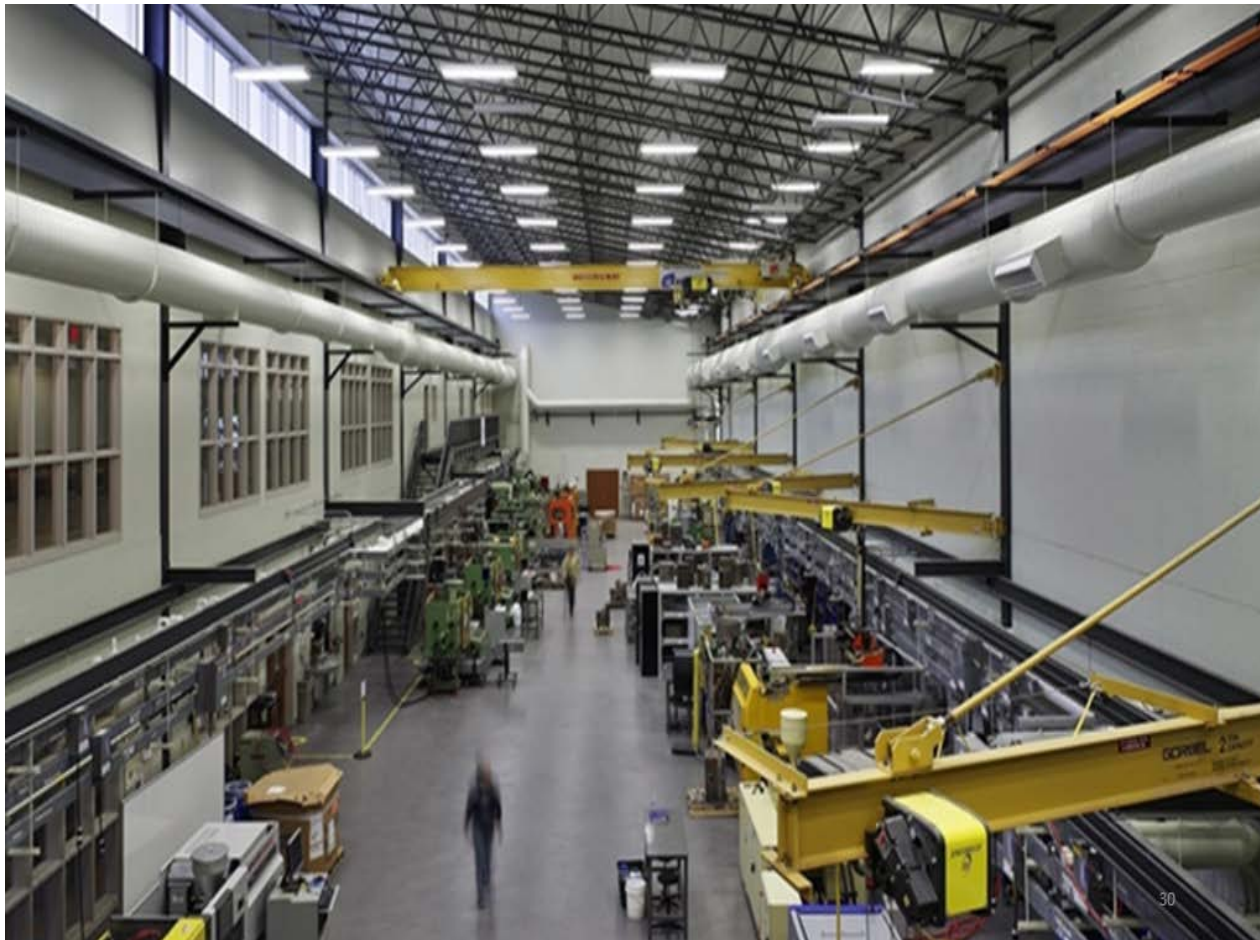




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MEGA Lab Space with Loading Dock



Flexible space

Movable walls

Floor space to accommodate heavier loads

Door sizes

Loading docks

Second floor access

HVAC & power capacity

Equipment ventilation



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Estimated Infrastructure Space – Based on NCATC Study

Estimated Polytechnic Infrastructure Space		QTY #	Square Footage	Capacity (ea.)	Total Square Feet
1	MEGA Lab Flex Space (accommodates receiving/training dock)	1	20,000	50-60	20,000
2	Larger Adaptive Project Training Area	1	2,250	120	2,250
3	Medium Adaptive Project Training Rooms (Specialized Labs like GTC, IMET, ATC)	6	1,000	68	6,000
4	Smaller Adaptive Project Training Rooms	2	500	10-12	1,000
5	Student & Industry Assessment Center (NIMS, Cybersecurity, SME, ASE, Skills Gap, etc)	1	750	6-10	750
6	Project Development & Presentation Space	1	2,400	200	2,400
7	Digital Training Center	1	650	6 - 12	650
8	Experiential Learning, Internship, Externship Space	1	2,100	8-12	2,100
9	Student Learning Support Areas (Advising, Tutoring, etc)	1	2,000		2,000
10	STEAM Presentation & Engagement Area	1	14	950	13,600
11	Digital Media Support Center	1	650	10-12	650
12	Business & Industry Support Center	1	350	2-4	350
13	Collaborative Chamber/Workforce/Economic Development Space	1	250	3-4	250
14	Small Business Accelerator Space	1	800	4-8	800
15	Facility/Utility Area (IT, Electrical, HVAC, Etc.)	1	2,500		2,500
16	Welcome, Security, Registration, and Recognition Area	1	2,000	200	2,000
17	Collaborative Conference and Community Room	1	1,600	18-24	1,600
18	Polytechnic Staff & Outreach Workspace	10	175	100	1,750
19	Employee Support Area	1	2,050		2,050
20	Common Areas, Hallways, Stairways, Gathering/Convening Space	1	25,625		25,625
21	Total Projected Square Footage				88,325
	Projected Cost per Square Footage				\$319.86
	Total Projected Costs of New Building				28,251,635







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Summary of Estimated Polytechnic Funding

Capital Infrastructure & Program	Amount
Polytechnic Program Start-up, Operating and Equipment Cost	
Mechatronics	\$ 1,825,848
Potential New Polytechnic Programs (Supply Chain, Logistics, Process Control, etc.)	3,200,000
Polytechnic Educational Delivery Space	
Polytechnic Building	28,251,635
Polytechnic New Addition Site Preparation	2,213,040
Total Polytechnic Project Budget	\$35,490,523

North Dakota's Polytechnic Institution

Questions/ Comments?





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FUNDING THE BSC POLYTECHNIC MISSION

North Dakota's Polytechnic Institution



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ND's Polytechnic Institution educational model

- Engages student in hands-on applied learning to develop workforce-ready knowledge, skills and degrees
- Incorporates knowledge and skillsets driven by private industry to develop a future, high-demand workforce (BILT)
- Combines multiple academic programs embedded with industry-recognized, stackable credentials
- Creates customized, locally-driven career pathways to meet student and industry needs

North Dakota's Polytechnic Institution



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SBHE authorized Bismarck State College to pursue this expanded Polytechnic mission without adequate funds

North Dakota's Polytechnic Institution



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BSC Polytechnic Mission Expansion

2018 — BSC
Polytechnic Mission
Approval

2019

2020 — President
Jensen
Joins BSC

2021

2022 — BSC
Polytechnic
Offerings

GOVERNANCE & ACCREDITATION

NDUS
SBHE
HLC

PROGRAMS

New Certificates
New A.A.S Degrees
New B.A.S. Degrees

INFRASTRUCTURE

Staffing
Processes
Equipment
Facility Modifications
New Facilities

Program Curriculum

Feasibility
Plan/Study

Communicate

Polytechnic Mission: Locally Driven

BSC engaged National Coalition of Advanced Technology Centers (NCATC) to assess readiness to pursue expanded Polytechnic mission

- NCATC engages 17 local stakeholder groups in a collaborative conversation and fact finding
K-12, Marketing and Recruitment, Local Government and Economic Leaders, State Government, TrainND, BSC Faculty, BSC Students, Manufacturing, Energy, Cyber, Health Science, Agriculture, STEAM Stakeholders, Executive Team, Leadership Team, Polytechnic Working Group, and Futurist Group.
- NCATC Study is the foundation of the Strategic Plan for the role out of the BSC Polytechnic expanded mission
Strategic Plan includes organizational structure, Business and Industry Leadership Teams (BILT), operational, programming, equipment, and facility needs



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Polytechnic Mission: Locally Driven

Gray & Associates Economic Environmental Scan and Competitive Analysis Study

- Study provided guidance on emerging and future educational needs to develop a robust talent development system for High Priority Occupations (HPOs)

Mechatronics/Robotics/Automation Engineering

Health Care Admin/Management

Business Admin and Management

Other Engineering and Digital Disciplines

Computer Science

Registered Nursing

Logistics/Materials/Supply Chain Management



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Funding BSC's Polytechnic Mission

- Each new polytechnic academic program requires an *upfront* startup investment
 - Faculty with industry experience
 - Curriculum and content development
 - Instructional and lab supplies
 - Specialized equipment
 - Marketing new student populations
 - Recruitment and partnership development

North Dakota's Polytechnic Institution



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**North Dakota's
Polytechnic Institution**

4-Year Delay in State Funding

- Polytechnic programs started in Fall 2022 will not be included for state funding until FY 2026 – 2027 biennium
- Operating on student tuition only
 - Does not cover direct program operational cost
 - Does not allow for any additional student services support cost
 - Does not cover curriculum development
 - Does not cover specialized equipment



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**North Dakota's
Polytechnic Institution**

Institution	Total Raw SCH	Weighted Credits	Credit Completion Factor	Adjusted WSCH	2021-23 Base Funding Per Credit Hour	One-time Payment	2021-2023 Appropriation	2019-2021 Appropriation	\$ Change from 2019-21	% Change from 2019-21
BSC	143,405	296,335	1.1	325,969	\$98.84	\$0	\$32,084,055	\$31,068,227	\$1,015,828	3.27%
DCB	29,618	53,610	1.8	96,498	\$98.84	\$0	\$9,537,862	\$7,740,826	\$1,797,036	23.22%
LRSC	59,895	96,062	1.5	144,093	\$98.84	\$0	\$14,242,152	\$12,945,280	\$1,296,872	10.02%
NDSCS	116,370	274,170	1.3	356,421	\$98.84	\$486,119	\$35,714,792	\$36,542,022	(\$827,230)	-2.26%
WSC	38,699	67,172	1.7	114,192	\$98.84	\$0	\$11,286,737	\$10,067,743	\$1,218,994	12.11%
DSU	60,655	145,954	1.5	218,604	\$92.60	\$0	\$20,242,730	\$18,393,063	\$1,849,667	10.06%
MASU	47,623	126,079	1.6	201,726	\$92.60	\$0	\$18,679,828	\$16,420,616	\$2,259,212	13.76%
MISU	139,042	404,542	1.1	444,996	\$92.60	\$0	\$41,206,630	\$39,896,693	\$1,309,937	3.28%
VCSU	64,159	175,334	1.5	260,922	\$92.60	\$0	\$24,161,377	\$22,658,933	\$1,502,444	6.63%
NDSU	693,495	2,241,649	1.0	2,241,649	\$61.81	\$0	\$138,556,325	\$132,714,983	\$5,841,342	4.40%
UND	670,553	3,371,201	1.0	3,371,201	\$61.81	\$0	\$208,373,934	\$202,539,508	\$5,834,426	2.88%
Total	2,063,514	7,252,108		7,776,271		\$486,119	\$554,086,422	\$530,987,894	\$23,098,528	4.35%

– \$9,122,575

BSC is the 3rd largest institution in the NDUS and receives less in state funding than other institutions with the same credit load.



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North Dakota's
Polytechnic Institution

Polytechnic Infrastructure

- Non-traditional academic, collaborative learning spaces
 - Flexible, adaptive and configurable instructional spaces
 - Supports project-based learning and multidisciplinary activities





Questions/ Comments?



UND National Security Initiative

The University of North Dakota is investing in a National Security Initiative (NSI) to build on the university's capacity to pursue, secure and execute projects with federal agencies including Department of Defense (DOD) and Department of Homeland Security (DHS). This initiative will enable UND to expand and apply its expertise in UAS/Autonomy and mobility across a cohesive Surface-Air-Space (SAS) domain, integrating ground vehicles, airborne assets, and the satellite architecture under development by the Space Development Agency (SDA) and private industry. The collaboration involves the Vice President of Research & Economic Development, the Research Institute for Autonomous Systems, the John D. Odegard School of Aerospace Sciences, the College of Engineering and Mines, and the College of Arts & Sciences.

One of UND's primary contributions to the US Space Force will center on our capability to enhance space satellite architecture with testing and integration of autonomy and intelligence across the integrated SAS domain. Through the NSI, UND has committed to deepening the personnel expertise needed to support USSF, and we are in the process of hiring eight new research faculty positions.

The NSI focus on Space and the overall investment package are designed to increase federal funding from DoD and DHS. A conservative target is an annual increase of \$3M in research expenditures from these two agencies, building on a baseline established in FY22 (~\$2.5M)—over a 100% increase.

One-time ARPA investments of \$10M in concert along with \$7.5M from UND strategic funding and the \$4M previously authorized by the state of North Dakota for Space Infrastructure, will support crucial hands-on and applied research and training opportunities, provide equipment and technology, and thus enhance UND's ability to recruit, retain, and graduate undergraduate and graduate students and enhance development and deployment of a highly trained high-tech workforce in ND and the region. Further, the NSI will position UND to be a strong partner with the SDA, Grand Forks Air Force Base, numerous potential industry partners, and, significantly, the United States Space Force (USSF).

UND Space Education and Research Infrastructure

Description of Program

Requesting \$10.5M to establish a Center for Space Education and Research, expanding on existing as well as planned investments from the University and the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences. UND is investing in a National Security Initiative (NSI) to build on the university's capacity to pursue, secure and execute projects with federal agencies including Department of Defense (DOD) and Department of Homeland Security (DHS). The NSI will generate extensive opportunities in research, training, and education for a broad range of colleges, schools, programs, faculty, and undergraduate and graduate students. Then NSI targets opportunities in Health, Energy and Space, but the first phase of the NSI focuses on Space. Phase I will enable us to expand and apply our expertise in UAS/Autonomy and mobility across a cohesive Surface-Air-Space (SAS) domain, integrating ground vehicles, airborne assets, and the satellite architecture under development by the Space Development Agency (SDA) and private industry. UND has a 6-year plan in which it has committed to investing \$7.5M in new strategic funding in the Space Phase from FY22-FY27. The Space Phase collaboration involves the Vice President of Research & Economic Development, the Research Institute for Autonomous Systems, the John D. Odegard School of Aerospace Sciences (Space Studies, Aviation departments), the College of Engineering and Mines (Electrical Engineering & Computer Science and Mechanical Engineering departments), and the College of Arts & Sciences (Chemistry, Mathematics, Physics & Astrophysics, Psychology/Human Factors departments). Further, the NSI will position UND to be a strong partner with the SDA, Grand Forks Air Force Base, numerous potential industry partners, and, significantly, the United States Space Force (USSF).

On August 9, 2021, UND became the first of ten universities to join the new Space Force University Partnership Program (UPP). Following the UND visit by Chief of Space Operations, Gen Raymond, the U.S. Space Force explained that it is establishing the University Partnership Program to:

- Fulfill the needs of a technology-focused, 21st century, digital Service.
- Recruit and educate a competent, diverse and inclusive workforce.
- Pursue relevant, state-of-the-art research and technology development.
- Leverage and support the nation's research universities.
- Provide motivation and opportunities for the nation's university students to pursue scientific and technical degrees.
- Establish a USSF UPP for world-class research, advanced academic degree, and leadership development opportunities.
- Identify and pursue research areas of mutual interest with UPP members (bi-lateral and collectively).
- Establish scholarship, internship and mentorship opportunities for university students and cadets.

One of UND's primary contributions to the UPP consortium will center on our capability to enhance the space satellite architecture with testing and integration of autonomy and intelligence across the integrated SAS domain. Through the NSI, UND has committed to deepening the personnel expertise needed to support USSF, and we are in the process of hiring eight new research faculty positions. The state legislature generously allocated \$4M in the 2021-2023 biennium to invest in space-related infrastructure at UND. To ensure success in developing the space-related capacities and to equip our existing and new researchers and students, we are asking for a one-time investment of \$10M to extend our ability to develop infrastructure—primarily through purchasing essential equipment. Collectively, this infrastructure, combined with relevant existing infrastructure, will make up the "Center for Space Education and Research." An additional \$10M will extend UND's capacity for research and workforce training to respond to the needs identified by USSF for the next many years.

Expected Outcome:

The NSI focus on Space and the overall investment package are designed to increase federal funding from DoD and DHS. A conservative target is an annual increase of \$3M in research expenditures from these two agencies, building on a baseline established in FY22 (~\$2.5M)—over a 100% increase. The Center will help attract star research faculty and staff in space-related fields to include graduate students and post-doctoral researchers. While primarily a research initiative, NSI will substantively refresh academic programs

Establishment of this center will deliver more educational opportunities online and on-campus with state-of-the-art technology and research labs. It will foster high-tech workforce development in key emerging areas at both undergraduate and graduate levels, increase opportunities for student engagement in hands-on and applied research and training opportunities, and assist in the growth and diversification of the ND state economy, especially in the high demand, rapidly growing high-tech sector.

Connection to Existing Program:

This project will support existing and growing programs and research in space-related fields in the Colleges of Aerospace, Engineering & Mines, and Arts & Sciences and leverage planned strategic investments from the University. The National Security Initiative supports Goal 4 of the UND Strategic Plan (to Enhance Research) and puts an action to the UND Grand Challenges of Autonomous Systems and Big Data. These two Grand Challenges encompass areas of research and education identified by UND as priorities critical to the state and areas in which we can be nationally competitive. Most of UND's investment in the NSI will cover salaries for new research faculty and students. One-time ARPA investment in the Center, in concert with UND strategic funding and the \$4M authorized by the state of North Dakota for Space Infrastructure, will support crucial hands-on and applied research and training opportunities, provide equipment and technology, and thus enhance UND's ability to recruit, retain, and graduate undergraduate and graduate students and enhance development and deployment of a highly trained high-tech workforce in ND and the region.

The original \$4M allocated from the state legislature for CSER will be able to equip the following:

Infrastructure Project	Description	Estimated Cost
Satellite Operation Center	Robin Hall 203 will be reconfigured to have 16 space control stations for education, operations, and research as well as an upgraded instructor station. In addition to teaching classes in orbital mechanics, satellite operations, space domain awareness, and communications, the classroom will be integrated into a campus network to connect with UND colleges and other universities to manage UND's own and other(s) developed satellites as well as to analyze and manage the data generated through remote sensing.	\$ 1,000,000
Digital Engineering and Big Data Lab	Harrington Hall 109, currently a power electronics lab, will become the Digital Engineering & Big Data Lab. Digital Engineering is the approach to space systems development favored by the DOD. This lab allows us to train students in digital engineering and supply the workforce needed by the DOD and the defense industry. The reconfigured room will host workstations and large monitors to serve both individual and group projects. This space will also be utilized in our new Digital Engineering course, which is being taught in partnership with a major defense contractor.	\$ 300,000
Satellite Design and Engineering Lab	Harrington Hall 120C, currently an undergraduate academic lab, will become a satellite design and engineering lab. The room will be furnished with instruments and equipment to allow device and component-level integration. Components from this lab will transition into Harrington Hall 120 for integration into subsystems and full satellites.	\$ 300,000
Satellite Fabrication and Assembly Lab, including Clean Room	This will serve as a hub for the fabrication and assembly of satellites and other space-related instruments and equipment. This lab already contains an anechoic chamber, which is essential for the development and testing of antennas for space systems. A cleanroom will be added to further support the development and testing of satellite components, including communication circuitry, optical interconnects, and mechanical structures. It will be equipped to perform all necessary electromechanical and environmental testing needed for satellite development, including vibration, thermal/vacuum, EMI/EMC, and antenna testing.	\$ 2,400,000

An additional \$10.5 million investment would allow us to expand the activities of CSER in the following ways

Infrastructure Project	Description	Estimated Cost
Advanced UAV and Satellite Material Lab	Advances in UAV and space systems will require the development and testing of new materials for batteries, solar cells, thermal management, and lightweight structures. To successfully compete for research grants and perform the research needed by the DOD, UND needs to upgrade its materials fabrication and characterizations facilities. -Nanofoundry and associated cleanroom and instruments. \$3,200,000. Facilitates translational research in nanoscience and nanotechnology for applications requiring minimization of weight and size, including space & UAV applications. -High resolution transmission electron microscope (TEM). \$1,000,000. A critical instrument for materials research, especially for studying particles and structures at the nanoscale. -Other materials characterization instruments. \$1,500,000. A suite of instruments for the characterization of various chemical, mechanical, thermal, and electrical properties of materials important for batteries, solar cells, and other power and structural applications. Instruments include a BET surface area analyzer, Raman spectrometer, X-ray diffractometer, hardness indenter, gel permeation chromatogram, and a thermoelectric measurement system.	\$ 5,700,000.00
Neutral Buoyancy Tank	A neutral buoyancy tank will enable human spaceflight extra-vehicular activity training to expand UND's expertise in space suit testing and interplanetary habitability research. Additionally, it will support satellite refueling/repair testing as well as micro-gravity research.	\$ 1,200,000
Sensitive Compartmented Information Facility (SCIF)	This will enable UND to do classified work with DOD and DHS and create opportunities to work with Grand Forks Air Force Base, Cavalier Space Force Station, & Grand Sky (Northrop Grumman and General Atomics). For our initial needs we will acquire a portable SCIF built into a standard container.	\$ 1,500,000
Satellite and Space Debris Tracking	A series of antennas will be installed and used to collect data to track satellites and space debris. This facility will allow for both student projects and faculty research, including the analysis of satellite and space object data, development of advanced tracking software, and the development and testing of new antennas and sensors.	\$ 900,000
Laboratory Configuration	Will be used to configure and adapt laboratory spaces to accommodate the above equipment and research. This includes	

Proposal, American Rescue Plan Act for North Dakota

Accessible Computing and Cyber Science Education in North Dakota

Dakota Digital Academy

Mark Hagerott, Chancellor, North Dakota University System
 Jerry Rostad, Vice Chancellor, North Dakota University System
 Kendall E. Nygard, Director, Dakota Digital Academy
 Patrick McCloskey, Editor, Dakota Digital Review

Dakota Digital Academy Project Overview

Total Project Request - \$475,000

Expertise in computing and cyber sciences are of extremely high importance and demand in literally all private and public sector organizations and enterprises in North Dakota and beyond. Digitization of the economy and the special need for cybersecurity expertise produces workforce needs in the primary sectors of the economy, including energy, agriculture, government, services, health, transportation and medicine. The Dakota Digital Academy (DDA) was founded in the fall of 2020 to meet these needs. A priority of the DDA is to serve learners and job seekers who are unemployed, place bound or isolated due to the pandemic or personal circumstances; who wish to upgrade their skills while on the job; reinvent their career; or who want to get a start in a technology career. Because the DDA spans all 11 institutions in the university system, expertise and capacity throughout the system is greatly leveraged.

The funding of this proposal would solidify and advance the delivery of initiatives and programs currently underway while taking steps to achieve multiple goals going forward. Two issues of the Dakota Digital Review will be produced annually, which educates students and professors in non-cyber disciplines and the general public about digitization and its consequences. Under the proposed project, the educational programs, which the DDA has already started, will be made fully operational, new programs designed and launched, and advisory boards will be established. Measurable results will be realized in terms of filling jobs, stimulating economic development, significantly increasing the numbers of skilled people in cybersecurity and related areas, especially through helping people impacted by the pandemic by greatly improving their access to quality education and training needed in the digital age.

Project Goals, Tasks and Outcomes

The project has seven broad goals, each of which is of high importance in North Dakota and elsewhere. Achieving the goals will require the completion of multiple associated tasks:

Goal 1. Elevate enrollment in credentialing programs. The DDA first initiated multi-campus certificate programs in cybersecurity and in software development. As designed and developed by the DDA, these undergraduate certificate programs are comprised of 16 – 18 credits and follow a competency-based model. Many of the course development activities already funded by the DDA fit with the certificate programs. In addition, on the individual campuses of the university system, there are alternative courses that also meet specific elements of these competencies. Approvals by the Academic Program Officers at the campuses are in place. The associated articulation agreements are already approved in several cases. The mapping of these courses into certificate competencies means that individual students can freely mix and match the DDA specific courses and courses already in place that are deliverable remotely from the 11 campuses to earn a certificate credential. The result is a powerful and unprecedented way for

individual students to learn employable skills and earned a workforce-ready credential in a timely manner, independently of their individual situation or the campus which they attend or wish to gain admission.

Goal 2. Fully establish and engage the DDA Workforce Advisory Council (WAC). This council will have a responsibility to provide employer perspectives on the traits and skillsets that they look for in employees hired into computing and cyber sciences positions. This kind of insight will be invaluable in ensuring that the programs initiated and advanced by the DDA will produce students who are immediately employable and fully responsive to the needs of their employers. Members of the council will be mid-level experienced professionals with technical expertise. Initial steps have been taken to establish the WAC, and several industry leaders have already committed to serve. The structure and launching of the council can be done relatively quickly but will require some focused effort to do so.

Goal 3. Establish the DDA Board. This board will consist of a relatively small number of professionals who have high-level responsibility in their organizations. In addition to representatives from organizations that provide computer and internet services, it will be important to have representation from companies from varied sectors of the economy for which digitization is a key element of their strategic future. Members of this board will be empowered to provide high-level support and engage in partnerships with the DDA, helping to move the DDA into a truly private-public type of entity.

Goal 4. Fully develop a comprehensive DDA portal. Although the DDA has developed an informative website, much more can and should be done to create a true portal. In coordinating access to substantially diverse resources, consistent interfaces are necessary. Prospective students should be able to register for courses, special events, workshops and boot camps through the portal, easily and accurately. The design structure should be such that it can be readily maintained and updated. The current site is available at <https://dda.ndus.edu/>.

Goal 5. Support the Dakota Digital Review (DDR). DDR is the DDA's biannual magazine, which covers the cyber sciences and the social, ethical, legal and policy implications of digitization, as well as impacts on the humanities and the arts. DDR is written for the general educated reader, both within higher education and throughout our society. It is vitally important that North Dakotans understand how digitization impacts their individual, family, social and professional lives. DDR contributors include award-winning journalists and authors but mostly are NDUS professors. As well, students, alumni, business and community leaders and experts are encouraged to submit articles. DDR also provides a forum for civil discussions of challenging issues all along the political spectrum—although DDR is a rigorously non-partisan publication. DDR's second issue will be published early this fall. Going forward, DDR will be published twice yearly, while we work towards three times per year. DDR is professionally edited, beautifully illustrated, and available in print and online at <https://dda.ndus.edu/news-events/dakotadigital-review/>.

Goal 6. Establish sponsored special events. The DDA ambitiously intends to sponsor several kinds of special events, including a virtual career fair, which would showcase career opportunities offered by various companies and other employers, and help to match students with jobs. Other examples include special workshops and short courses for the public, invited speaker presentations and conferences.

Goal 7. Develop the pool of affiliated and credential course instructors. From within the North Dakota University System, 15 faculty members comprise the Technical Advisory Council. Twenty-six faculty members were funded to design and develop specific courses for remote delivery. These faculty members are the initial pool of DDA-affiliated faculty members who are poised and ready to deliver courses through the DDA. In addition, there are already several credentialed experts who have already agreed to

serve as DDA adjuncts. Some of the early adjunct commitments come from highly skilled professionals working in cybersecurity for prominent private corporations. As the DDA builds, it will be of high importance to build this affiliated faculty pool. The value of the public/private partnership approach of the DDA will be facilitated through the engagement of professionals in the adjunct program.

Connection with ARPA Guidelines

The proposed project fulfills ARPA guidelines in the following ways:

1. The population of North Dakota is highly dispersed, making it difficult for many residents to access education and training programs in person at facilities near where they live. The Covid-19 Delta variant is also significantly impacting these communities. A key DDA objective is to provide access to programs that serve these populations well. The project will specifically assist people who are disadvantaged due to their low-incomes, geographically location and the scope of the pandemic. The K-12 connection will help people in resource-poor school districts.
2. A fundamental principle of the DDA is the commitment to engage educational and training expertise in digital-related areas independent of time and place, and to make that expertise widely available. Although easy to state, this principle is often not followed by established institutions that can view other institutions as competitors. A major DDA accomplishment is establishing meaningful cooperation among the institutions in North Dakota for remote delivery of courses, articulation and transfer agreements. This helps to ease the local in-residence “brick and mortar” mentality that still exists. Through the DDA, a student at a small community college can assemble a certificate in cybersecurity by taking courses under DDA auspices from multiple sources in timeframes that work for their individual situation. Also, the DDA’s commitment to stackable credentials means that the student can then pursue additional credentials and apply their credits toward higher level degree programs.

Budget and Justification

One-time funding for the purpose of defraying DDA expenses for the 2021-22 biennium, beginning July 1, 2021, and ending June 30, 2023.

Item	Allocation
DDA Director, 19 hours per week, 104 weeks (a)	118,560
DDA Director of Social and Ethical Implications and Editor, Dakota Digital Review, 19 hours per week, 104 weeks (b)	118,560
DDA Director of Operations, 15 hours per week, 96 weeks (c)	50,400
DDA Webmaster, 15 hours per week, 104 weeks (d)	54,600
Operating costs (e)	72,880
Student support, scholarships (f)	60,000
Total, first two years	475,000

Budget total over 2 years is 475,000

Budget Justification

- (a) The Director has overall responsibility for the planning, execution, reporting, and strategy of the programs and activities of the DDA. Payment rate = \$60/hour with no benefits.
- (b) The Director of Social and Ethical Implications and Editor of the Dakota Digital Review produces two issues annually of the periodical. Payment rate = \$60/hour with no benefits.
- (c) The Director of Operations will begin their work on September 1, 2021. Primary responsibilities involve the coordinating operational details involving such things as communication, registration and publicity for the course delivery, events and special activities of the DDA. Payment rate = \$35/hour with no benefits.
- (d) The Webmaster has responsibility for the design, development, maintenance and data input for the DDA portal. This includes coordination and linkages with multiple other sites at the DDA partner institutions. Payment rate = \$35/hour with no benefits.
- (e) Operating costs include preparation, printing and circulation of the DDR periodical, as well as travel and the costs of promoting and sponsoring special events, such as career fairs, workshops and invited speakers.
- (f) Student support and scholarships accomplish a very direct linkage with purposes of the ARPA program to assist people who have been impacted by the pandemic or are otherwise disadvantaged. Awards will be made by a committee consisting of the DDA Executive Committee augmented by representatives of the Workforce Advisory Council. The programs of the DDA are structured so that students who enroll in them qualify for federal financial aid. FAFSA qualification will be a factor. Loan support through the Bank of North Dakota is anticipated. Steps will be taken to ensure that all students who receive financial support for participation in the programs of the DDA will have the combination of academic promise, motivation and need that merit investment for the betterment of North Dakota in computing and cyber sciences.

Good afternoon, Chairman Holmberg and members of the Senate Appropriations Committee. I am Dr. Christie Massen and I serve as the Chief Laboratory Officer for the ND Department of Health.

I appear before you to support the request for funding to create a state-of-the-art public health laboratory. While there was federal funding provided during the last biennium, building requests for improvements or renovations were not allowable expenses under those federal sources. This one time, infrastructure funding is a great opportunity to address some significant concerns about the current public health laboratory. The current facility was built in 1974 with an addition built in 2004. During the pandemic, we rapidly grew to meet the demands and quickly ran out of space to appropriately manage the increased equipment, supplies, and personnel. In attempt to accommodate the growth, three temporary trailers were added to the parking lot, the Division of Disease Control moved to the capitol, and a distribution warehouse was leased. These temporary facilities house millions of dollars of laboratory instruments and supplies. The funds will address these concerns along with the extensive deferred maintenance in the current building.

Some examples of the deferred maintenance are included in the attached PowerPoint presentation. These images include pictures of water damage from roof leaks, flooring and wall damage from window issues, and chronic leaks in the penthouse roof that require a bucket to permanently sit in front of the building's electrical panel. Also, included are photos of the most recent water damage from a leak in the roof on October 10, 2021. Due to the continued mistrust of the building, a canopy is being ordered to cover one of our newest instruments to protect it when the next inevitable leak occurs. Other concerns that we have related to our building are the maxed-out air handling system, the maxed-out power grid, and other electrical issues such as the recently discovered automatic door that was tied to the thermostat. When the building would call for heat, the electricity would shut off to the door and it would not open.

The distribution center is a leased, 7,500 square foot warehouse. In this facility, the specimen collection devices are created and distributed around the state. The lease cost is \$10,125 per month plus utilities, currently paid with federal funds that expire June 30, 2023. The requested facility will be able to incorporate the distribution center back with the laboratory and would save the funds budgeted for the continued lease of the warehouse.

As I understand the intent of the bill, we will utilize the funds to establish a plan that will be physically and fiscally responsible. The project will likely cost more than the proposed funding. Therefore, once a plan is identified, the remaining budgetary needs will be presented for consideration at the 68th Legislative Assembly in 2023. This facility will address the continued space constraints, safety and security concerns, need for surge capacity, and allow for growth and expansion. The public health laboratory can then fully meet the needs of the citizens of ND and support much-needed federal programs such a chemical threat program and opioid biosurveillance.

Thank you for the opportunity to appear before you today. I would be happy to respond to any questions you may have.

The background of the slide is a blurred image of laboratory glassware, including test tubes and beakers, with a pipette tip visible on the right side. The text is overlaid on this background.

11826

State of the Art Public Health Laboratory Proposal

North Dakota Department of Health
Christie Massen, PhD, MS, MLS(ASCP)
November 2021



Current Facilities

- Original building build in 1974
- Addition built in 2004

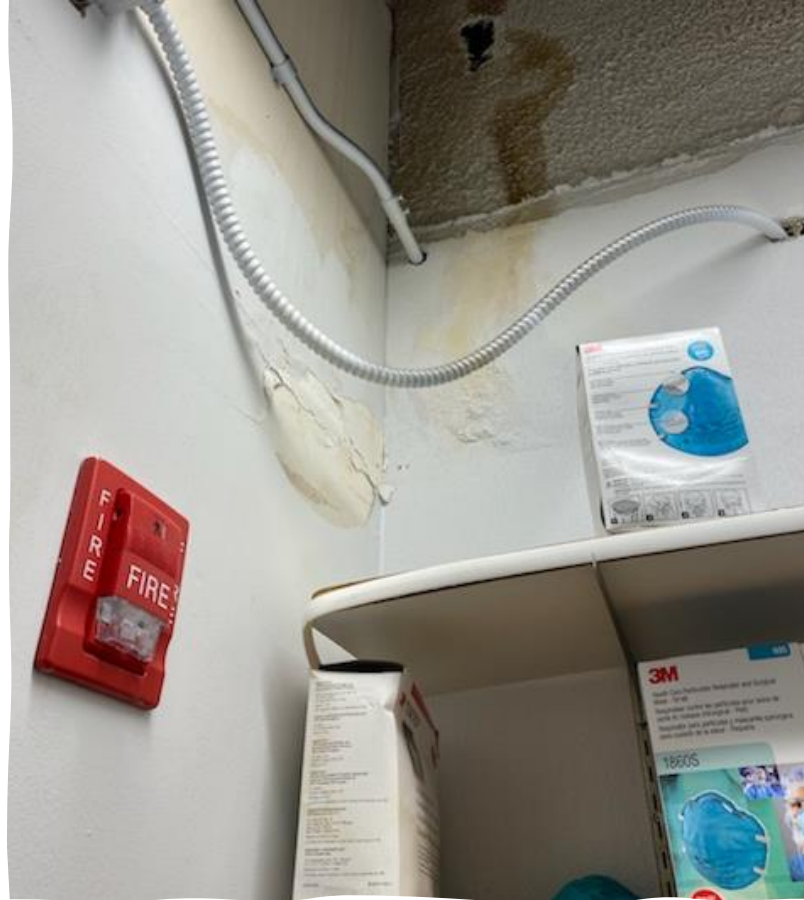
The Request

- 15 million dollars for a state-of-the-art public health laboratory.
- Expansion of emergency preparedness in the laboratory
 - Laboratory Response Network – Chemical Threat
- Expansion of test menu
 - Clinical toxicology services
 - Clinical chemistry services
 - Clinical hematology services



The Need

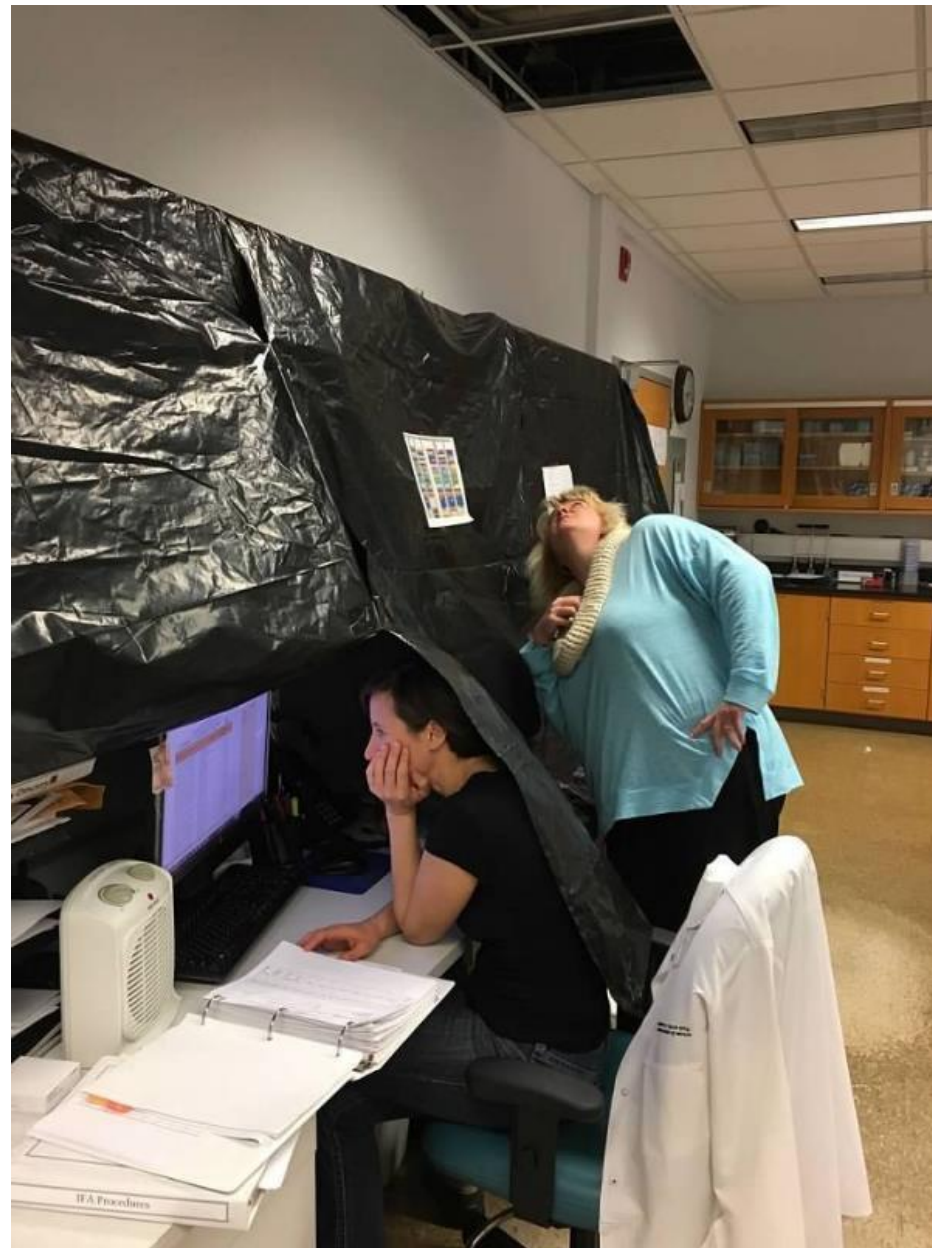
Temporary trailers are housing expensive equipment in the parking lot



The Need

- Extensive deferred maintenance







The Need

- Damage from rain 10-10-2021



The Need

- Renting 7,500 square foot warehouse to handle the creation and distribution of collection kits and supplies
- Rental Cost - \$10,125 per month + utilities

The Outcome

A state-of-the-art public health laboratory will:

- Increase ability to be agile and respond to changing demand
- Expand of emergency preparedness of the laboratory
 - Laboratory Response Network – Chemical Threat
- Expand its test menu
 - Clinical toxicology services
 - Clinical chemistry services
 - Clinical hematology services



PO Box 2254 • Bismarck, ND 58502-2254

Senate Appropriations Committee

Hearing Nov. 8, 2021

Testimony of Dave Lang, North Dakota Water Users Association

Good afternoon, Chairman Holmberg and members of the Senate Appropriations Committee. I am Dave Lang and I serve as the President of the North Dakota Water Users Association. Thank you for your hard work over the last month developing SB 2345. The North Dakota Water Users Association supports the appropriation of \$75 million of American Rescue Plan Act (ARPA) funds for water projects through SB 2345.

The Water Users Association was organized in 1959 to protect, develop, and manage North Dakota's water resources. It is currently comprised of over 300 local, statewide and regional organizations in North Dakota who have an active interest in water. We work closely with many North Dakota water organizations regarding funding needs and priorities. Collaboration is essential in meeting the water resource management needs of North Dakota.

Despite the generosity of the legislature this spring in funding water projects, there are still unmet needs. Whether for water supply, flood control, irrigation, or other water needs, there are projects across the state that could and will put ARPA funding to work. Projects under construction or close to construction have been especially hard hit by increased prices and supply chain challenges. Additional ARPA funding, above the Resources Trust Fund dollars previously allocated, will help projects pay for price increases due to inflation and save the state dollars in the long run by moving up the timeframe for project completion.

The North Dakota Water Users appreciates the conversation regarding water funding and the Resources Trust Fund that has accompanied the committee's work on ARPA funding. Water projects across the state were adversely impacted by the funding issues created by the COVID-19 pandemic. The situation highlighted areas for possible improvement with the current system for funding water projects. While this is certainly an issue that should be considered and addressed, we believe that is a policy decision best made during the regular legislative session. Waiting until the 2023 session would give all interested parties the opportunity to sit down and discuss the best solution to achieving predictable water funding.

For these reasons we would ask for your support of SB 2345 as introduced, without amendment to the section dealing with water funding.

Thank you.

An aerial photograph of a park featuring a large, irregularly shaped lake. A marina with numerous sailboats is situated on the lake's shore. Adjacent to the marina is a large, paved parking lot. Several small buildings, including a prominent red-roofed structure, are scattered throughout the park area. The surrounding landscape is lush with green grass and dense trees. The number 11774 is overlaid in large white digits in the upper right corner.

11774

SENATE APPROPRIATIONS COMMITTEE

Director Cody Schulz, November 8, 2021

NORTH
Dakota
Be Legendary.™

Parks & Recreation

ACCELERATE ND PROPOSAL

- \$33.6 million in Accelerate ND Proposal
- Why this is important now:
 - **Generational Investment - ROI**
 - \$74 million in deferred maintenance
 - Record number of visitors in 2020
 - 2021 visitation trending similar to 2020
 - Return of Canadian visitors in 2022





VISION: Enriching generations through experiences that connect people and places.



HEALTH

- Improves well-being
- Reduces health care costs
- Provides active transportation



ENVIRONMENT

- Connects citizens with nature
- Provides habitat for wildlife
- Improves air & water quality



COMMUNITY

- Creates sense of place
- Increases social connections
- Offers safe and accessible spaces



ECONOMIC

- Attracts businesses & workforce
- Increases property values
- Attracts visitors

ECONOMIC CONTRIBUTION

- Park visitation in 2020 had total economic contribution of **\$153.9 million** to state's economy
- Overall spending associated with visitors to ND state parks in 2020 was **\$110 million**
- Spending in areas near or within the state parks was **\$69 million** (2/3 of all state park visitor spending)
- Visitor and departmental spending supported **1,850 jobs** with a combined **\$68.5 million in labor income**



11780



**North Dakota Grain Growers Association
Testimony in Support of SB 2345 Section 1
Subsection 3
Senate Appropriations Committee
November 8, 2021**

Chairman Holmberg, members of the Senate Appropriations Committee, for the record my name is Dan Wogsland, Executive Director of the North Dakota Grain Growers Association (NDGGA). NDGGA, through our contracts with the North Dakota Wheat Commission and the North Dakota Barley Council, engages in domestic policy issues on the state and federal level on behalf of North Dakota wheat and barley farmers. I am providing testimony for you today on behalf of NDGGA in support SB 2345, Section 1, subsection number 3, which appropriates \$75 million to the Department of Water Resources for the purpose of water infrastructure projects in North Dakota.

Chairman Holmberg, members of the Senate Appropriations Committee, you are very much aware of the need for orderly water management for the successful operation of agriculture in the state of North Dakota. Water management is a key component which allows North Dakota farmers and ranchers to provide the food and fiber necessary to satisfy the needs of citizens across the globe. Additionally, orderly water management allows North Dakota to provide water for its citizens as well as protect them in times of both drought and floods. SB 2345, Section 1 subsection 6 provides the North Dakota Department of Water Resources the added ability to address the water management needs of the state which will help to enhance the state's economy in virtually every sector.

Therefore the North Dakota Grain Growers Association would respectfully request that the Senate Appropriations Committee give its support to SB 2345, Section 1 subsection 6 and the Association would hope that the full Senate would concur.

"You Raise; We Represent"

Phone: 701-282-9361 | Fax: 701-404-5187 | 1002 Main Ave W. #3 West Fargo, N.D. 58078

11781



**North Dakota Grain Growers Association
Testimony in Support of
SB 2345, Section 1, subsection 6
Senate Appropriations Committee
November 8, 2021**

Chairman Holmberg, members of the Senate Appropriations Committee, for the record my name is Dan Wogsland, Executive Director of the North Dakota Grain Growers Association (NDGGA). NDGGA, through our contracts with the North Dakota Wheat Commission and the North Dakota Barley Council, engages in domestic policy issues on the state and federal level on behalf of North Dakota wheat and barley farmers. I am providing testimony for you today on behalf of NDGGA in support of SB 2345, Section 1, subsection 6, which provides needed capital improvements for NDSU Ag Research and Extension.

Chairman Holmberg, members of the Senate Appropriations Committee, agriculture research and extension is a vital component in the success for North Dakota agriculture. The over \$8 million of capital improvements outlined in SB 2345, Section 1, subsection 6, provide essential upgrades for the research and extension network which will pay dividends to the North Dakota economy. These improvements will enhance the ability for ag research and extension to respond to the ag industry needs in the state and will help to better address the challenges North Dakota farmers and ranchers have in their quest to feed the world.

Therefore the North Dakota Grain Growers Association would respectfully request that the Senate Appropriations Committee support SB 2345, Section 1, subsection 6, and the Association would hope that the full Senate concur.

"You Raise; We Represent"

Phone: 701-282-9361 | Fax: 701-404-5187 | 1002 Main Ave W. #3 West Fargo, N.D. 58078

11789

Cynthia Rott

Budget Director

North Dakota State University

**Testimony of Mayor Brandon Bochenski
Lake Agassiz Water Authority Member & Grand Forks Mayor
Senate Appropriations Committee
Bismarck, North Dakota – November 8, 2021**

My name is Brandon Bochenski, and I am the Mayor of Grand Forks and a member of the Lake Agassiz Water Authority (Lake Agassiz). Lake Agassiz and the Garrison Diversion Conservancy District (Garrison Diversion) are cosponsors of the Red River Valley Water Supply Project.

The State of North Dakota has an incredible opportunity to safeguard our future against devastating droughts, which have impacted the region's industry and human use several times during the last century. With an investment of \$50 million in ARPA funds, the Red River Valley Water Supply Project will continue its construction progress. With over \$200 million in shovel ready construction, the project can make significant progress in a shorter amount of time, saving overall costs and reducing inflation risk.

Drought Resiliency Solution

The City of Grand Forks, along with 30+ water systems across central and eastern North Dakota, watched anxiously this summer as drought took a hold of our region. The Red River flow in Grand Forks was so low this summer many items in the river from the 1930s were uncovered and parts of the river stagnated.

Climatologist Daryl Richardson presented a historic look at droughts at a recent water conference. He noted that what we saw this summer wasn't even considered a moderate drought in terms of comparing it to the 1980s let alone the 1930s. We know that something

much more damaging to our economy and our citizens will eventually return and we have to be ready for it.

It is absolutely critical that we invest in the Red River Valley Water Supply Project now. It benefits not only Grand Forks, but nearly half of the population of North Dakota. A decade-long drought such as what the State experienced in the 1930's would have a \$32 billion impact on the **entire** State of North Dakota, while a moderate drought similar to the 1980's would have more than a billion-dollar impact. Both scenarios would be devastating to the state's economy not to mention the real human concern of not having enough drinking water for our communities.

Affordability and Long-Term Cost Savings

ARPA funding was intended for projects exactly like this – an opportunity for state and local governments to make strategic investments in long-lived assets. More importantly, by making this investment now, we can buy down the project cost and make it affordable for small and large systems alike.

Additionally, with the ability to access ARPA funds, key areas of the project can be completed. We truly have a great opportunity to not only shorten the project timeline, but also minimize inflation risks that threatened to price out smaller communities. Please consider appropriating \$50 million to the Red River Valley Water Supply Project.

Thank you, Chairman Holmberg and members of the Senate Appropriations Committee for the opportunity to provide testimony.

**Testimony of Shannon Schutt
North Dakota Recreation & Park Association
To Senate Appropriations Committee
In Support of SB 2345
Monday, November 8, 2021**

Chairman Holmberg and Members of the Committee, my name is Shannon Schutt, and I am the executive director of the North Dakota Recreation & Park Association (NDRPA). We represent more than 900 members, primarily park districts, and work to advance parks, recreation and conservation for an enhanced quality of life in North Dakota. We are in support of SB 2345.

Section 1, subsection 5 of the bill provides \$5 million in matching grant funds to local park districts to renovate and upgrade existing outdoor facilities. The grant program will help with various park district infrastructure needs.

Park districts are separate political subdivisions and separate taxing entities from cities, like counties and school districts. Approximately 50% of their revenue is generated from programs and fees. The remaining portion comes from property taxes and state aid. They use those funding mechanisms for infrastructure projects. ARPA funds awarded to cities and counties from the federal government has not included park districts.

We are aware some revisions to the proposed grant program may be presented. We'd like to express our support in removing the word "outdoor" from the bill language as well as revising the amount each park district could receive from \$1.5 million to \$500,000 to allow more park districts to apply and receive the funding. We would also like to offer our assistance in determining the funding criteria for the grant program.

Parks and recreation are essential public services and a valuable part of community infrastructure. Providing safe, affordable and accessible recreation opportunities for citizens and visitors is essential to maintaining a high quality of life in North Dakota that attracts and retains workforce and engages tourists.

We appreciate the legislature's consideration for funding for park district infrastructure needs. Thank you for the opportunity to express our support for this bill.

Members of the Senate Appropriations Committee:

My name is Sarah Lovas and I am a farmer and agronomist from Hillsboro, ND. Currently, I serve as the Chair for the State Board of Agricultural Research and Education. Thank you for your previous support of the North Dakota Agriculture Research Station and NDSU Extension. Please support the draft language in SB2345 and fund the Livestock Research Facility Upgrades at three of the research Extension Centers (Carrington REC, Central Grasslands REC, and Hettinger REC).

Currently, the SB2345 bill draft includes \$446,000 for projects at the Carrington REC, \$1,963,000 for projects at the Central Grasslands REC, and \$3,420,000 for projects at the Hettinger REC. These improvements would enhance the ability of these Research Extension Centers to conduct livestock research by improving animal handling and safety for both the animals and the employees. These livestock facility improvements currently rank number two on SBARE's capital project list. Investing in these facilities would support the livestock industry in North Dakota and enhance NDSU REC's ability to collect and provide meaningful and useful data related to livestock nutrition, management, and cost of production. This research will lead to improvements in productivity and profitability in the livestock industry which can help drive North Dakota's economy

Although, not currently in the SB2345 draft bill, it is important to note the need for a couple of other capital projects. 1) A new Agronomic Research Building (Waldron Hall Replacement) at the Main Station in Fargo. The cost of this project would be \$70,000,000. The current building is outdated and too small to house the currently researchers and their staff. The old building is currently responsible for crop production research for all major crops in North Dakota. This is the number 1 on the SBARE Priority List for capital projects. 2) There is a need for machine sheds at the 7 REC's and the Main Station in Fargo (total cost of \$2,450,00 for all 7 sheds). Storing the equipment in machine sheds would greatly help the longevity of this specialized research equipment. The machine shed request is currently number 4 on the SBARE Capital list.

These capital project requests have been thoroughly vetted by SBARE through our prioritization process. If these capital projects were funded, you can be sure that this is a good investment for State dollars with a great ROI for the state. In fact, 1 out of every 4 people employed in North Dakota are connected to agriculture and ag research has a 40% return on investment.

Thank you for your time.

Sarah Lovas,

SBARE Chair

Members of the Appropriations Committee:

I am writing to voice support for Bill #2345, which includes approximately \$8 million in funding for the North Dakota Agricultural Experiment Station for several capital infrastructure projects at the REC Network. Most of this funding will go to improving and expanding livestock facilities at various Research Extension Centers across our state. This will help enhance the livestock initiative for NDSU Extension that was part of SB 2020 that was funded during the past legislative session. Livestock have tremendous potential for expansion in North Dakota, since we lag far behind Minnesota, Montana, and South Dakota in livestock production.

Please support this funding opportunity for North Dakota agriculture, our number one industry.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Birdsall". The signature is fluid and cursive, with the first name "Mark" written in a more stylized, looped manner and the last name "Birdsall" written in a more straightforward cursive script.

Mark Birdsall
North Dakota Producer

**Testimony of Dr. Timothy Mahoney, Chairman of Lake Agassiz Water Authority
Senate Appropriations Committee
Bismarck, North Dakota – November 8, 2021**

My name is Dr. Tim Mahoney, and I am the Chairman for the Lake Agassiz Water Authority (Lake Agassiz) and the Mayor of Fargo. Lake Agassiz and the Garrison Diversion Conservancy District (Garrison Diversion) are cosponsors of the Red River Valley Water Supply Project. I am testifying in support of our request for \$50 million in ARPA funds to complete shovel ready portions of the project, which will benefit over 30 water systems across central and eastern North Dakota. Project construction is steadily progressing and with the approval by the State Water Commission on October 14th; only \$1.9 million remain of the funds appropriated by the state legislature.

The Red River Valley Water Supply Project is a drought mitigation project that will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. Lake Agassiz represents the local users in the Red River Valley Water Supply Project.

The statewide drought experienced in North Dakota this year reinforces the need to safeguard the water supply for nearly half of North Dakota's population. The State's economy would suffer a \$32 billion negative impact if a decade-long drought, such as the one experienced in the 1930s, would occur.

The project's continued progression is dependent on funding, which brings me to our request for \$50 million in ARPA funds. The \$50 million could be used immediately, as we have \$200 million of shovel-ready portions all set for construction. These funds would allow for additional pipeline construction.

Maintaining affordability is a key factor for participating water systems and cities. As users we agree that this project is critical, but are still concerned about our local share to participate. ARPA funds could make this project more affordable for participants, as ARPA funding can reduce the project's timeline and minimize inflation risks that threaten to price out small communities. Please consider appropriating \$50 million to the Red River Valley Water Supply Project.

Thank you for the opportunity to provide testimony.



**Testimony on APRA Funding for the Red River Valley Water Supply Project
Presented to the Senate Appropriations Committee
Prepared by Bernie Dardis, West Fargo City Commission President
Monday, Nov. 8, 2021**

1 Chairman Holmberg and members of the Senate Appropriations Committee, thank
2 you for opportunity to testify in support of ARPA funding for the Red River Valley Water
3 Supply Project. My name is Bernie Dardis, and I am the President of the West Fargo City
4 Commission. The recent census showed the City of West Fargo grew by nearly 50% over
5 the last decade and that is why, as a participant in the Red River Valley Water Supply
6 Project, it is critical that we invest as a state in this Project to ensure the long-term
7 economic vitality and resiliency of our growing and vibrant community in West Fargo.

8 During this year's drought, West Fargo issued water restrictions similar to those
9 implemented by cities across North Dakota. We are part of a regionalized water system
10 that draws from the Red and Sheyenne Rivers. The Sheyenne River, which runs through
11 West Fargo, was alarmingly low during the peak of this year's extremely dry weather.

12 As one of the largest cities in North Dakota with close to 40,000 residents and the
13 second largest school district in the state, we cannot rely upon water restrictions to
14 ensure our residents have enough water.

15 In order for our community and the State to thrive, we need access to a
16 supplemental water supply to attract and retain more industries. Cargill is one of the
17 largest water users in West Fargo. Between the plants in West Fargo and Wahpeton,

18 Cargill employs more than 230 people in the State. The plants represent an investment
19 of more than \$260 million. If we are to continue to draw new industry to North Dakota,
20 West Fargo and the other cities involved in the Red River Valley Water Supply we need
21 the supplemental water supply provided by the project. It is crucial for North Dakota's
22 economic diversification.

23 As a Killdeer boy, I understand the discussion that goes on about the needs of the
24 east and those of the west in our State. Together though, we share in the opportunity
25 made possible by access to one of our greatest natural resource, the Missouri River,
26 which already supplies water through the successful Southwest Pipeline Project, the
27 Western Area Water Supply, and now possible through the Northwest Area Water
28 Supply. The Red River Valley Water Supply Project is an opportunity for the State to
29 complete the vision put forward by its newly created Department of Water Resources,
30 which says, "Missouri River water will be put to beneficial use through its distribution
31 across the state to meet the ever-increasing water supply and quality needs."

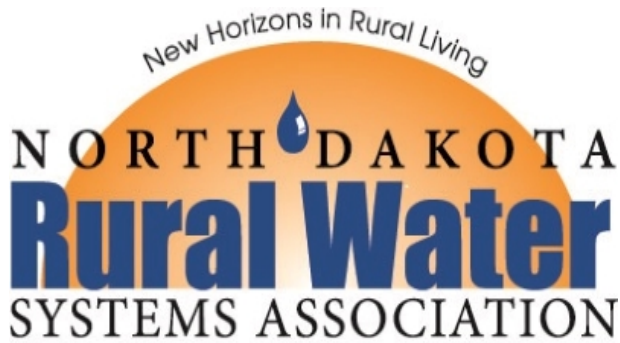
32 The Red River Valley Water Supply Project is not a project for one city; it is a
33 transformational project for the State that will benefit nearly half the population of North
34 Dakota when complete. In July, construction crews began work on the buried pipeline
35 that will deliver Missouri River water to large and small communities and rural water
36 systems from central North Dakota all the way to the Red River Valley. The Project will
37 not just provide an emergency water supply during moderate to severe droughts, it will
38 also serve as a catalyst for half the state to have access to a supplemental water
39 supply that will yield economic development opportunities to all the Project's
40 participants for which the entire State will see benefit.



41 With \$200 million of shovel-ready construction ready to proceed, the Red River
42 Valley Water Supply Project is asking for \$50 million in ARPA funding be put toward
43 accelerating construction so that Grand Forks, Valley City, Fargo, West Fargo, and all
44 the rural water systems can realize the benefits sooner. There are specialized
45 construction crews already in place working on the pipeline right now as I provide this
46 testimony.

47 As we learned from the drought this year, now is not the time to be putting
48 money in the bank for a rainy day because those have been too few and far between
49 lately. Putting \$50 million in ARPA funds toward this Project will provide for an immediate
50 return on investment and should be utilized to make the Project more affordable for not
51 just the State, but for all the community partners involved.

52 Thank you, Chairman Holmberg and members of the Senate Appropriations
53 Committee, for your time and consideration of the needs of my community of West
54 Fargo.



Eric Volk, Executive Director

ND Rural Water Systems Association

Senate Appropriations Committee

In Support of Senate Bill 2345

November 8, 2021

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Eric Volk. I am the executive director of the North Dakota Rural Water Systems Association (NDRWSA). Our vision is to ensure all of North Dakota has access to affordable, ample, and quality water. NDRWSA is committed to completing and maintaining North Dakota's drinking water infrastructure for economic growth and to improve the quality of life of our residents. Today, I am submitting testimony in support the \$75M in Water Funding (Section 1: subsection 3) that is included in SB 2345.

Rural/Regional Additional Funding Need:

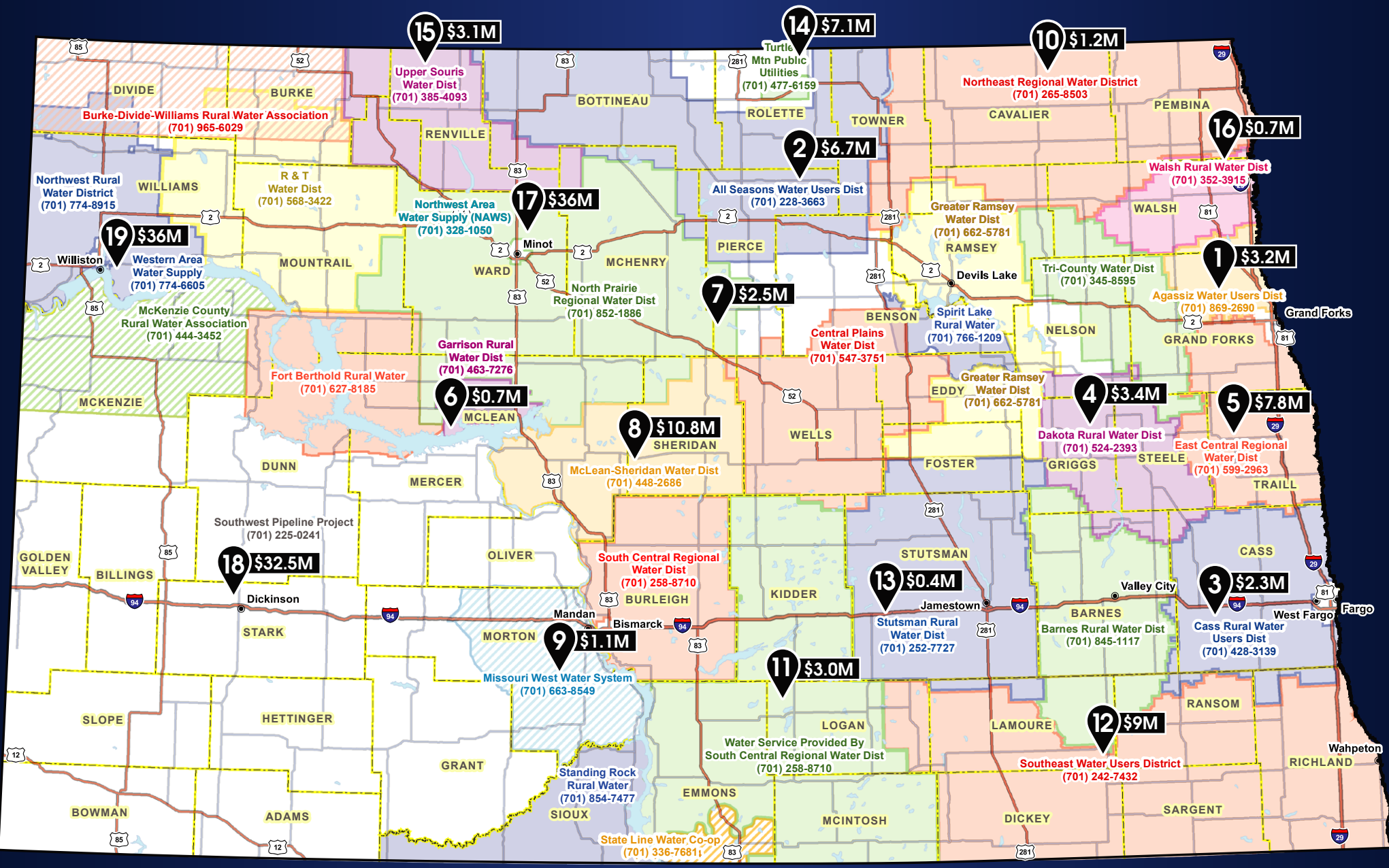
The Rural/Regional Water (RW) industry has seen a significant rise in material and construction costs. This might be the new normal for the near future. The Rural Water bucket for the 21-23 biennium is at about \$60M. As things stand today, that budgeted amount will not be enough to complete the projects we presented during the 2021 session. (Map of 2021-23 Projects is Attached).

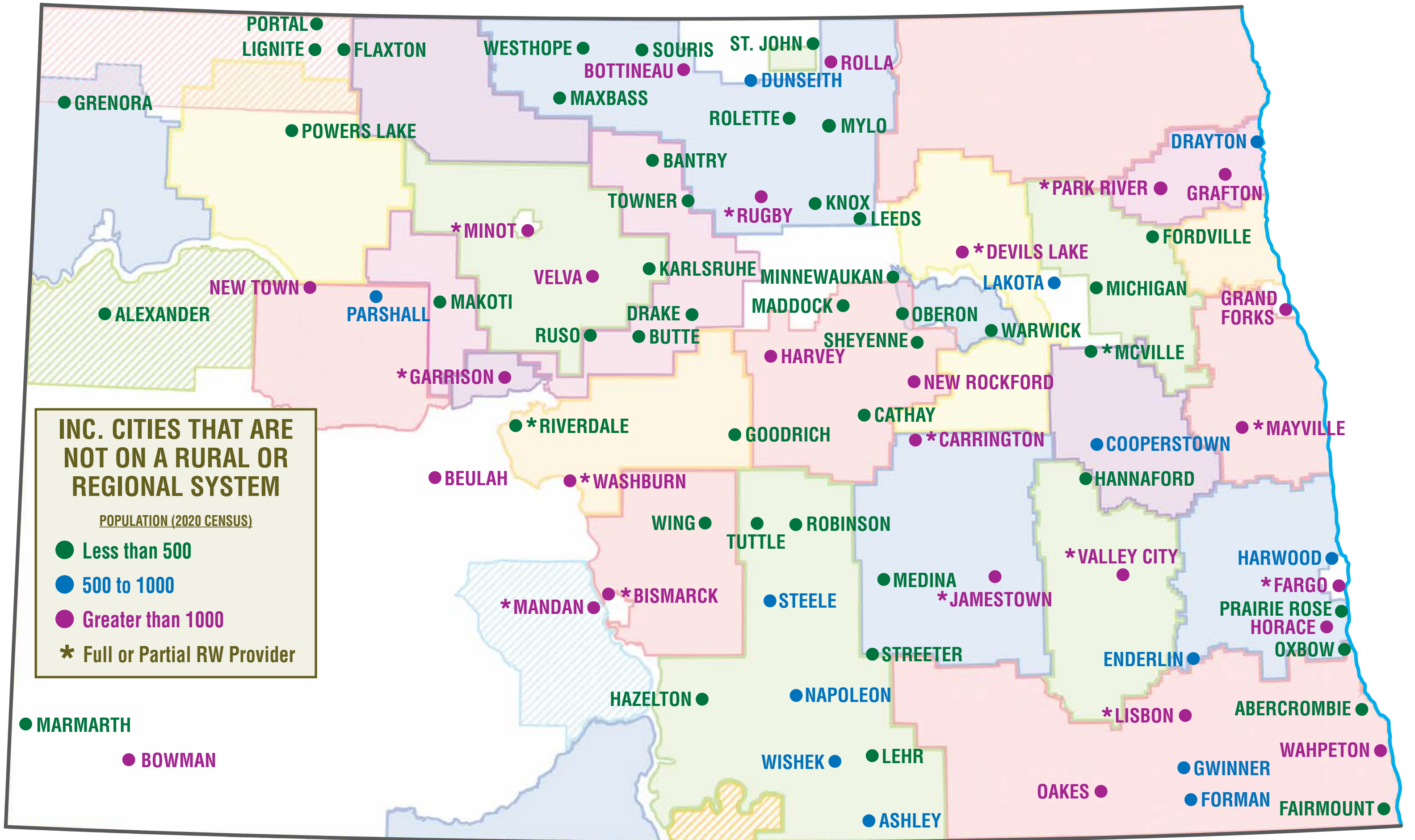
If drought conditions persist, our RW Systems will play an ever-increasing roll in our state. Whether it is to replace a failing home well, to assist a city supply issue or to make sure our livestock/crop industry has an ample supply of water; we need to be ready to seamlessly fulfill these needs.

The RW Group worked with the Department of Water Resources and came up with a 10-year need for Rural Water that totaled \$230M in state funding. This is a combination of individual hook-ups, serving cities (Map of Cities Not Served is Attached) and upgrading facilities to provide adequate pressure & flow. Funding these projects now will protect the state and local customers from rising costs and inflation. (Estimated 10-year Water Project Funding Needs, 2021-2031 & Revenue Comparisons is Attached).

Looking at the “BIG WATER” picture, if funds were allocated to larger water projects (Billion Dollar Projects), such as the Mouse River Flood Control, this would have a similar affect as the bonding bill did this last session. It will take pressure off of the Resources Trust Fund and allow for other important projects to be funded.

Thank you for your time and effort. It is greatly appreciated. Please contact me, Eric Volk, Executive Director, ND Rural Water with any Water questions. 701-391-5080 or ericvolk@ndrw.org .





INC. CITIES THAT ARE NOT ON A RURAL OR REGIONAL SYSTEM

POPULATION (2020 CENSUS)

- Less than 500
- 500 to 1000
- Greater than 1000
- * Full or Partial RW Provider

● MARMARTH
● BOWMAN

ESTIMATED 10-YEAR WATER PROJECT FUNDING NEEDS (2021-2031) & REVENUE COMPARISONS				
PROJECT	STATE	LOCAL	FEDERAL	TOTAL 10-YEAR COST
Agency Operations	\$320,000,000	\$-	\$-	\$320,000,000
Water Supply	\$2,029,100,000	\$781,800,000	\$30,000,000	\$2,840,900,000
Southwest Pipeline Project	\$206,000,000	\$-	\$-	\$206,000,000
Red River Valley Water Supply Project	\$892,000,000	\$298,000,000	\$-	\$1,190,000,000
Western Area Water Supply	\$93,000,000	\$38,000,000	\$-	\$131,000,000
Northwest Area Water Supply*	\$69,200,000	\$9,300,000	\$82,000,000	\$160,500,000
Municipal Water	\$537,400,000	\$358,200,000	\$-	\$895,600,000
Rural Water	\$229,700,000	\$76,600,000	\$-	\$306,300,000
Flood Control	\$952,400,000	\$929,000,000	\$737,000,000	\$2,618,400,000
Mouse River Enhanced Flood Protection	\$418,000,000	\$216,400,000	\$40,000,000	\$674,400,000
Valley City	\$66,400,000	\$16,900,000	\$-	\$83,300,000
Fargo-Moorhead Area Diversion Project	\$435,500,000	\$687,000,000	\$697,000,000	\$1,819,500,000
Lower Heart (Mandan) Flood Risk Reduction	\$13,000,000	\$8,700,000	\$-	\$21,700,000
Other Flood Control & Conveyance	\$98,300,000	\$121,800,000	\$8,000,000	\$228,100,000
General Water	\$50,000,000	\$35,000,000	\$74,000,000	\$159,000,000
TOTAL	\$3,428,500,000	\$1,865,900,000	\$901,000,000	\$6,195,400,000

At \$200 Million Per Biennium		At \$300 Million Per Biennium		At \$400 Million Per Biennium	
Resources Trust Fund	\$1,000,000,000	Resources Trust Fund	\$1,500,000,000	Resources Trust Fund	\$2,000,000,000
STATE SHORTFALL	\$2,428,500,000	STATE SHORTFALL	\$1,928,500,000	STATE SHORTFALL	\$1,428,500,000

**Testimony of Rural Water Systems
Senate Appropriations Committee
Bismarck, North Dakota – November 8, 2021**

The Red River Valley Water Supply Project is drought mitigation infrastructure that will safeguard water for North Dakota rural water systems and communities in times of moderate and severe droughts. On behalf of the rural water systems in central and eastern North Dakota, thank you for this opportunity to testify in support of ARPA funding for the Red River Valley Water Supply Project.

The Project will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. Construction of the pipeline began over the summer and our warm fall has allowed construction crews to continue to make excellent progress into November.

Garrison Diversion Conservancy District (Garrison Diversion) and Lake Agassiz Water Authority (Lake Agassiz) are the cosponsors of the Project. There is currently \$200 million of shovel ready construction which could move forward immediately if granted ARPA funding from the legislature.

Please approve the \$50 million request from North Dakota's ARPA funding so the Red River Valley Water Supply Project can be completed more quickly. The rural areas of North Dakota and our water systems were particularly impacted by this year's drought conditions, when the entire state of North Dakota experienced moderate to severe drought. Rural water systems need access to the supplemental and emergency supply of Project water as soon as possible. \$50 million from the State's ARPA funds can fast track the construction of this crucial Project.

In addition, by approving the \$50 million request to buy down the Red River Valley Water Supply Project's costs, the Project will be more affordable for rural water systems and small communities to participate. Affordability is an ongoing concern for many of the rural

communities and water systems. Participation in the Red River Valley Water Supply Project comes at an additional cost to end users' operating and maintenance costs for our existing infrastructure.

Investing now in this Project makes good fiscal sense for the end users as well as the State of North Dakota. A decade-long drought similar to what we experienced in the 1930s would have a \$32 billion impact on North Dakota's economy, while a moderate drought similar to the 1980s would have more than a billion-dollar impact. The economic impact of a drought will negatively affect the entire State's economy. Likewise, the Project's economic benefits related to attracting new industries will benefit the entire State.

Please grant the request for \$50 million from North Dakota's ARPA funding so the Red River Valley Water Supply Project can be completed sooner. The benefits of the Project will have a positive impact on more than 30 rural water systems and communities, as well as providing the State of North Dakota with climate and economic resiliency.

Thank you, Chairman Holmberg and members of the Senate Appropriations Committee, for accepting our testimony.

Jerry Blomeke, Cass Rural Water District

Jeremy Schuler, Northeast Regional Water District

Jay Anderson & Steve Hansen, Southeast Water Users District

**Testimony from the Mayor Dave Carlsrud, Mayor of Valley City
Senate Appropriations Committee
Bismarck, North Dakota – November 8, 2021**

The City of Valley City is a small water user in central North Dakota supporting the Red River Valley Water Supply Project. I am Mayor Dave Carlsrud, testifying in support of a request for \$50 million in ARPA funds to continue the forward progression of the Red River Valley Water Supply Project.

The Red River Valley Water Supply Project is a long-term emergency water supply and an economic development initiative that will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. The project will provide a reliable water source across central and eastern North Dakota, which is critical to future economic development opportunities for our communities.

It's vital to plan for our future water supply, as there have already been missed industrial opportunities in central and eastern North Dakota due to insufficient water supplies. The Red River Valley Water Supply Project has a future outlook to 2075 and will serve over 30 water systems across central and eastern North Dakota for more than 50 years.

A key factor to small users' participation in the Project is maintaining affordability. While we agree the Project is a critical investment for our communities, we are concerned about our local share to participate. ARPA funds would make this project more affordable for us as small users, as the additional funding could reduce the Project's timeline; therefore, reducing the overall cost of the Project.

Project construction is already underway; however, additional funding is critical for continued progress, which brings us to our request for \$50 million in ARPA funds. Accessing

ARPA funds will enable key areas of the project to be completed in a timelier manner, making a significant difference in the affordability of this Project to us small users.

A more affordable buy-in to the Red River Valley Water Supply Project will secure a reliable water supply for our future, allowing smaller water users the ability to pursue and capitalize on potential economic development opportunities which will provide long-term benefits to our communities. Please consider appropriating \$50 million to the Red River Valley Water Supply Project for the economic future of North Dakota.

Respectfully,

Mayor Dave Carlsrud, City of Valley City



North Dakota Veterinary Medical Association

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**Testimony of Dr. Kim Brummond
President, ND Veterinary Medical Association
In Support of SB 2345
November 8, 2021**

Members of the Senate and House Appropriations Committees:

I am Dr. Kim Brummond, and I am the owner of West Dakota Veterinary Clinic in Dickinson and also serve as the president of the North Dakota Veterinary Medical Association (NDVMA). On behalf of NDVMA, I'd like to voice support of SB 2354, specifically as it relates to appropriating \$8 million in American Rescue Plan Act (ARPA) dollars to ND Agricultural Experiment Station capital infrastructure projects.

NDVMA has spent more than a century representing the interests of veterinarians, their clients and patients. Today, the organization has more than 300 members representing small and large animal, exotic, bovine, and equine practitioners, as well as those veterinarians working in research, academic and government capacities.

Facilities capable of conducting high-quality agriculture and livestock research in North Dakota is very important to the future of veterinary medicine in the state. Therefore, NDVMA supports the following funding:

- \$446,000 for the Carrington Research Extension Center for livestock facility improvements including construction of a covered feeding barn and smart feeding system
- \$1,963,000 for the Central Grasslands Research Extension Center for livestock facility improvements including the renovation of pens, livestock handling facilities, and waste-water containment facilities
- \$3,420,000 for the Hettinger Research Extension Center for livestock facility improvements including the construction of a processing and research support facility for beef cattle and a sheep feed efficiency facility
- \$2,200,000 for the Dickinson Research Extension Center to construct an agricultural laboratory and shop at the DREC headquarters

Investments into the state's research extension centers are essential to responding to the needs of the livestock and agriculture industries in the state and to finding answers to tough research questions that continue to challenge food production in the coming decades.

On behalf of NDVMA, I'd urge your support in appropriating ARPA funds to livestock-related facilities within the research extension center network.



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**Testimony of Darrell Oswald
Chair, North Dakota Ag Coalition
SB 2345
November 8, 2021**

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Darrell Oswald, and I am a rancher near Wing, North Dakota. I also serve as the chair of the North Dakota Ag Coalition. It is on behalf of the Ag Coalition that I voice support for SB 2345, specifically as it relates to Section 1; subsection 6 and funding the 2021-2023 SBARE priorities for the NDSU Extension and the North Dakota Agricultural Experiment Station, specifically the updated capital improvement requests.

The Ag Coalition has provided a unified voice for North Dakota agricultural interests for over 35 years. Today, we represent more than 40 statewide organizations and associations that represent specific commodities or have a direct interest in agriculture. Through the Ag Coalition, our members seek to enhance North Dakota's agriculture industry.

The Ag Coalition takes a position on a limited number of issues, brought to us by our members, that have significant impact on North Dakota's agriculture industry. The Ag Coalition supports use of American Rescue Plan Act (ARPA) funding for the capital improvement requests made by SBARE as ag research and extension continue to be one of the top priorities for North Dakota's crop and livestock producers. North Dakota producers rely on ag research and extension to make decisions to produce the highest quality product that is most economically feasible.

The livestock facilities for Carrington Research Extension Center, Central Grasslands Research Extension Center and Hettinger Research Extension Center will ensure North Dakota is well equipped to provide the research needed by the region's livestock producers.

We appreciate your past support and urge your continued support of research and extension as these programs provide valuable information, education and tools for the state's producers.

Status of Appropriations Included in Senate Bill No. 2345 and House Bill Nos. 1505 and 1506

Senate Bill No. 2345			
Section	Subsection	Agency	Description
1	1	Industrial Commission	Pipeline infrastructure to transport natural gas from western to eastern North Dakota
1	2	Industrial Commission	Abandoned oil well conversion to water supply grant program to convert abandoned wells to livestock freshwater supply wells resiliency
1	3	Department of Water Resources	Water infrastructure
1	4	Department of Corrections and Rehabilitation	Stipends to county jails for costs to house inmates sentenced to the department but deferred admission due to the pandemic
1	5	Parks and Recreation Department	Grants to local park districts to renovate and upgrade existing outdoor facilities with a maximum of \$1.5 million per park district requirement
1	6	NDSU main research center	Capital projects, including, \$446,000 for projects at the Carrington REC, \$1,963,000 for projects at the Central Grasslands REC, the Hettinger REC, \$2.2 million Dickinson REC
1	7	State Department of Health	Public health laboratory renovation - The department must provide the plan for the building during the 2023 legislative session
1	8	Department of Corrections and Rehabilitation	Free through recovery program capacity increase, wait time reduction, recidivism reduction, and improve outcomes
1	9	Parks and Recreation Department	State park projects - Each of the 13 state parks must receive a minimum of \$100,000 for deferred maintenance or small capital projects
1	10	Office of Management and Budget	Critical maintenance projects
1	11	Office of Management and Budget	HVAC improvements to the legislative chambers and the Brynhild Haugland room
1	12	State Historical Society	Essential infrastructure at historic sites
1	13	State Board of Higher Education	High performance computing at NDSU
1	14	State Board of Higher Education	Merrifield Hall project at the University of North Dakota
1	15	State Board of Higher Education	Polytechnic building project at Bismarck State College
1	16	State Board of Higher Education	Hartnett Hall project at Minot State University
1	17	State Board of Higher Education	University of North Dakota School of Medicine and Health Sciences for equipment and personnel to use hyperbaric oxygen therapy
1	18	State Board of Higher Education	Dakota Digital Academy
1	19	Attorney General	Development of a missing persons database
1	20	Attorney General	Replacement of the prosecuting case management system
1	21	Highway Patrol	Radios compatible with the statewide interoperable radio network
1	22	Department of Corrections and Rehabilitation	Radios compatible with the statewide interoperable radio network
1	23	Information Technology Department	Grant to the North Dakota Stockman's Association for the conversion of a paper-based brand inspection program to an electronic system
1	24	Adjutant General	State active-duty software replacement
1	25	Judicial Branch	Replacement of the Supreme Court docket system
1	26	Office of Administrative Hearings	Development of a web-based document management system
1	27	Department of Human Services	Retention bonuses for direct service professionals serving clients with intellectual or developmental disabilities
1	28	Department of Human Services	Long-term care facility grants, including \$20.8 million for nursing facilities, \$2.95 million for basic care facilities, and \$1.25 million for respite care
1	29	Department of Human Services	Western North Dakota behavioral health (\$4 million), childcare services (\$17 million), Medicaid eligibility system upgrade (\$5 million), and disorder treatment voucher system grants (\$3 million)
1	30	Department of Human Services	Alternatives to abortion services grants
1	31	Adjutant General	Camp Grafton housing enhancement

Senate Bill No. 2345		Appropriation
Agency	Description	Federal Funds
Business	A grant to assist in the construction of the \$8 million Fisher House at the Fargo Veterans' Affairs Medical Center	500,000
Business	Veteran's medical transportation	147,000
	Fuel production facility incentive grant program	21,000,000
	Transfer to the innovation technology loan fund (LIFT) program	5,000,000
	Hydrogen development grants	20,000,000
	Autonomous agriculture matching grant program to accelerate innovation and research within the autonomous agriculture industry - Grand Farm Initiative	10,000,000
	Local workforce development incentive grant program to support efforts to recruit, retain, or retrain workers. Requires 25 percent matching funds from local sources	15,000,000
	Technical skills training grant program for the expansion of successful workforce training programs to allow business to establish or expand internal training and training for new workers and workforce innovation grant program to focus on attracting skilled workers to the state from targeted communities and regions	5,000,000
Education	Establishment of a Center for Space Education and Research at the University of North Dakota	10,000,000
	Airport grants	5,000,000
Total State Fiscal Recovery Fund - Senate Bill No. 2345		570,035,705
	Undesignated federal funds in excess of the regular federal funding amounts included in the Department of Transportation's 2021-23 biennium budget for road and bridge construction projects	100,000,000
Select Items Included in House Bill Nos. 1505 and 1506		Appropriation
Agency	Description	Federal Funds
Technical Education	Funding source changes to state fiscal recovery fund - House Bill No. 1505	36,474,000
Technical Education	Career Academies - Coronavirus capital projects fund - House Bill No. 1505	50,000,000
Department	Career Academies - State fiscal recovery fund - House Bill No. 1505	30,000,000
	Rural broadband grants- Coronavirus capital projects fund - House Bill No. 1505	63,276,228
	Highway, road and bridge repairs and construction appropriated in House Bill No. 1395 - House Bill No. 1505	317,000,000
Information	Information technology upgrades - State fiscal recovery fund - House Bill No. 1506	100,000
	Total - Coronavirus Capital Projects Fund	113,276,228
	Total - State Fiscal Recovery Fund	953,609,705
	Total Funding Available from State Fiscal Recovery Fund	1,007,502,515
	Remaining State Fiscal Recovery Fund Funding	53,892,810

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2345 A.M.
11/9/2021
Senate Appropriations Committee

A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to provide for a report; and to provide an effective date.

Chairman Holmberg opened the meeting at 8:39 a.m.

Senators present: Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.

Discussion Topics:

- Missing Person Database
- Court Docket System
- Fisher House
- Airport Issues
- Charitable Gaming
- Pipeline
- Department of Human Services Needs

Representative Buffalo, District 27, testified in favor and submitted testimony #11999

Wayne Stenehjem, Attorney General, testified in favor but submitted no testimony

Heidi Smith, Office of Attorney General, answered questions of the committee

Shawn Riley, North Dakota IT, testified in favor but submitted no testimony

Julie Ellingson, North Dakota Stockmen Association, testified in favor and submitted testimony #11856

Sally Holewa, North Dakota Supreme Court, testified in favor and submitted testimony #11796

Tim Dawson, Office of Administrative Hearings, testified in favor but submitted no testimony

Representative Schauer, District 13, testified in favor but submitted no testimony

Lonnie Wangen, North Dakota Department of Veterans Affairs, testified in favor and submitted testimony #11748, #11749, #11750, #11751, #11752, #11753, #11754, #11755, #11756, #11757, #11758, #11759, #11760, #11761, #11762, #11763, #11764, #11765, #11766, #11767, #11768, #11769, #11770, #11771, #11772

Kyle Wanner, North Dakota Aeronautics Commission, testified in favor and submitted testimony #11832, #11833, #11834

Ryan Riesinger, Airport Association of North Dakota, testified in favor and submitted testimony #11838

Shawn Kessel, Department of Commerce, testified in favor and submitted testimony #11845

Troy Sicble, Office of Attoreny General, testified in favor but submitted no testimony.

Senator Sorvaag proposed amendement 21.1123.02006 and moved to adopt; testimony #12000

Senator Bekkedahl seconded the motion

Motion Passes by voice vote

Justin Kringstad, North Dakota Pipeline Authority, testified in favor and submitted testimony #11808

Brandon Bochenski, Grand Forks Mayor, testified in favor and submitted testimony #11949

Ron Ness, North Dakota Petroleum Council, testified in favor and submitted testimony #11921

Cody Chilson, Dakota Natural Gas, testified in favor and submitted testimony #11860

Jennifer Greuel, Economic Development of North Dakota, testified in favor and submitted testimony #11812 and #11819

Mike Rud, North Dakota Propane Gas Association, testified in opposition of Section 1, Subsection 1 and submitted testimony #12139

Representative Brandenburg, District 29, testified in favor but submitted no testimony

Adam Dunlop, North Dakota Ethanol Producers Association, testified in favor and submitted testimony #11864

Greg Tehven, Grand Farm, testified in favor and submitted testimony #11837

Katie Ralston, Department of Commerce, testified in favor and submitted testimony #11901

John Alm, Department of Human Services, testified in favor and submitted testimony #12161

Steve Smith, Alliance of YMCA's North Dakota, testified in favor and submitted testimony #11793

Shelly Peterson, North Dakota Long Term Care Association, testified in favor and submitted testimony #12153

Caprise Knapp, Department of Human Services, testified in favor but submitted no testimony.

Pam Sagness, Department of Human Services, testified in favor and submitted testimony #12141

Senator Clemens, District 16, testified in favor but submitted no testimony

Senator Mathern offered testimony #12144

Nathan Davis, testified in favor but submitted no testimony

Additional written testimony: #11782, #11783, #11784, #11800, #11820, #11862, #11924

Chairman Holmberg closed the hearing at 12:16 p.m.

Skyler Strand, Committee Clerk

11999

November 9, 2021



North Dakota House of Representatives

State Capitol
600 East Boulevard Avenue
Bismarck, ND 58505-0360

Representative

Ruth Buffalo

District 27

P.O. Box 9763

Fargo, ND 58106-9763

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rbuffalo@nd.gov

Committees:

Agriculture

Judiciary

Chair Holmberg and Senate Appropriations Committee,

My name is Ruth Buffalo and I represent District 27 in south Fargo. HB 1313 passed into law in 2019. However, it passed into law without the one-time fiscal note of \$75,000. The House Appropriations Committee did pass the one time fiscal note which the House later approved, however, the Senate Appropriations Committee did not pass the one time fiscal note of \$75,000 in 2019.

This past summer I submitted a proposal of \$75,000 under the American Rescue Plan, but amended my request to meet the needs of BCI at \$300,000. This proposal failed in the Senate Appropriations Committee, but was kept alive in the House Appropriations Committee at the original ask of \$75,000.

I am here today to ask you, Senate Appropriations committee to please make a commitment to the issue of missing people. As it stands right now, this database is not functioning. I have visited with different agencies who have shared with me the challenge of not having this database in existence. They have shared with me how beneficial this database would be across the different jurisdictions in our great state of North Dakota.

In 2019, we found there is no database collecting data on missing people, period. Let's continue to lead the way as North Dakotans and get the missing database. This needs to be a priority for North Dakota.

SB 2345

**North Dakota Stockmen's Association
Testimony to the Senate Appropriations Committee
Tuesday, Nov. 9, 2021**

Good morning, Chairman Holmberg and Senate Appropriations Committee members. My name is Julie Ellingson and I represent the North Dakota Stockmen's Association. Amongst its work, the association administers the state's brand inspection and recording programs, which protect livestock owners against loss and theft.

This has been a foundational objective of the NDSA since the organization was christened in 1929. In the 1940s, the North Dakota Legislature statutorily tapped the NDSA to head up the brand inspection program, and it has provided that service for livestock producers ever since.

The integrity of the program lies in the careful observations and documentation of the men and women we employ as brand inspectors. They are responsible for analyzing the cattle, horses and mules and generating the various documents that become the title to the animals. While this is precise and important work that protects the value of the livestock, it is done the old-fashioned way – on paper. On average, we inspect about 1.2 million head each year, so that means many, many pieces of paper. The information collected on those papers then must be converted into computerized records.

To become more efficient and minimize the chance for errors, we are proposing that we modernize the system by capturing the data electronically from the get-go and that, in a nutshell, is the project before you. It was also recommended as part of the executive proposal.

The goal is to improve efficiencies and accuracy of the information, while maintaining the tried-and-true structure of the existing program.

Our intention is to work with the same local software developer that wrote the brand recording program, so the systems dovetail together and work from a central database.

The estimated software and hardware costs associated with the project total up to **\$401,000**. That is comprised of up to **\$146,000** in hardware and mobile platform costs, **\$5,000** in mobile management solutions and up to **\$250,000** in mobile application development. We estimate that approximately an additional **\$100,000** will be needed for the training of the nearly 200 inspectors across the state.

The brand inspection program is self-sustaining, paid for by inspection fees of \$1.50 per head. The NDSA is also authorized to use estray funds unclaimed after 72 months to administer the brand programs. A grant from the State Fiscal Recovery Fund, established through the American Rescue Plan Act of 2021, would allow us to modernize the system and administer the program without having to raise fees in order to make that upgrade.

This project meets the guidelines the North Dakota Legislature spelled out for ARPA projects: 1) Besides its significance for livestock ownership verification, the brand inspection program is a critical component of animal traceability, which impacts our nation's food safety and security; 2) The COVID-19 pandemic has had a demonstrated and severe impact on the livestock industry; and 3) This project will be a one-time expenditure for the state.

Our organization and the software developer would be ready to begin this project immediately if it is selected. As you sort through the many proposals before you, we would

appreciate your favorable consideration of this one. Thank you for the opportunity to testify today.

SB 2345**Senate Appropriations Committee****Testimony Presented by Sally Holewa
State Court Administrator
November 9, 2021**

Chairman Holmberg and members of the Appropriations Committee, for the record, my name is Sally Holewa and I am the North Dakota State Court Administrator.

Section 25 of SB 2345 includes an appropriation of \$2,020,000 to the judicial branch for the purpose of replacing the supreme court docket system. This is a critical need for us. The supreme court currently uses a custom-built docket system that a local vendor built for us in 1993. In 2019, this vendor closed its business. They had a single employee who worked with the docket system. When the business closed, this employee chose to pursue full-time work elsewhere and is no longer available to provide support for our docket system. This puts the Supreme Court at risk for loss of its current and historical records and its ability to create and maintain new court records. To mitigate this risk, the most prudent course of action is to migrate to a new, commercially-available case management system as soon as possible. The need to replace the current system soon has been heightened because we are expecting an influx of appeals from district court cases that were backlogged due to the pandemic.

Migration to a new system will provide advantages well beyond risk management. Because of the design and functionality limitations of our current system, we had to create another custom-built system, the justice's communication and collaboration system (JCCS), to work parallel to the docket system. This system cost \$76,000 to build and has an average monthly maintenance

cost of \$1,300.00. We anticipate that purchase of a commercial case management system will replace both JCCS and the docket system. Moving to one of the new case management systems will have the added benefit of advances in technology which include electronic filing and document storage, automated workflow processes, an integrated accounting package, better data retrieval and the collaboration and communication tools that the justices currently obtain through JCCS.

The funding for this project was requested in the 67th Legislative Assembly but was denied due to projected revenue shortfalls. The project will rely on existing staff and therefore does not include the use of any temporary staff or the addition of any new FTEs for future support of the system. We are confident in our cost estimate since it was based on an RFI released in December 2020. The anticipated cost of \$2.02 million includes the estimated \$1.75 million for software, licensing, customization, and integration quoted by the vendor, plus an estimated \$260,000 for infrastructure and technology, and NDIT project management oversight fee of \$10,000. The anticipated annual maintenance fee for the new case management system ranges from \$132,000 in year one (July 1, 2025) and rising to \$148,500 in year five (July 1, 2030). An appropriation from the General Fund will be used to cover these future maintenance and support costs. The projected completion date of this project, if funded, is June 30, 2024. We do not anticipate any issue with meeting this deadline.

I believe this is a good use of ARPA dollars. This project meets the ARPA criteria for funds allocated to courts and would use one-time federal funding to cover the total cost of a project that the state will inevitably have to fund in the very near future.

Supreme Court Docket System			
Cost Component	2021-2023 Biennium	2023-2025 Biennium	Total Cost Estimate
Software license	\$300,000	\$300,000	\$600,000
Technology and Infrastructure	\$200,000	\$60,000	\$260,000
Support, Configuration and Installation	\$450,000	\$450,000	\$900,000
Administrative and Technical Training	\$0	\$20,000	\$20,000
Conversion of Data and Documents	\$100,000	\$100,000	\$200,000
Travel	\$15,000	\$15,000	\$30,000
NDIT Project Oversight	\$5,000	\$5,000	\$10,000
Total Spending Authority Requested	\$1,070,000	\$950,000	\$2,020,000

Total does not include annual maintenance cost of \$132,000 starting July 1, 2025.

In addition to Section 25, I would like to take this time to offer an explanation of amendment 21.1123.02001 to SB 2345 which was added by Rep. Klemin on behalf of the Court. For your convenience, I have attached a copy of the amendment (Attachment A).

Let me begin by explaining procedurally how these amendments came to be added to this bill and what is included in the amendment.

To put it in a nutshell, it is an attempt to fix a timing issue that resulted in two newly-enacted pieces of legislation being repealed before they could go into effect. It is in front of you now because the issue was not caught in time to be fixed in the technical corrections bill at the end of last session or to be introduced as a delayed bill for this special session. We do not believe it can wait for the regular session because the repeal of one part of that legislation directly impacts a current cooperative agreement we have with the Spirit Lake tribe and removes the authority for us to enter into a cooperative agreement with the Turtle Mountain tribe. The repeal of another part of that legislation creates a two-year delay of a project entered into with the State Longitudinal Data Study. You may be asking why this technical fix is included as an amendment to this particular bill. The only answer I have to that question is that when Rep. Klemin agreed to assist the Court in resolving this issue he was advised by Legislative Council that this bill would be the most appropriate vehicle to do so.

Here are the specifics of what occurred. For your convenience I have attached the enrolled copy of the two bills I will reference below, along with the legislative history of each (Attachment B and Attachment C).

During the regular session, there were three separate bills related to the juvenile court. **HB 1047 was a bill related to inspection of juvenile court records.** It amended 27-20-61 to allow the Court to provide data to the State Longitudinal Data System for the purpose of studying the long-term outcomes of students who had been involved with the juvenile court system and to research factors that could assist with prevention and intervention. This bill was signed into law on March 9, 2021.

HB 1052 was a bill related to cooperative agreements for the state to provide services to juveniles adjudicated in tribal courts. The primary purpose of this bill was to amend 27-20-51 to extend the sunset clause of the statute from July 31, 2021 to July 31, 2023. The bill also corrected an oversight by adding the Department of Corrections as a party to a Memorandum of Understanding that is entered into under this statute. This authority was included in section 1 of the statute but was inadvertently left out in the enumerated subsections of the same section. This bill was signed into law on March 9, 2021.

HB 1035 was a complete re-write and re-codification of the Juvenile Court Act. It created a new Juvenile Court Act as three new chapters, 27-20.2, 27-20.3 and 27-20.4, and it repealed the existing Uniform Juvenile Court Act codified at chapters 27-20 and 27-21-03. This bill was signed into law on April 26, 2021.

When they were filed HB 1047 and HB 1052 referenced current statutes since they obviously could not reference a potential future statute. It was our understanding that if the re-write of the juvenile code (HB 1035) was enacted that the statutory references contained in HB 1047 and HB 1052 would be renumbered as technical corrections to fit within the new chapters. It was not until October 18, 2021 that we learned that this was an incorrect understanding.

According to the Code Revisor, because HB 1047 and HB 1052 were passed into law before HB 1035, the provisions of HB 1047 and HB 1052 were included in the old statutes and then, because a repeal trumps an amendment, they were repealed along with everything else in that chapter. We were also advised that since we had missed the deadline for introduction of a delayed bill our remaining option was to seek an amendment to an existing bill. This brings us to where we are today with these amendments.

In regard to the amendments in SB 2345, the statutory citations have been updated but otherwise **Section 3** is the exact same language from enrolled HB 1047 and **Section 4** is the exact same language from enrolled HB 1052. Because both bills were fully debated during the regular session and both passed with an overwhelming majority, I will not go into any further written detail on these provisions. However, I am happy to answer any questions the committee may have about them.

Since it was clearly the legislative intent that both HB 1047 and HB 1052 go into effect, and because their delayed passage will have an immediate impact on our ability to continue to work with the tribes and the state longitudinal data study, we are requesting your support for amendment 21.1123.02001.

Attachment A: Amendment 21.1123.02001

Attachment B: Enrolled HB 1047 and legislative history

Attachment C: Enrolled HB 1052 and legislative history

Attachment D: Enrolled HB 1035 (initial page and signature page only) and legislative history

Attachment E: Summary Information on HB 1047 and HB 1052

21.1123.02001
Title.

Prepared by the Legislative Council staff for
Representative Klemin
November 4, 2021

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 1, line 1, after the first semicolon insert "to create and enact a new section to chapter 27-20.4 of the North Dakota Century Code, relating to records and cooperative agreements to provide services to juveniles adjudicated in tribal court; to amend and reenact section 27-20.2-21 of the North Dakota Century Code, relating to the inspection of juvenile court files;"

Page 1, line 2, remove "and"

Page 1, line 2, after "date" insert "; and to provide an expiration date"

Page 9, after line 14, insert:

"SECTION 3. AMENDMENT. Section 27-20.2-21 of the North Dakota Century Code is amended and reenacted as follows:

27-20.2-21. Inspection of court files and records - Penalty. (Effective through August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of human services or a law enforcement officer if necessary for the performance of that staff member's duties under

section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].

- g. An employee or agent of the department of human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.
2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
- a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the extent necessary to enforce the rules and regulations of the North Dakota high school activities association.
3. In a proceeding under this chapter, if the juvenile court finds a child committed a delinquent act that constitutes a violation of a law or local ordinance governing the operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide caused by the child's operation of a motor vehicle, the juvenile court shall report the finding to the director of the department of transportation within ten days.
4. Following an adjudication of delinquency for an offense that would be a felony if committed by an adult, the child's school principal, chief administrative officer, or designated school guidance counselor, if requested, must be allowed access to the disposition order. Any other juvenile court files and records of a child may be disclosed to a superintendent or principal of the school in which the child is currently enrolled or in which the child wishes to enroll if the child's documented behavior appears to present a danger to self or to the students or staff of the school.

5. Following an adjudication of delinquency for an offense that results in the prohibitions included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement officer must be allowed access to the disposition order.
6. The juvenile court may notify a referring agency of the disposition of a case.
7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.
8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.
9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

Inspection of court files and records - Penalty. (Effective after August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.

- e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of health and human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of health and human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.
2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
 - a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the extent necessary to enforce the rules and regulations of the North Dakota high school activities association.
 3. In a proceeding under this chapter, if the juvenile court finds a child committed a delinquent act that constitutes a violation of a law or local ordinance governing the operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide caused by the child's operation of a motor vehicle, the juvenile court shall report the finding to the director of the department of transportation within ten days.
 4. Following an adjudication of delinquency for an offense that would be a felony if committed by an adult, the child's school principal, chief administrative officer, or designated school guidance counselor, if requested, must be allowed access to the disposition order. Any other

juvenile court files and records of a child may be disclosed to a superintendent or principal of the school in which the child is currently enrolled or in which the child wishes to enroll if the child's documented behavior appears to present a danger to self or to the students or staff of the school.

5. Following an adjudication of delinquency for an offense that results in the prohibitions included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement officer must be allowed access to the disposition order.
6. The juvenile court may notify a referring agency of the disposition of a case.
7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.
8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.
9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

SECTION 4. A new section to chapter 27-20.4 of the North Dakota Century Code is created and enacted as follows:

Tribal juvenile services cooperative agreement - Report to legislative management.

1. The department of corrections and rehabilitation, through the division of juvenile services; the supreme court, through the office of the state court administrator; and the Indian affairs commission may negotiate and enter a memorandum of understanding with the tribal government of a federally recognized Indian tribe in the state for the purpose of accepting and providing for, in accordance with this chapter, the treatment and rehabilitation of tribal juveniles who have been adjudicated in tribal court under tribal or federal laws. Under the pilot program and terms of a memorandum of understanding:
 - a. The tribal government, the department of corrections and rehabilitation, and the juvenile court may exchange information relevant to the treatment and rehabilitation needs of a tribal juvenile and the juvenile's family, including tribal court orders, medical and

psychiatric reports, law enforcement reports, and other information pertinent to the referral:

- b. The juvenile court and the department of corrections and rehabilitation shall provide services based on the individualized need of each tribal juvenile referred to and accepted by the tribal court, juvenile court, and department of corrections and rehabilitation;
 - c. The juvenile court and the department of corrections and rehabilitation shall maintain regular contact with the tribe regarding each tribal juvenile who has been placed in the supervision of the respective agency; and
 - d. The juvenile court and the department of corrections and rehabilitation may limit the number of tribal juveniles accepted based on criteria developed by the juvenile court and the availability of state resources and services.
2. Before July first of each even-numbered year, the department of corrections and rehabilitation, the juvenile court, and the Indian affairs commission shall report and make recommendations to the legislative management on the status, effectiveness, performance, and sustainability of a memorandum of understanding established under this section."

Page 9, after line 15, insert:

"SECTION 6. EXPIRATION DATE. Section 4 of this Act is effective through July 31, 2023, and after that date is ineffective."

Renumber accordingly

**Sixty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 5, 2021**


HOUSE BILL NO. 1047
(Judiciary Committee)
(At the request of the Supreme Court)

AN ACT to amend and reenact subsection 1 of section 27-20-51 of the North Dakota Century Code, relating to inspection of juvenile court files and records.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

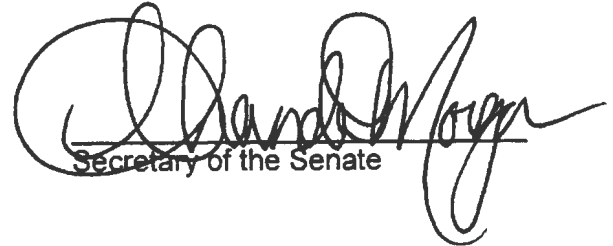
SECTION 1. AMENDMENT. Subsection 1 of section 27-20-51 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of district court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or their counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court, which must be given a copy of the findings and order of disposition when it receives custody of the child.
 - d. Any court and its probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, prior to the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program when necessary for the discharge of their duties pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of human services or a law enforcement officer when necessary for the performance of that person's duties under section 50-11.1-06.2 or the National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of human services when necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the juvenile has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.


Speaker of the House


President of the Senate


Chief Clerk of the House


Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1047.

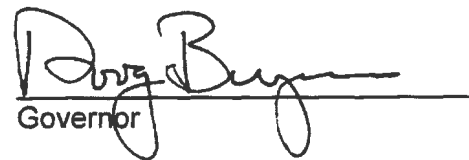
House Vote: Yeas 91 Nays 0 Absent 3

Senate Vote: Yeas 47 Nays 0 Absent 0


Chief Clerk of the House

Received by the Governor at 12:32 PM. on March 9, 2021.

Approved at 1:11 PM. on March 9, 2021.


Governor

Filed in this office this 10th day of March, 2021,
at 11:08 o'clock A. M.


Secretary of State

HB 1047 Summary

Measure Title: AN ACT to amend and reenact subsection 1 of section 27-20-51 of the North Dakota Century Code, relating to inspection of juvenile court files and records.

Date of Introduction: 01/05/2021

Primary Sponsor: Judiciary

Co-Sponsors:

(At the request of the Supreme Court)

Related Information: [Vote Summary](#) | [Scratch Pad](#) | [Testimony](#) | [View Video](#) | [Add to Bill Tracking LAWS-List](#)

History

Date	Chamber	Action	Journal	Measure Version	FN
01/05/2021	H	Introduced, first reading, referred Judiciary Committee	HJ 152	21.8011.01000	
01/11/2021	H	Committee Hearing 09:00			
01/11/2021	H	Reported back, do pass, place on calendar 11 2 1	HJ 186		
01/12/2021	H	Second reading, passed, yeas 91 nays 0	HJ 216	21.8011.01000	
01/13/2021	S	Received from House	SJ 181		
02/02/2021	S	Introduced, first reading, referred Judiciary Committee	SJ 353	21.8011.01000	
02/08/2021	S	Committee Hearing 03:30			
03/03/2021	S	Reported back, do pass, place on calendar 7 0 0	SJ 744		
03/04/2021	S	Second reading, passed, yeas 47 nays 0	SJ 771	21.8011.01000	
03/05/2021	H	Returned to House	HJ 1056		
03/08/2021	S	Signed by President	SJ 807	21.8011.02000	
03/09/2021	H	Signed by Speaker	HJ 1085		
03/09/2021	H	Sent to Governor	HJ 1085		
03/10/2021	H	Signed by Governor 03/09	HJ 1097		
03/11/2021		Filed with Secretary Of State 03/10			

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No upcoming committee hearings scheduled.

November 5, 2021

**Sixty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 5, 2021**

HOUSE BILL NO. 1052
(Judiciary Committee)
(At the request of the Supreme Court)


AN ACT to amend and reenact section 27-20-61 of the North Dakota Century Code, relating to cooperative agreements to provide services to juveniles adjudicated in tribal court.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 27-20-61 of the North Dakota Century Code is amended and reenacted as follows:

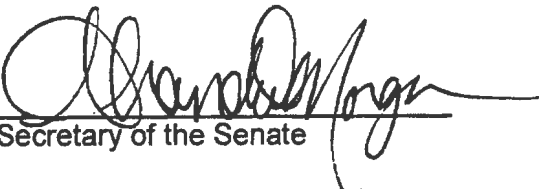
27-20-61. Tribal juvenile services cooperative agreement - Report to legislative management.
(Effective through July 31, 2024~~2023~~)

1. The department of corrections and rehabilitation, through the division of juvenile services; the supreme court, through the office of the state court administrator; and the Indian affairs commission may negotiate and enter a memorandum of understanding with the tribal government of a federally recognized Indian tribe in the state for the purpose of accepting and providing for, in accordance with this chapter, the treatment and rehabilitation of tribal juveniles who have been adjudicated in tribal court under tribal or federal laws. Under the pilot program and terms of a memorandum of understanding:
 - a. The tribal government, the department of corrections and rehabilitation, and the juvenile court may exchange information relevant to the treatment and rehabilitation needs of a tribal juvenile and the juvenile's family, including tribal court orders, medical and psychiatric reports, law enforcement reports, and other information pertinent to the referral;
 - b. The juvenile court and the department of corrections and rehabilitation shall provide services based on the individualized need of each tribal juvenile referred to and accepted by ~~both the tribal and court~~ juvenile court, and department of corrections and rehabilitation;
 - c. The juvenile court and the department of corrections and rehabilitation shall maintain regular contact with the tribe regarding each tribal juvenile who has been placed in the supervision of the ~~juvenile court and shall provide quarterly case plans and more frequent reports if the juvenile's behavior warrants~~ respective agency; and
 - d. The juvenile court and the department of corrections and rehabilitation may limit the number of tribal juveniles accepted based on criteria developed by the juvenile court and the availability of state resources and services.
2. Before July first of each even-numbered year, the department of corrections and rehabilitation, the juvenile court, and the Indian affairs commission shall report and make recommendations to the legislative management on the status, effectiveness, performance, and sustainability of a memorandum of understanding established under this section.


Speaker of the House


President of the Senate


Chief Clerk of the House


Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1052.

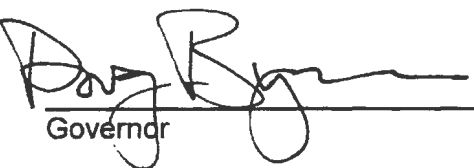
House Vote: Yeas 89 Nays 2 Absent 3

Senate Vote: Yeas 46 Nays 0 Absent 1


Chief Clerk of the House

Received by the Governor at 9:38 AM. on March 8, 2021.

Approved at 3:04 PM. on March 8, 2021.


Governor

Filed in this office this 9th day of March, 2021,
at 8:24 o'clock A. M.


Secretary of State

HB 1052 Summary

Measure Title: AN ACT to amend and reenact section 27-20-61 of the North Dakota Century Code, relating to cooperative agreements to provide services to juveniles adjudicated in tribal court.

Date of Introduction: 01/05/2021

Primary Sponsor: Judiciary

Co-Sponsors:

(At the request of the Supreme Court)

Related Information: [Vote Summary](#) | [Scratch Pad](#) | [Testimony](#) | [View Video](#) | [Add to Bill Tracking LAWS-List](#)

History

Date	Chamber	Action	Journal	Measure Version	FN
01/05/2021	H	Introduced, first reading, referred Judiciary Committee	HJ 153	21.8023.01000	FN
01/11/2021	H	Committee Hearing 10:00			
01/11/2021	H	Reported back, do pass, place on calendar 13 1 0	HJ 186		
01/12/2021	H	Second reading, passed, yeas 89 nays 2	HJ 217	21.8023.01000	FN
01/13/2021	S	Received from House	SJ 181		
02/02/2021	S	Introduced, first reading, referred Judiciary Committee	SJ 354	21.8023.01000	FN
02/09/2021	S	Committee Hearing 08:30			
02/22/2021	S	Reported back, do pass, place on calendar 7 0 0	SJ 722		
03/03/2021	S	Second reading, passed, yeas 46 nays 0	SJ 737	21.8023.01000	FN
03/04/2021	H	Returned to House	HJ 1049		
03/05/2021	S	Signed by President	SJ 791	21.8023.02000	
03/08/2021	H	Signed by Speaker	HJ 1074		
03/08/2021	H	Sent to Governor	HJ 1074		
03/09/2021	H	Signed by Governor 03/09	HJ 1082		
03/11/2021		Filed with Secretary Of State 03/09			

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No upcoming committee hearings scheduled.

November 5, 2021

**Sixty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 5, 2021**

HOUSE BILL NO. 1035
(Legislative Management)
(Judiciary Committee)

AN ACT to create and enact chapters 27-20.2, 27-20.3, and 27-20.4 of the North Dakota Century Code, relating to the Juvenile Court Act; to amend and reenact subsection 16 of section 11-16-01, section 12.1-32-15, subsections 1 and 3 of section 12.1-41-12, subsection 2 of section 14-02.1-03.1, subsection 2 of section 14-02.1-08, subdivision c of subsection 2 of section 14-07.1-18, section 14-15-11, subsections 1 and 2 of section 15.1-09-33.4, sections 15.1-19-15, 20.1-13.1-01, 20.1-15-01, 26.1-36-20, and 26.1-40-11.1, subsection 2 of section 27-05-30, section 27-20.1-01, paragraph 4 of subdivision n of subsection 2 of section 27-20.1-06, subsection 1 of section 27-20.1-10, subdivision d of subsection 1 of section 27-20.1-11, subsection 3 of section 27-20.1-11, subsection 2 of section 27-20.1-17, section 27-20.1-22, section 27-20.3-05 as created by section 23 of this Act, section 27-20.4-06 as created by section 25 of this Act, subsections 2 and 3 of section 27-21-02, subsection 3 of section 27-21-02.1, section 27-21-09, subsections 2 and 5 of section 27-21-12, section 30.1-27-02, subsection 3 of section 30.1-27-06, section 39-06-32.1, subsection 2 of section 39-20-01, section 39-24.1-01, subsection 5 of section 50-06-05.1, subdivision a of subsection 4 of section 50-06-43.2, subsection 1 of section 50-11.3-01, sections 50-25.1-02 and 50-25.1-06, subsection 4 of section 50-25.1-15, subsection 2 of section 54-12-34, and sections 54-23.4-17 and 62.1-02-01 of the North Dakota Century Code, relating to juvenile justice; to repeal chapter 27-20 and section 27-21-03 of the North Dakota Century Code, relating to the Uniform Juvenile Court Act; to provide a penalty; to provide an appropriation; to provide a legislative management report; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 16 of section 11-16-01 of the North Dakota Century Code is amended and reenacted as follows:

16. Institute and defend proceedings under sections 14-09-12 and 14-09-19 and chapters 14-15, ~~27-20~~27-20.2, 27-20.3, 27-20.4, and 50-01 upon consultation with the human service zone director or the executive director of the department of human services.


SECTION 2. AMENDMENT. Section 12.1-32-15 of the North Dakota Century Code is amended and reenacted as follows:

12.1-32-15. Offenders against children and sexual offenders - Sexually violent predators - Registration requirement - Penalty. (~~Contingent effective date - See note~~)

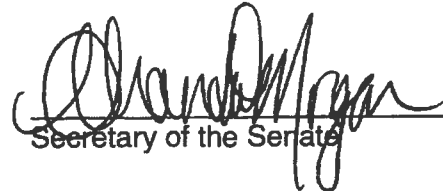
1. As used in this section:

- a. ~~"A crime against a child" means a violation of chapter 12.1-16, section 12.1-17-01.1 if the victim is under the age of twelve, 12.1-17-02, 12.1-17-04, subdivision a of subsection 6 of section 12.1-17-07.1, section 12.1-18-01, 12.1-18-02, 12.1-18-05, chapter 12.1-29, or section 14-09-22, subsection 3 of section 12.1-41-02, subsection 3 of section 12.1-41-03, or an equivalent offense from another court in the United States, a tribal court, or court of another country, in which the victim is a minor or is otherwise of the age required for the act to be a crime or an attempt or conspiracy to commit these offenses.~~
- b. ~~"Department" means the department of corrections and rehabilitation.~~
- e. ~~"Homeless" means an individual who is physically present in this state, but is living in a park, under a bridge, on the streets, in a vehicle or camper, or is otherwise without a~~


Speaker of the House


President of the Senate


Chief Clerk of the House


Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1035.

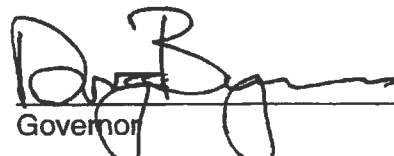
House Vote: Yeas 88 Nays 5 Absent 1

Senate Vote: Yeas 45 Nays 2 Absent 0


Chief Clerk of the House

Received by the Governor at 3:04 P.M. on April 26, 2021.

Approved at 3:28 P.M. on April 28, 2021.


Governor

Filed in this office this 29th day of April, 2021,
at 8:56 o'clock A. M.


Secretary of State

HB 1035 Summary

Measure Title: AN ACT to create and enact chapters 27-20.2, 27-20.3, and 27-20.4 of the North Dakota Century Code, relating to the Juvenile Court Act; to amend and reenact subsection 16 of section 11-16-01, section 12.1-32-15, subsections 1 and 3 of section 12.1-41-12, subsection 2 of section 14-02.1-03.1, subsection 2 of section 14-02.1-08, subdivision c of subsection 2 of section 14-07.1-18, section 14-15-11, subsections 1 and 2 of section 15.1-09-33.4, sections 15.1-19-15, 20.1-13.1-01, 20.1-15-01, 26.1-36-20, and 26.1-40-11.1, subsection 2 of section 27-05-30, section 27-20.1-01, paragraph 4 of subdivision n of subsection 2 of section 27-20.1-06, subsection 1 of section 27-20.1-10, subdivision d of subsection 1 of section 27-20.1-11, subsection 3 of section 27-20.1-11, subsection 2 of section 27-20.1-17, section 27-20.1-22, section 27-20.3-05 as created by section 23 of this Act, section 27-20.4-06 as created by section 25 of this Act, subsections 2 and 3 of section 27-21-02, subsection 3 of section 27-21-02.1, section 27-21-09, subsections 2 and 5 of section 27-21-12, section 30.1-27-02, subsection 3 of section 30.1-27-06, section 39-06-32.1, subsection 2 of section 39-20-01, section 39-24.1-01, subsection 5 of section 50-06-05.1, subdivision a of subsection 4 of section 50-06-43.2, subsection 1 of section 50-11.3-01, sections 50-25.1-02 and 50-25.1-06, subsection 4 of section 50-25.1-15, subsection 2 of section 54-12-34, and sections 54-23.4-17 and 62.1-02-01 of the North Dakota Century Code, relating to juvenile justice; to repeal chapter 27-20 and section 27-21-03 of the North Dakota Century Code, relating to the Uniform Juvenile Court Act; to provide a penalty; to provide an appropriation; to provide a legislative management report; and to provide an effective date.

Date of Introduction: 01/05/2021

Primary Sponsor: Legislative Management

Co-Sponsors:

(Judiciary Committee)

Related Information: [Vote Summary](#) | [Scratch Pad](#) | [Testimony](#) | [View Video](#) | [Tracked in LAWS-List](#)

History

Date	Chamber	Action	Journal	Measure Version	FN
01/05/2021	H	Introduced, first reading, referred Judiciary Committee	HJ 150	21.0150.03000	FN
01/26/2021	H	Committee Hearing 09:00			
02/02/2021	H	Reported back amended, do pass, amendment placed on calendar 12 1 1	HJ 434	21.0150.03003	
02/03/2021	H	Amendment adopted	HJ 459		
02/03/2021	H	Rereferred to Appropriations	HJ 459		
02/05/2021	H	Reported back, do pass, place on calendar 21 0 0	HJ 507		
02/15/2021	H	Second reading, passed, yeas 90 nays 4	HJ 627	21.0150.04000	FN
02/16/2021	S	Received from House	SJ 564		
02/17/2021	S	Introduced, first reading, referred Judiciary Committee	SJ 605	21.0150.04000	FN
03/23/2021	S	Committee Hearing 08:30			
03/23/2021	S	Committee Hearing 02:30			
03/24/2021	S	Reported back amended, do pass, amendment placed on calendar 5 1 1	SJ 977	21.0150.04001	
03/24/2021				21.0150.05000	FN
03/25/2021	S	Amendment adopted	SJ 993		
03/25/2021	S	Rereferred to Appropriations	SJ 993		
03/31/2021	S	Committee Hearing 09:00			
04/05/2021	S	Reported back amended, do pass, amendment placed on calendar 14 0 0	SJ 1171	21.0150.04003	
04/06/2021	S	Amendment adopted, placed on calendar	SJ 1182		
04/06/2021	S	Amendment proposed on floor	SJ 1182	21.0150.04002	
04/06/2021	S	Amendment failed	SJ 1182	21.0150.04002	
04/06/2021	S	Second reading, passed as amended, yeas 45 nays 2	SJ 1182	21.0150.06000	FN
04/06/2021	H	Returned to House (12)	HJ 1454		
04/12/2021	H	Refused to concur	HJ 1587		
04/12/2021	H	Conference committee appointed Meier Bellew Kempenich	HJ 1587		
04/13/2021	S	Conference committee appointed Larson Heitkamp Bakke	SJ 1411		

Date	Chamber	Action	Journal	Measure Version	FN
04/19/2021	S	Appoint Sen. Hogue to replace Sen. Heitkamp on conference committee	SJ 1527		
04/22/2021	H	Reported back from conference committee, amend, placed on calendar	HJ 1862	21.0150.04004	
04/22/2021	H	Conference committee report adopted	HJ 1864		
04/22/2021	H	Second reading, passed, yeas 88 nays 5	HJ 1864	21.0150.07000	FN
04/22/2021	S	Reported back from conference committee, amend, placed on calendar	SJ 1630	21.0150.04004	
04/23/2021	S	Conference committee report adopted	SJ 1638		
04/23/2021	S	Second reading, passed as amended, yeas 45 nays 2	SJ 1638	21.0150.07000	FN
04/26/2021	S	Signed by President	SJ 1681	21.0150.08000	
04/26/2021	H	Signed by Speaker	HJ 1994		
04/26/2021	H	Sent to Governor	HJ 1995		
04/29/2021	H	Signed by Governor 04/28	HJ 2078		
05/05/2021		Filed with Secretary Of State 04/29			

Scratch Pad [Print](#) [Go to Top](#)

Save

Upcoming Committee Hearings [Go to Top](#)

No upcoming committee hearings scheduled.

November 5, 2021

Tribal Juvenile Services Pilot Program (HB 1052)

Youth in delinquency cases under tribal court jurisdictions often do not have access to or receive the same rehabilitative services as youth adjudicated in juvenile court. The passage of Senate Bill 2153 in the 66th North Dakota Legislative Assembly resulted in a new statute, N.D.C.C. 27-20-61, Tribal Juvenile Services Cooperative Agreement, which took effect August 1, 2019. The statute provides that state agencies serving delinquent youth may enter into memorandums of understanding with tribal governments in the state to provide services for the treatment and rehabilitation of youth adjudicated in tribal court under tribal or federal laws.

Representatives from the Spirit Lake Tribal Court, the Division of Juvenile Services, Juvenile Court, and the ND Indian Affairs Commission entered into a memorandum of understanding to allow these agencies to share information, resources, and data collection to better address the needs of delinquent youth adjudicated in the Spirit Lake Tribal Court. The multi-disciplinary team staffed the first youth in February 2020.

As of April 1, 2021, a total of 16 youth have been served since the MOU was put in place. In addition, 4 youth have been referred to the Northeast Judicial District Drug Court and 2 have been accepted into the court.

The team meets regularly to discuss cases, create case plans, and explore additional services that could be provided to youth. This past year, a highlight

was assisting the Spirit Lake Tribal Court in implementing the YASI Risk and Needs Assessment as a regular tool for their probation staff.

State Longitudinal Data Study (HB 1047)

The North Dakota Dual Status Youth Initiative is committed to identifying pathways from child welfare into the juvenile justice system and shoring up the gaps wherever possible. The SLDS will be a critical resource to potentially link K12, postsecondary, and workforce data to the Juvenile Justice data. Access to the SLDS data would allow juvenile justice entities to research what positive youth outcomes are present for the youth who do not recidivate. It might also help us to better understand what elements are associated with those positive outcomes. We know that youth who build social, emotional, behavioral, cognitive, and moral competencies typically possess the skills necessary to move into productive adulthood. Since we know that the majority of justice-involved youth, even those in the deep end, go on to lead lives that do not include criminal prosecution, what elements are associated with greater self-efficacy and how can those elements be identified and harnessed?

In addition to informing the deep end of the juvenile justice system about the elements that may be associated developmental success, there would be significant advantage to researching the SLDS data for information that can be used for building prevention and early intervention capacity. If we follow the trajectory over the course of childhood and reverse identify what characteristics in early grade school result most often in later involvement in the juvenile justice system, it would significantly contribute to our knowledge about what specifically

puts children at risk. Risk factors may be identified in the areas of attendance, eligibility for free or reduced lunch, poor history of immunization, presence of a reading disability, or a number of other factors. Research into the SLDS data would provide valuable insights for practitioners who are working to develop policies and procedures that prevent crossover youth.

North Dakota 67th Legislative Assembly
Interim Appropriations Committees

Dear Interim Senate and House appropriations committees,

Please accept this testimony in favor of this one-time funding request of ARPA dollars for the construction of a Fisher House in North Dakota. This is a great public-private partnership which will provide short, and long-term economic stimulus for North Dakota. Using local and national fund-raising efforts as a non-profit entity the Fisher House Foundation will construct a Fisher House on or near the Fargo VA Medical Center which will serve all of North Dakota and parts of Minnesota and South Dakota. Once construction is completed the Fisher House is turned over to the Federal VA who will then be responsible for the maintenance, operations and staffing of the facility. This program will not rely on any future State funds.

Once operational a Fisher House provides services much like a "Ronald McDonald House", but for veterans and their families. This funding request would *only* go toward the construction of the Fisher House in Fargo ND. Attached I have provided more information about the Fisher House program and about the proposed Fisher House for North Dakota.

Thank you for your consideration on this important program.

Lonnie Wangen

Commissioner

ND Department of Veterans Affairs

Fisher House North Dakota

- Fisher House Foundation builds comfort homes where military & veterans families can stay free of charge, while a loved one is in the hospital. There are 88 Fisher Houses currently in operation around USA and US Military bases around the world. None in North Dakota.
- These homes are located at military and VA medical centers around the world.
- Fisher Houses have up to 21 suites, with private bedrooms and baths. Families share a common kitchen, laundry facilities, a warm dining room, and an inviting living room.
- 100% of proceeds will used for the construction of a beautiful comfort home where families of Veterans can stay free of charge while their loved one receives critical medical care at the Fargo VA Medical Center.
 - Funding will **not** go towards;
 - other states
 - admin costs
 - advertising or fundraising efforts
- Federal VA not allowed to participate in fund raising.
- Construction of an estimated \$8 Million house located on or near Fargo VA Medical Center Campus.
 - Construction cost only. Once the house is built it will be donated to the Federal VA. All ongoing costs are covered by the Federal VA.
 - Approximately 16 Suites
 - Could serve up to 23,000 family members per year (4 per suite per night)
 - Serves all of North Dakota and parts of MN and SD
 - Veterans and families drive up to 400 miles or 7 hours one way to utilize the Fargo VAMC
- Will serve ND Veterans and their families for the foreseeable future.

*This is not a ND Department of Veterans Affairs project.

*More information can be found at: www.Fisherhouse.org



Fisher House North Dakota

Impact Support our Veterans Fund
4141 28th Avenue South
Fargo ND 58104



✓ Supporters

○ **U.S. Senators**

- John Hoeven (ND)
- Kevin Cramer (ND)
- Amy Klobuchar (MN)
- Tina Smith (MN)

○ **U.S. Representatives**

- Kelly Armstrong (ND)
- Former Rep. Collin Peterson (MN)

○ **Governors**

- Doug Burgum (ND)
- Tim Walz (MN)

○ **Federal VA**

- Robert Wilkie, Former Secretary VA. Approved Fargo Fisher House
- Dr. Breton M. Weintraub-Director Fargo VAMC
- Dale Dekrey, Associate Director, Fargo VAMC

○ **Veteran Service Organizations**

- Administrative Committee on Veterans Affairs (ND)

- Veterans Legislative Council (ND)
- American Legion (ND & MN)
- AMVETS (ND)
- Disabled Veterans (ND, MN, SD)
- Veterans of Foreign Wars (ND)
- Vietnam Veterans of America (ND)
- ND County and Tribal Veteran Service Officer Association (ND)

○ **State and Political sub-division**

- State Legislators (ND)
- Veterans Affairs (ND, MN, SD)
- Association of Counties (ND)
- Mayors
 - Dr. Tim Mahoney Fargo
 - Bernie Dardis West Fargo
 - Kory Peterson Horace
- Fargo Parks District

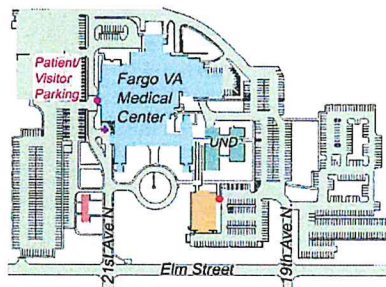
“Because a Families Love is Good Medicine”

<https://app.givingheartsday.org/#/charity/235>

<https://fisherhouse.org/>

Location & Construction:

- Construction goal:
 - Begin 2022-2023
 - Land & construction funds need to be acquired.
- Construction, landscaping, furnishings' and artwork. estimated at \$8 million
- Location will be on or near the Fargo VA Medical Center Campus.



FISHER HOUSE NORTH DAKOTA



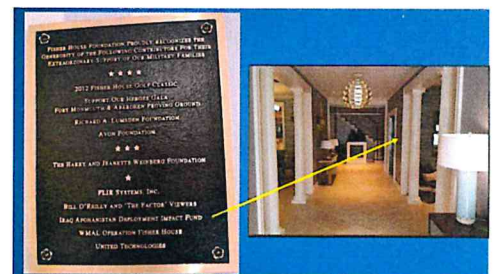
Rendering of Fisher House North Dakota.

Fisher House North Dakota

- 13,400+ square foot building.
- Approximately 16-Suites.
- Estimated to serve 23,000 family members per year.
- Serves North Dakota and 18 Counties in Minnesota and South Dakota.

Donor Recognition

- Donor Recognition will be provided on a permanent Brass Plaque located inside the Fisher House.
- Donations are for construction of ND House.
- Federal VA covers ongoing operation expenses after construction.



Donations accepted at Impact Foundation-Support Our Veterans Fund-Fisher House campaign

<https://app.givingheartsday.org/#/charity/235>

www.fisherhouse.org

Questions: fisherhousend@gmail.com



11749

DOUG BURGUM, GOVERNOR
STATE OF NORTH DAKOTA

ADMINISTRATIVE COMMITTEE ON VETERANS AFFAIRS

CHAIRMAN

Dean Overby
Wahpeton

SECRETARY

Jim Verwey
Valley City

September 3, 2020

Secretary Robert Wilkie
Veterans Affairs
Washington DC

Dear Mr. Secretary,

Please accept this letter of support for the approval of a Fisher House in Fargo North Dakota. The Fargo ND VA HCS has one of the largest veteran catchment areas covering all of North Dakota, Parts of Minnesota and South Dakota.

North Dakota is home to over 50,000 Veterans most of which live in highly rural areas. ND Veterans can travel up to 400 miles one-way to get to the Fargo VA HCS. The Veterans and dependents in North Dakota are in great need of this facility. Please consider approving this application. Feel free to contact my with any concerns.

Sincerely,

Dean Overby
Chairman

Administrative Committee On Veterans Affairs

Established on July 1, 1971 by SB 2089 of the North Dakota 42nd Legislative Assembly the Administrative Committee on Veterans Affairs (ACOVA) is responsible for the organization, policy, and general administration of all veterans' affairs in North Dakota. NDCC 37-18.1-03 It is comprised of 15 voting members, each appointed by the Governor, nominated by the five major veteran organizations in the state. Each year, the Governor is to appoint one member from a list of two names submitted by the following veteran organizations: American Legion, Veterans of Foreign Wars, Disabled American Veterans, AMVETS, and Vietnam Veterans of America. The Committee is also comprised of three nonvoting members who are to serve in an advisory capacity - the North Dakota Adjutant General, the Center Director of the federal Veterans Affairs, and the Executive Director Job Service North Dakota. NDCC 37-18.1 The president of the ND Association of County and Tribal Veteran Service Officers (NDACTVSO) and the Director of ND Cares also serve on the ACOVA.

The Governor appoints a chairman and secretary of the Administrative Committee. NDCC 37-18.1-02

RICHARD BELLING, West Fargo
ROY FILLION, Grand Forks
THOMAS RYAN, Williston
MARK WAGEMANN, Fargo

DAVE HILLEREN, New Town
DAN BROWN, Williston
MURRAY STROM, Steele
ALAN FEHR, Dickinson

GARRALD MADDOCK, Bismarck
DAVE RICE, Fargo
MARLIN SCHNEIDER, Bismarck
HAL WENINGER, New Town
GLENN WAHUS, Watford City

COLLIN C. PETERSON
7TH DISTRICT, MINNESOTA

COMMITTEE ON AGRICULTURE
CHAIRMAN

COMMITTEE ON VETERANS' AFFAIRS

11750

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

2204 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
TELEPHONE: (202) 225-2165
FAX: (202) 225-1593
WEBSITE: <https://collinpeterson.house.gov>

September 18th, 2020

Jennifer Koget
National Program Manager
Fisher House Foundation
12300 Twinbrook Pkwy, Suite 410
Rockville, MD 20852

Re: Fargo VA Health Care System Fisher House Proposal

Dear Ms. Koget,

I am writing today to express my strong support for the Fisher House proposal submitted by the Fargo VA Health Care System.

The Fargo VA serves a diverse rural area including large portions of my district where veterans and their families drive hours to receive care. The costs associated with travel can become a distraction from the purpose of healing. The opportunity to stay at a Fisher House would provide respite from the journey and allow families time to focus on the care of their loved one.

With the help of the Fisher House Foundation, we can do more for veterans in this part of the country by eliminating the worry of where to stay and the need to spend hours driving back and forth. The dedicated staff and leadership at the Fargo VA have seen the need to support veterans and their families in this way, and I appreciate their efforts to address this need.

A Fisher House is an unsung hero that many don't know they need until they do. I hope that this can become a reality for the Fargo VA to serve the many veterans and their families who have already given so much. I thank the Fisher House Foundation in advance for giving this proposal every consideration.

Sincerely,



Collin C. Peterson
Member of Congress

DISTRICT OFFICES

714 LAKE AVENUE
SUITE 101
DETROIT LAKES, MN 56501
(218) 847-5056
FAX: (218) 847-5109

1420 EAST COLLEGE DRIVE
MARSHALL, MN 56258
(507) 537-2299
FAX: (507) 537-2298

13892 AIRPORT DRIVE
SUITE 3
THIEF RIVER FALLS, MN 56701
(218) 683-5405
FAX: (218) 847-5109

1700 TECHNOLOGY DRIVE
SUITE 119
WILLMAR, MN 56201
(320) 235-1061
FAX: (320) 235-2651

11751

KELLY ARMSTRONG
AT-LARGE, NORTH DAKOTA
COMMITTEE ON THE JUDICIARY
COMMITTEE ON OVERSIGHT &
REFORM
SELECT COMMITTEE ON THE
CLIMATE CRISIS

Congress of the United States
House of Representatives
Washington, DC 20515

WASHINGTON OFFICE:
1004 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2611

DISTRICT OFFICES:
3217 FIECHTNER DRIVE, SUITE B
FARGO, ND 58103
(701) 353-6665

220 EAST ROSSETT AVENUE
228 FEDERAL BUILDING
BISMARCK, ND 58501
(701) 354-6700

WWW.ARMSTRONG.HOUSE.GOV

September 11, 2020

Breton M. Weintraub, MD
Director
Fargo VA Health Care System
2101 N Elm
Fargo, ND 58102

Dear Dr. Weintraub:

I would like to express my strong support for the application by the Fargo VA Health Care System for a Fisher House grant through the Fisher House Foundation.

The Fargo VA Health Care System covers a highly rural area consisting of the entire state of North Dakota and a large segment of northwest Minnesota. Frequently, Veterans travel exceptionally long distances to receive care. The burden on family members to accompany these Veterans can be substantial. Having a Fisher House located in Fargo will provide much-needed assistance to those families. A Fisher House will provide a convenient and affordable place to stay, as well as the opportunity to be close to their loved ones through difficult times.

Caregivers and family members provide tremendous support to Veterans during times of serious illness. The importance of such support cannot be underestimated, a Fisher House will be key in allowing this to occur. The community has shown strong support for a Fisher House in Fargo and is prepared to do its part to make a Fisher House a reality for our Veterans and their families.

I thank the Fisher House Foundation in advance and urge them to give this application every possible consideration.

Sincerely,



Kelly Armstrong
Member of Congress



FULFILLING OUR PROMISES
TO THE MEN AND WOMEN WHO SERVED

11752

Department of North Dakota ♦ 3812 Lakewood Dr. SE ♦ Mandan, ND 58554

September 8, 2020

Secretary Robert Wilkie
Veterans Affairs
Washington DC

Dear Mr. Secretary

I write on behalf of DAV, Department of North Dakota and in support of a Fisher House in Fargo, ND.

Currently there is no Fisher House in North Dakota or South Dakota. Dedicating a Fisher House at the Fargo VAMC would service a great number of veterans from a highly rural North Dakota and South Dakota. We look forward to such an amazing opportunity being presented here in North Dakota.

Should you have any inquiries, please do not hesitate to contact me.

Keli Berglund
Commander
DAV, Department of North Dakota
Commander@davnd.org

11753



LONNIE WANGEN
COMMISSIONER

STATE OF NORTH DAKOTA
DEPARTMENT OF VETERANS AFFAIRS
4201 38th St SW, SUITE 104
FARGO, NORTH DAKOTA 58104
TELEPHONE: 701-239-7165
FAX: 701-239-7166
TOLL-FREE: 1-866-634-8387



CATHY HALGUNSETH
ADMINISTRATIVE ASSISTANT

September 3, 2020

Secretary Robert Wilkie
Veterans Affairs
Washington DC

Dear Mr. Secretary,

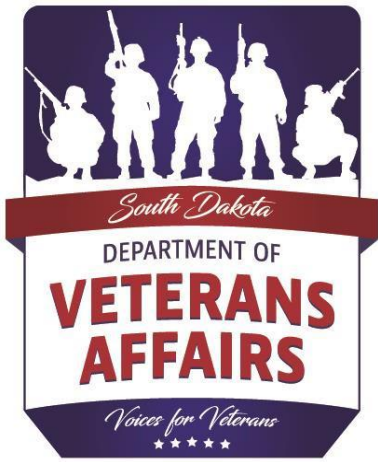
Please accept this letter of support for the approval of a Fisher House in Fargo North Dakota. The Fargo ND VA HCS has one of the largest veteran catchment areas covering all of North Dakota, Parts of Minnesota and South Dakota.

Currently there are no Fisher Houses in North Dakota or South Dakota. The nearest Fisher House is Minnesota's sole Fisher House located in Minneapolis. ND Veterans can travel up to 400 miles one-way to get to the Fargo VA HCS. The Veterans and dependents in the highly rural area are in great need of this facility. Please consider approving this application. Feel free to contact my with any concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lonnie L. Wangen", with a long horizontal flourish extending to the right.

Lonnie L. Wangen
Commissioner
North Dakota Department of Veterans Affairs



**South Dakota Department
of Veterans Affairs**
Soldiers & Sailors Bldg.
425 E. Capitol Avenue
Pierre, SD 57501-3100
Phone 605.773.3269
Fax 605.773.5380

Sioux Falls Claims Office
2501 W. 22nd Street
Sioux Falls, SD 57105-1305
Phone 605.333.6869
Fax 605.333.5306

<http://vetaffairs.sd.gov>



September 14, 2020

Secretary Robert Wilkie
Veterans Affairs
Washington DC.

Dear Secretary Wilkie,

South Dakota has numerous counties that border North Dakota, and as such we have veterans that utilize North Dakota VA facilities.

The South Dakota Department of Veterans Affairs supports the establishment of a Fisher House on the campus of the Fargo VA Medical Center.

Due to the rurality of North Dakota, the families of veterans need to have suitable lodging options to utilize while their loved ones utilize and recuperate at the Fargo VA Medical Center.

Thank you for your consideration, and my hope is that this letter will lend support to a favorable reply.

Sincerely,

Greg Whitlock, Secretary
South Dakota Department of Veterans Affairs



STATE OF MINNESOTA

Office of Governor Tim Walz

75 Reverend Dr. Martin Luther King Jr. Blvd. ♦ Suite 130 ♦ Saint Paul, MN 55155-1611

11755

September 22, 2020

Dear Secretary Wilkie,

On September 8, the Minnesota Department of Veterans Affairs sent you the attached letter of support for a Fisher House in proximity to the Fargo, North Dakota VA Health Care Center which will provide Minnesotans in the Fargo-Moorhead region an opportunity to benefit from accommodations that ensure they can be close to family members who are receiving treatment at the Fargo VA.

I would like to lend my support for a Fisher House to serve the Fargo area. Having worked for many years on veterans issues while serving in Congress, I know how beneficial the two Fisher Houses in Minneapolis are to ensure families of veterans seeking care at the Minneapolis VA are able to maintain close proximity to their loved ones. Veterans and their families would be well served by additional accommodations to serve the Fargo-Moorhead region.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Walz".

Tim Walz
Governor



September 29, 2020

Honorable Robert Wilke, Jr.
Secretary of Veterans Affairs
U.S. Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, D.C. 20420

RE: Application for approval of a Fisher House at the Fargo VA Medical Center

Dear Secretary Wilke:

Fargo VA Health Care Services (VAHCS) covers one of the largest geographic regions in the United States, encompassing all of North Dakota and 18 counties in our neighboring Minnesota and South Dakota. Nearly 78,000 veterans in North Dakota, Minnesota and South Dakota are served by the Fargo VA Medical Center, including 50,842 North Dakota veterans. Veterans in North Dakota may travel up to 400 miles one way to receive care at the Fargo VA Medical Center and approximately 74 percent of North Dakota veterans are traveling from highly rural areas.

Currently, there exist no Fisher Houses to serve military and veteran families in North Dakota or South Dakota. The construction of a Fisher House at the Fargo VA Medical Center will support countless families with no cost accommodations as their family members seek critical care. In a region where veterans and their families may travel a great distance and from rural areas, the added support of a Fisher House can be invaluable for families.

We fully support the construction and operation of a Fisher House at the Fargo VA Medical Center to better serve North Dakota veterans and all veterans in the VAHCS area.

With gratitude,

A handwritten signature in blue ink, reading "Doug Burgum".

Doug Burgum
Governor

11757



Office of the Mayor
City of Horace
215 Park Drive East
Horace, North Dakota 58047

To whom it may concern;

I have been made aware of interest in putting a Fisher house in the Fargo Moorhead area.

I think this is a tremendous idea and I fully support the effort to open a facility in the FM area.

With the number of veterans in and around the area, and no facility within a 4-hour drive from Fargo, it seems like having a Fisher house in area would be much needed.

I'll admit that until a few weeks ago, I was unaware of Fisher houses and what purpose they served. After some research on the topic and seeing the obvious need for such a facility in the FM area, I became an advocate.

Please consider making the Fisher house a part of the FM community.

Thank you.

Kory Peterson
Mayor



Office of the Commission President

Secretary Robert Wilkie
Veteran Affairs
Washington, D.C.

Monday, September 14, 2020

Secretary Wilkie,

It is with great pleasure that I submit a letter of support for the construction of a Fisher House on the campus of the Fargo Veterans Affairs Medical Center.

When I first heard of this project, I was not aware that veterans and their families who travel up to 400 miles to visit the Fargo VA Medical Center might not have a comfortable place to stay. When I learned that the nearest facility to provide this level of comfort is in Minneapolis, I knew I needed to contact you with my support.

Our community and state is extraordinarily proud of the Fargo VA Medical Center. We recognize the exceptional service this facility provides to the exceptional men and women who have served our country. The level of service has also earned the Fargo VA Medical Center the momentous recognition of a National Excellence in Patient Experience Award.

The plans for the Fargo VA Fisher House calls for seven to 21 suites that will be available to 16 to 42 family members at no cost to the veteran or their family members. We recognize that Fargo VA Medical Center is one of 16 locations in the country with a recognized need. However, this house would serve a veteran population that is in desperate need of housing options for their families. The Fargo VA Medical Center service area spreads across one of the largest geographic regions in the country. Seventy-four percent of North Dakota veterans traveling to the center are from highly rural areas.

It is for these reasons I provide my full support and ask you to do the same.

A handwritten signature in black ink, appearing to read "Bernie Dardis".

Bernie Dardis, Commission President
City of West Fargo
Email: bernie.dardis@westfargond.gov
Phone: 701-433-5315

September 3, 2020

Secretary Robert Wilkie
Veterans Affairs
Washington DC

Dear Mr. Secretary,

The North Dakota Association of Counties is pleased to submit this letter of support for the approval of a Fisher House in Fargo North Dakota. The Fargo ND VA HCS has one of the largest veteran catchment areas, covering all of North Dakota, parts of Minnesota and South Dakota.

Currently there are no Fisher Houses in North Dakota or South Dakota. The nearest Fisher House is Minnesota's sole Fisher House located in Minneapolis. The County Veterans' Services Officers that serve my 53 member counties inform me that North Dakota Veterans can travel up to 400 miles one-way to get to the Fargo VA HCS. The Veterans and dependents in this highly rural would benefit greatly from this facility. Please consider approving this application.

Sincerely,



Terry Traynor, Executive Director
North Dakota Association of Counties

11760

September 3, 2020

Secretary Robert Wilkie
Veterans Affairs
Washington DC

Dear Mr. Secretary,

Please accept this letter of support for the approval of a Fisher House in Fargo, North Dakota.

The Fargo VA Health Care System has been awarded #1 in the Nation for Patient Experience. The Fargo VA Health Care System serves the entire state of North Dakota along with northwestern Minnesota and northeastern South Dakota since 1929.

As veterans from highly rural areas travel many miles for care at the Fargo VA Health Care Center, housing is a difficult obstacle to meet. The Fischer House would help meet the needs of the veterans and families traveling from highly rural areas.

Consideration of this application would provide a great asset to the veterans of one of the largest catchment areas with nearly 74% of veterans traveling from highly rural areas.

I am willing to answer any questions you may have.

Sincerely,

Mary Vetter
Veterans Service Officer
President of North Dakota County and Tribal Veteran Service Officers
413 3rd Ave North
Wahpeton, ND 58075

September 13, 2020

Secretary Robert Wilkie
US Department of Veterans Affairs
810 Vermont Avenue NW
Washington DC 20420

Dear Mr. Secretary,

Please accept his letter of support for the approval of a Fischer House in Fargo North Dakota.

The Fargo VA Health Care Services (VAHCS) covers one of the largest geographic regions in the nation and includes the entire state of North Dakota, 17 counties in Minnesota and one county in South Dakota. This region contains 74996 veterans and is a highly rural area. In North Dakota 74% of veterans reside in this area and many must travel 400 miles one-way to seek services at the Fargo VAHCS.

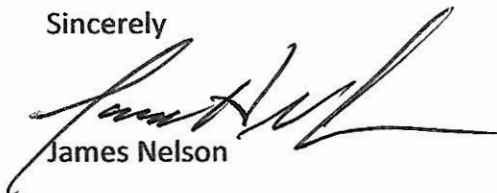
The Fargo VAHCS recently received the "National Excellence in Patient Experience Award" for being the number one in the nation in Patient experience with comparable complexity.

In proximity to the Fargo VAHCS the nearest Fischer House is, to the East: Minneapolis MN, the South: Texas, and the West: Washington State.

The veterans and their dependents residing in this highly rural region are greatly in need of this facility.

The North Dakota Veterans Legislative Council: comprising of members from the American Legion, AMVETS, Disabled American Veterans, Vietnam Veterans of America and The Veterans of Foreign Wars urge your approval of placing a Fisher House in Fargo ND

Sincerely



James Nelson

President

North Dakota Veterans Legislative Council

AMY KLOBUCHAR
MINNESOTA

11762

COMMITTEES:
AGRICULTURE, NUTRITION,
AND FORESTRY
COMMERCE, SCIENCE,
AND TRANSPORTATION
JOINT ECONOMIC COMMITTEE
JUDICIARY
RULES AND ADMINISTRATION

United States Senate
WASHINGTON, DC 20510

September 17, 2020

Kenneth Fisher
Chairman and CEO, Fisher House Foundation
12300 Twinbrook Parkway, Suite 410
Rockville, Maryland 20852

RE: Fargo VA Health Care System, Fisher House Program

Dear Mr. Fisher:

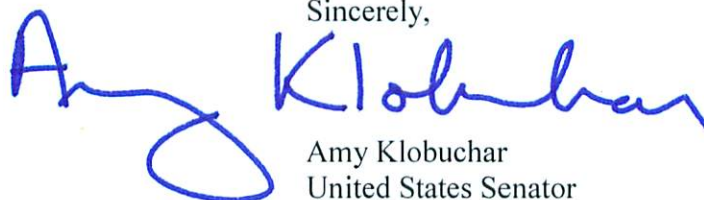
I am writing in support of the Fargo VA Health Care System's application for funding through the Fisher House Foundation. If awarded, the funding would be used to construct a Fisher House for the Fargo VA Hospital, where military and veteran families can stay free of charge when a family member is in the hospital.

The Fargo VA Health Care System provides health care to more than 34,000 veterans across 69 counties in North Dakota, South Dakota, and Minnesota - an area of more than 90,000 square miles. Nearly 70% of the veterans enrolled at the Fargo VA live in highly rural areas, requiring them to travel up to 400 miles one way to be seen for care. In addition, more than 45% of Fargo VA enrollees are 65 years of age or older and many of them live on fixed incomes, making it financially difficult for veterans and their families when they travel to Fargo for their care. There are also limited low-cost lodging options for veterans and their families in the Fargo metropolitan area.

Funding from the Fisher House Foundation would provide much-needed assistance to veterans and their families when they visit the Fargo VA Hospital. If awarded, the funding would support the construction and initial furnishing of a Fisher House at the Fargo VA. Support staff would be assigned by the Fargo VA to manage and maintain the Fisher House. Caregivers and family members play a vital role for many veterans on their road to recovery. The importance of such support cannot be understated, and a Fargo VA Fisher House would be an invaluable resource for many veterans and their families.

Again, I support the Fargo VA Health Care System's application for funding through the Fisher House Foundation. If you have any questions, please contact Rommel Lee in my Minnesota office at (612) 727-5220 or by email at Rommel_Lee@Klobuchar.Senate.Gov.

Sincerely,



Amy Klobuchar
United States Senator



Kenneth Fisher
Chairman and CEO, Fisher House Foundation
12300 Twinbrook Parkway, Suite 410
Rockville, Maryland 20852

RE: Fargo VA Health Care System, Fisher House Program

Dear Mr. Fisher:

I write today to support the Fargo VA Health Care System's application for a Fisher House funding grant. The addition of a Fisher House to the Fargo VA would provide much deserved free accommodations for the families of service members and veterans while their family member receives care.

The Fargo VA Health Care System provides healthcare coverage to a highly rural area covering the entirety of North Dakota and a large portion of northwest Minnesota. As such, Veterans seeking care from the Fargo VA often travel substantial distances to receive treatment. This places additional burden on the veteran's family to accompany them in seeking medical care and often results in the need for an overnight stay. A Fisher House in Fargo will provide convenient and affordable lodging for veterans and their families as they seek the veteran specific care they need at the Fargo VA.

The funding provided by the Fisher House Foundation would remove a significant burden to care our veterans face when they seek care at the Fargo VA facility. It would also help our veterans to recover faster by allowing caregivers and family members to be present throughout a veteran's course of treatment. The importance of such support cannot be underestimated, and a Fisher House will be key in supporting our veterans receive the care they need.

I strongly support the Fargo VA Health Care System's application for a Fisher House from the Fisher House Foundation. Please contact Alex Schueller on my staff at (651) 262-8439 or by email at alex_schueller@smith.senate.gov if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tina Smith", written in a cursive style.

Tina Smith
United States Senator

United States Senate

September 10, 2020

Breton M. Weintraub, MD
Director
Fargo VA Health Care System
2101 Elm Street North
Fargo, ND 58102

Dear Dr. Weintraub:

I am writing to express my strong support for the application submitted by the Fargo VA Health Care System for a Fisher House grant through the Fisher House Foundation.

The service area of the Fargo VA Health Care System is expansive, reaching veterans in rural areas across all of North Dakota and a large segment of northwest Minnesota. Because of this, veterans often travel long distances for care, as do family members who accompany them to Fargo.

Having a Fisher House located in Fargo will provide much-needed assistance to these families. Like they do for so many other VA medical centers in the nation, this Fisher House will provide a convenient and affordable place for families to stay and the opportunity for them to be close to their loved ones through difficult times.

Especially in times of serious illness, it is the caregivers and family members who provide crucial support to veterans. The importance of this support cannot be underestimated. The Fargo community and state stand ready to do their part to make a Fisher House a reality for our veterans and their families.

I have long admired the work of the Fisher House Foundation and urge its most positive consideration to approving this application.

Sincerely,



Kevin Cramer
United States Senate

11765



North Dakota Senate

State Capitol
600 East Boulevard Avenue
Bismarck, ND 58505-0360

Senator

Kyle Davison

District 41
4918 Meadow Creek Drive
South
Fargo, ND 58104-7116

kdavison@nd.gov

Committees:

Education
Government and Veterans
Affairs

September 11, 2020

Dr. Breton Weintraub VAMC

C/O Fisher House
2101 N. Elm Street
Fargo, ND 58102

Dear Dr. Weintraub,

I'm writing in support of a Fisher house being located at the Fargo VA Medical Center (VAMC).

I believe the Fargo location for a Fisher house would be an excellent choice because Fargo VAMC covers one of the nations largest geographic regions which includes all of North Dakota, 17 counties in Minnesota and 1 county in South Dakota. Veterans, many from rural areas, can drive up to 400 miles one way to access service. In addition, the Fargo VAHCS recently received the "National Excellence in Patient Experience Award" for VA facilities with comparable complexities, so bringing a Fisher house to Fargo would continue to build on our already quality patient experience.

As a Senator and Chair of Government and Veteran Affairs in our state legislature, I believe North Dakota has strongly supported Veteran Services and we'd appreciate your support of this application for a Fisher house being located in Fargo.

Sincerely,

Senator Kyle Davison
District 41 Fargo

JOHN HOEVEN
NORTH DAKOTA

338 RUSSELL SENATE OFFICE BUILDING
TELEPHONE: (202) 224-2551
FAX: (202) 224-7999

hoeven.senate.gov

11766

United States Senate

WASHINGTON, DC 20510

COMMITTEES:

AGRICULTURE

APPROPRIATIONS

ENERGY AND NATURAL RESOURCES

INDIAN AFFAIRS

September 15, 2020

Dr. Breton Weintraub
Director
Fargo VA Medical Center
2101 Elm Street N
Fargo, ND 58102-2417

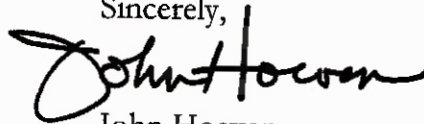
Dear Dr. Weintraub:

I am writing to express my support for the application submitted by the Fargo VA Health Care System for grant funding through the Fisher House Foundation. Thank you for your efforts to continue improving the care and services for veterans in our region.

The Fargo VA Health Care System covers a highly rural area consisting of the entire state of North Dakota and a large segment of northwestern Minnesota. As a result, veterans often travel long distances to receive care. This comes as a substantial burden, not only for veterans, but also for their family members and caregivers, who frequently accompany veterans and provide important support during periods of serious illness. A Fisher House in Fargo would serve as a much-needed resource for these families, providing a convenient and affordable place to stay and empowering them to better help their loved ones through difficult times.

Accordingly, I hope this application receives favorable consideration from the Fisher House Foundation. Thank you, again, for the essential service you provide to our nation's veterans. Please keep me informed of the review process, and feel free to contact my office should you need any further assistance.

Sincerely,



John Hoeven
U.S. Senator

10:44



State Capitol Grounds



VETERANS OF FOREIGN WARS OF THE U.S.
GILBERT N. NELSON POST NO. 1326
1235 South 12th St • P.O. Box 762
Bismarck, North Dakota 58502-0762
701-222-1525 • Fax 701-250-7942

11767



1200 North Washington

TO: Robert Wilkie, Secretary
Veterans Administration

Dear Secretary,

Gilbert N. Nelson Veterans of Foreign Wars Post 1326 in Bismarck, ND, would like to support the establishment of a Fisher House at the Fargo VA Medical Center. Many veterans from Central and Western North Dakota travel across the state to use the medical facilities in the Fargo area. The Fargo VA has always been very well respected by our veterans in North Dakota for their service and care. I hope you will consider favorably the application for a Fisher House at the Fargo VA.

Sincerely,

Thomas Turck
Commander
VFW Post 1326



The American Legion Department of Minnesota

11768

Date: 15 September 2020

To: North Dakota VAMC,

The American Legion Department of Minnesota supports a Fisher House at the Fargo VA Medical Center. As the Commander of The American Legion Department of Minnesota, I am writing you to request your support for a Fisher House in Fargo ND at the VAMC. The Fargo VAMC serves 17 Minnesota counties and approximately 23,500 Veterans from Northern Minnesota. The closest Fisher House is in Minneapolis VAMC. It helps care for our Veterans' families, keeping them close by while loved ones receive the care they need. The Fargo VAMC has Veterans and their families traveling from highly rural areas-North Dakota, Minnesota, and South Dakota and the need for a Fisher House in Fargo just makes sense. The Federal VA is in the process of submitting an application for approval to the VA Central Office and we would like to include your letter of support in the application packet.

A Fisher House is much like a Ronald McDonald House but caters to the needs of Veterans and their families. The house is built by the Fisher Foundation and then donated to the Federal VA for operation. The Fisher homes are built for military and Veterans' families who can stay free of charge while a loved one is being cared for in our hospitals. These homes are located at military and VA medical centers around the world. The Fisher homes have all the comforts of a home, 21 suites with private bedrooms and bathrooms. Families share a common kitchen, laundry facilities, family style dining rooms and an inviting comfortable living room.

Please support the North Dakota Department of Veterans Affairs and submit your letter of support to the Commissioner of NDDVA. Thank you.

For God & Country

Mark Duorak

Commander
The American Legion
Department of Minnesota

**AMVETS**

Department of North Dakota

The Nations Most Inclusive Veterans Service Organization

September 13,2020

Secretary Robert Wilke

US Department of Veterans Affairs

810 Vermont Ave NW

Washington DC20420

Dear Mr. Secretary,

Please accept his letter of support for the approval of a Fischer House in Fargo North Dakota.

The Fargo VA Health Care Services (VAHCS) covers one of the largest geographic regions in the nation and includes the entire state of North Dakota, 17 counties in Minnesota and one county in South Dakota. This region contains 74996 veterans and is a highly rural area. In North Dakota 74% of veterans reside in this area and many must travel 400 miles one-way to seek services at the Fargo VAHCS.

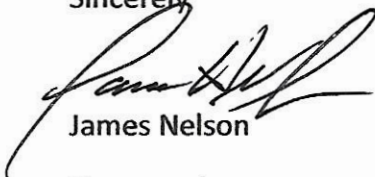
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In proximity to the Fargo VAHCS the nearest Fischer House is, to the East: Minneapolis MN, the South: Texas, and the West: Washington State.

The veterans and their dependents residing in this highly rural region are greatly in need of this facility.

The North Dakota Veterans Legislative Council: comprising of members from the American Legion, AMVETS, Disabled American Veterans, Vietnam Veterans of America and The Veterans of Foreign Wars urge your approval of placing a Fisher House in Fargo ND

Sincerely,



James Nelson

Commander

AMVETS Department of North Dakota



FULFILLING OUR PROMISES
TO THE MEN AND WOMEN WHO SERVED

11770

Department of North Dakota ♦ 3812 Lakewood Dr. SE ♦ Mandan, ND 58554

September 10, 2020

Dr. Breton Weintraub VAMC
2101 N. Elm Street
Fargo ND 58102

Dear Dr. Weintraub

I write on behalf of DAV, Department of North Dakota and in support of a Fisher House in Fargo, ND.

Currently there is no Fisher House in North Dakota or South Dakota. Dedicating a Fisher House at the Fargo VAMC would service a great number of veterans from a highly rural North Dakota and South Dakota. We look forward to such an amazing opportunity being presented here in North Dakota.

Should you have any inquiries, please do not hesitate to contact me.

Keli Berglund
Commander
DAV, Department of North Dakota
Commander@davnd.org



**Veterans of Foreign Wars of the United States
Department of North Dakota**

Bruce Newland, State Commander
3450 Ruemmele Rd, #309
Grand Forks, ND 58201

Bill Tuff, Quartermaster
526 2nd St Court
West Fargo, ND 58078

TO: Dr. Breton Weintraub VAMC
C/O Fisher House
2101 N Elm Street
Fargo, ND 58012

From: VFW Department of North Dakota
1232 Goldenwood Drive
West Fargo, ND 58078

Dear Dr. Weintraub,

The Veterans of Foreign Wars Department of North Dakota and its Council of Administration strongly endorse the construction of a Fisher House at the Fargo VA Medical Center. The VFW Department of ND consists of 49 Posts, 6 Districts, and 6,000 Members. The VFW Department of ND and the Fargo VA Medical Center have always worked very closely together for the benefit of our community. Construction of this Fischer House in Fargo would be another example of our willingness to work together for the betterment of our community. We stand together to make and keep our community strong!

The Fargo VA Medical Center is one of the premiere VA Medical Center's across the country. You could not pick a better location to build this Fischer House than the Fargo VA Medical Center. Its high tradition of excellent care for their patients and its highly qualified staff and volunteers are unmatched by any other VA Medical Center. Building this Fisher House at the Fargo VA Medical Center would continue to show their strong desire to take care of our Veterans and their families.

The Fisher House Foundation needs to look no further than the Fargo VA Medical Center for construction of this New Fisher House. The VFW Department of ND highly endorses the construction of this New Fisher House at the Fargo VA Medical Center. Thanks for your considerations and we look forward to breaking ground!

Sincerely,

James Markey
VFW DEPT OF ND SVC/ADJ

Dr Brenton Weintraub

The entire membership of the North Dakota Vietnam Veterans Of America, 790 strong, support the building of a new Fisher House in Fargo. It would be a fantastic addition to an already fantastic facility. We would help you in any way possible to complete this mission.

North Dakota VVA State President

Dan Stenvold

NPIAS AIRPORT CAPITAL IMPROVEMENT PLAN REPORT - NORTH DAKOTA



	AIRPORT	Based Aircraft	PROJECT	NDAC Priority	FAA Priority	Project Costs (Thousands)	
						1 to 5 Yrs.	6 to 10 Yrs.
1	Fargo FAR	203	Cargo Apron Expansion Phase IV	44	63	3500	
			Terminal Apron Reconstruction (D'21, Phase I C'22, Phase II C'23)	54	69	15000	
			Terminal Area Study	34	73	400	
			Replace Passenger Boarding Bridge	31	42	500	
			Pavement Maintenance (RTA, RCF, Seal)	56	81	1000	1000
			Terminal Building Expan. (D'23, Phase I C'23, Phase II C'24)	31	42	37000	
			Glycol Pump Station (D'21, C'22)	31	60	2000	
			Rwy 9/27 Ext./Widening / Par. Twy EA, Design, Construct	46	51		65000
			South GA Apron Rehabilitation	54	69	5000	
			SRE Acquisition	32	77	1000	2000
			Construct Elevated Walkway	31	27	16000	
			North GA Taxilane Extension	45	61		1000
			Perimeter Road Rehabilitation	31	48		2000
			Twy D Reconstruction	55	76		3500
			East GA Expansion	23	61		2000
2	Bismarck BIS	78	Rehabilitate Runway 3-21 and Taxiway D	46	79		13000
			Rehabilitate/Construct Parking Lot/Expansion	23	27		2000
			GA Apron Expansion (Phase IV and V)	44	62	2000	2000
			Purchase SRE Equipment	32	36	2300	800
			Taxiway C North Rehab	45	74	10000	
			Rehabilitate Access Roads	23	27	1000	1600
			Airfield Wetland Mitigation / Drainage Improvements (Phase VI - '21, VII - '22, VIII - '23)	31	41	16500	7000
			Construct Terminal Building Expansion (D '25, C '25-'26)	31	40	500	54000
			Expand Commercial Apron (Phase 1 D '23- C '24)	44	62	7000	7200
			Purchase ARFF Equipment	32	36	750	
			Runway 13 RPZ Land Acquisition	41	44		2200
			Pavement Maintenance (RTA, RCF, Seal)	56	79	1000	1000
			Rehabilitate/Construct SRE Building Expansion	32	36	4200	
			Rehabilitate/Construct ARFF Building Expansion	31	43	1500	
			Construct Service Road Expansion	23	27		3000
			Install New Passenger Boarding Bridges	31	39		11000
			ASR Improvements	32	48	1600	
			Deicing Fluid Collection System	32	42	600	
			Commercial and GA Ramp Panel Replacement	44	38	2000	
			Relocate Airway Avenue/Airport Road Intersection	23	27		300
			Update Noise Contours	21	65		250
			Construct Taxilane Expansion	45	59	1000	500
			Runway 9L-27R Extension - Land Acquisition, Wetland Mitigation	46	60	3900	
			Relocate Route 5	46	55	4600	
			Runway 9L-27R Extension - Reconstruct Runway Intersection	56	37	8600	
			Runway 9L-27R & TWY B Extension & Pavement Reconstruction	56	79	42600	
			Runway 17R/35L Reconstruction (C'25-'27)	56	79	26000	31000
3	Grand Forks GFK	189	Construct Runway 18-36	46	74		10000
			Construct Access Road North of Terminal	41	39		1500
			Construct Terminal Apron	44	62		9000
			Purchase ARFF Equipment	52	87		1000
			Taxiway C Rehab	45	74		4000
			Replace T-Hangars	12	24	3000	3000
			Northwest GA Apron	44	62		2000
			Storm Water Improvements (C '22 - C '23)	31	41	8100	
			Purchase SRE Equipment	32	75	1600	1000
			Purchase ARFF Truck	52	36	1000	
4	Minot MOT	120	Taxiway B/G Rehab	45	74		3000
			Replace/Upgrade Airfield Security Fence	31	83		5000
			Reconstruct/Expand Cargo Apron (C '20-'21)	54	67	3500	
			Pavement Maintenance (RTA,RCF, Seal), Remarking	56	79	1000	1000
			Runway 8/26 Rehab/Threshold Relocation; Taxiway B Intersection; Taxiway D Expansion	56	79	5400	4300
			Construct GA Landside Access Road and Parking Lot	23	27	3500	
			RWY 8 Approach Clearing/Tree Removal	57	86		
			Rehabilitate Taxiways A, B & D (D'20 C'21)	45	74	2000	
			Rehabilitate Runway 13/31, Taxiway D-1, & Taxiway A (D'22 C'24)	46	79	2400	
			Reconstruct Terminal Apron Phase II	54	67	100	1500
5	Jamestown JMS	36	Airfield Lighting Rehabilitation	56	79	2100	
			Pavement Maintenance (RTA,RCF, Seal), Remarking	56	79	600	1100
			Acquire SRE	32	75		500
			Replace Passenger Boarding Bridge	31	40		800
			W. Industrial Park Infrastr. Improvements (C'25)	11	X		1500
			Terminal Expansion	31	40		2000
			Apron & Taxiway Concrete Section Rehabilitation	45	67		300
			Construct T-Hangar	12	24		700
			Purchase SRE Equipment	32	75	2200	
			Purchase ARFF Equipment	52	36		1000
6	Williston XWA	49	Pavement Maintenance (RTA, RCF)	56	79	400	500
			Construct Hangars	12	24	1000	2000
			Terminal Parking Expansion	23	27	2500	
			Cargo Apron Construction	44	69	6100	
			Ground Service Equipment Building	32	36	400	
			Crosswind Parallel Taxiway	45	76		3000
			Deicing Fluid Collection Improvements	32	41		1400
			Construct Waste Water System	32	40		7000

	AIRPORT	Based Aircraft	PROJECT	NDAC Priority	FAA Priority	Project Costs (Thousands)	
						1 to 5 Yrs.	6 to 10 Yrs.
			Terminal Area Planning Study, Environmental, & ALP Terminal Plan Update	34	71	100	
7	Devils Lake	13	Apron & Taxiway Reconstruction	55	67	1700	
	DVL		Apron Lighting & Security Cameras	44	67	300	
			Terminal Expansion	32	40	3000	
			Install Passenger Boarding Bridge	31	40	1000	
			Improvements to Terminal Road & Parking Lot	21	37	1000	
			Runway 13/31 Pavement Rehabilitation	46	79	2000	
			Runway 13/31 Lighting Rehabilitation & Generator	56	79		1000
			ALP/MP Update with Exhibit A/AGIS Component	37	71		500
			Construct SRE/ARFF Building	32	57		2500
			Rehabilitate Apron	44	67		500
			Rehabilitate Taxiway A	45	74		800
			Acquire SRE	32	75		1000
			Terminal Design and Construction	33	45		30000
8	Dickinson	34	Reconstruct Runway 14/32	56	79	22000	
	DIK		Terminal Access and Parking Lot	31	40		5000
			Purchase SRE Equipment	32	75	1200	1000
			ARFF Truck / ARFF Building Expansion	32	87	750	2000
			Construct Commercial Service Apron	44	62		6000
			Construct Hangar Taxilanes	45	59		1000
			Crosswind Parallel Taxiway	45	76		3000
			SRE Building Expansion	32	45		2000
			Runway 15-33/Taxiway A Light System Conversion, Runway 7-25 Light System/Beacon	56	72	750	
			GA Apron and Taxiway A Reconstruction (D '24, C '25)	55	74	4700	
Commercial Service Airports Totals:						304450	337750
		BASIC	Install LED MIRLS, PAPIs, Beacon, Windcone and Electrical Vault (D '19, C '21)	56	77	700	
9	Ashley	11	Pavement Maintenance (RTA, RCF, Seal)	56	77	150	200
	ASY		AGIS for IAP Development	37	67	150	
			Construct Terminal/SRE Building	32	39	500	
			Install AWOS	32	70		300
			Construct Apron Expansion	44	59		1000
			Construct Fuel System (100LL + Jet A)	22	24		400
		BASIC	ALP/MP Update with Exhibit A/AGIS Component	31	42		300
10	Beach	10	Rehabilitate Hangar Taxilanes	45	63		600
	20U		Construct New Turf Runway	46	59		1000
			Runway 12/30, Taxiway, Apron Pavement Rehabilitation (D '22, C '23)	46	77	1600	
			Pavement Maintenance (RTA, RCF, Seal)	56	77	200	400
			Construct Hangar	12	22	1000	
			Construct Fence and Signage	31	38		2000
			Construct Parallel Taxiway	45	48		1000
			Construct Apron Expansion	44	59		500
		LOCAL	Construct Jet-A Fuel System	22	17	300	
11	Bottineau	17	Pavement Maintenance (RTA, RCF, Seal)	56	79	200	200
	D09		Construct Taxiway Expansion	45	64	300	300
			Realign and Construct Turf X-Wind Runway	45	46		500
			Runway 13/31, Taxiway, Apron Pavement Rehabilitation	46	79		2200
			Demo Hangar and Construct New T-Hangar	12	24		1000
			Construct Fence and Signage	31	38		2000
			Conduct Misc Study/Request IFR on Runway 13	31	42	200	
			ALP/MP Update with AGIS Component	31	42		
			Install AWOS	32	72	300	
			Transfer Out Entitlements (\$30,000)	X	X		
		LOCAL	Construct Partial Parallel Taxiway	45	48		3600
12	Bowman	17	Construct Hangar (D '21, C '22)	12	24	1500	
	BWW		Construct Crosswind Runway	46	59		1500
			Construct Taxilane	45	59		1000
			Purchase SRE Equipment	32	45	500	
			Pavement Maintenance	56	79	200	200
			Transfer Out Entitlements (\$32,000)	X	X	200	200
		BASIC	Replace Runway 16/34 Lighting System (D' 22, C' 23)	56	77	450	
13	Cando	12	Pavement Maintenance (RTA, RCF, Seal)	56	77	100	300
	9D7		Construct Fuel System	22	24		400
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	59		100
			Construct Wildlife Fence and Signage	31	34		1500
			Construct Partial Parallel Taxiway	45	75	1000	
			ALP/MP Update with AGIS	37	69		300
		LOCAL	Construct New Hangar	12	24		800
14	Carrington	10	Pavement Maintenance (RTA, RCF, Seal)	56	79	100	500
	46D		Runway 13/31 & Taxiway Rehabilitation (D '21, C '22)	46	79	1900	
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	71		100
			Apron Pavement Seal Coat & Taxilane Reconstruction	54	67	500	
			Rehabilitate Airfield Lights	56	79		500
			Construct Fence and Signage	31	35		1000
		LOCAL	Construct Wildlife Fence	31	35		2000
15	Casselton	40	Pavement Maintenance (RTA, RCF, Seal)	56	79	600	500
	5N8		Runway 13/31 Relocation & Parallel Taxiway Construction	46	79	300	13000
			Environmental Assessment for Land Acquisition for Runway Relocation	46	70	250	
			Land Acquisition for Runway Relocation	36	60	1200	
		LOCAL	Construct Drainage Improvements	46	41		100
16	Cavalier	13	Pavement Maintenance (RTA, RCF, Seal)	56	79	200	200
	2C8		Relocate Powerline	47	40		50
			Runway Rehabilitation (D '26 C'27)	46	79		1000
			Purchase SRE Equipment	32	75	200	
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	71		100
			Rehabilitate Airfield Lights (D'19, C '22)	56	79	800	
			Construct Fence and Signage	31	35		2000
			Construct Full Length Taxiway	45	76		800

	AIRPORT	Based Aircraft	PROJECT	NDAC Priority	FAA Priority	Project Costs (Thousands)	
						1 to 5 Yrs.	6 to 10 Yrs.
		BASIC	Land Acquisition Phase 2 - RPZ / Transitional Surfaces (18 Acres)	47	65	50	
17	Cooperstown	14	ALP/MP Update with AGIS Component	37	69	300	
	S32		Pavement Maintenance (RTA, RCF, Seal)	56	77	100	300
			Runway 13/31, Taxiway and Apron Rehabilitation	46	77	150	1500
			Construct Apron Expansion	44	67		500
			Construct Crosswind Runway	26	79		1000
			Construct Wildlife Fence and Signage	31	34		1000
			Construct Parallel Taxiway	45	75		500
			Improve Access Road	31	35		300
			Transfer Out Entitlements (\$100,000)	X	X		
		BASIC	Snow Removal Equipment	32	42	300	
18	Crosby	11	Construct New SRE Building	32	48	500	
	D50		Construct Runway Rehabilitation and New Windcone/Segmented Circle (D '21, C '22)	46	77	1200	
			Construct Hangar	12	22		700
			ALP/MP Update with AGIS	31	42		300
			Construct Jet A Fuel System	12	17		300
			Construct Partial Parallel Taxiway	45	38		500
			Pavement Maintenance (RTA, RCF, Seal)	56	77	200	400
		BASIC	Pavement Maintenance (RTA, RCF, Seal)	56	77	200	400
19	Dunseith - IPG	0	Environmental Assessment Runway 29	42	52	300	
	S28		Land Acquisition - Runway 28 extension/RPZ	41	42	500	
			Runway, Taxiway, and Apron Reconstruction	56	66	2200	
			Construct Fence and Signage	31	38		2000
			Install MIRLS, PAPI and NPI Remarking	56	45	600	
			Transfer out Entitlements (\$300,000)	X	X		
		BASIC	Construct SRE Building	32	48		500
20	Edgeley	10	Construct Fence and Signage	31	34		1000
	51D		Pavement Maintenance (RTA, RCF, Seal)	56	77	400	400
			Construct Runway Extension	46	71	1400	
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	69		100
		BASIC	Improve Access Road	31	36		400
21	Ellendale	10	Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
	4E7		Purchase SRE Equipment	32	73	300	
			Wildlife Site Visit & Wildlife Hazard Management Plan (WHMP)	31	69		100
			ALP/MP Update with AGIS	37	69		300
			Construct Wildlife Fence and Signage	31	34		1000
			Pave Turf Taxilane	45	58		300
			Install AWOS	32	70		200
			Reconstruct Apron Taxilane	55	63	300	
		BASIC	Construct Terminal, PAPIs (D '20, C '21), Threshold Lights, TWY Reflectors, RSA Grading	56	88	600	
22	Ft. Yates	0	Pavement Maintenance (RTA, RCF, Seal) and Relocate Fence for LPV Approach	56	84	260	300
	Y27		Construct Hangar	12	22		600
			Construct SRE Building	32	48		700
			Access Road Improvements	33	20		900
			Construct Fuel System	22	17	300	
			Rehabilitate Runway, Taxiway, Apron	46	77		2000
		BASIC	Construct GA Terminal Building	21	38	700	
23	Garrison	11	Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
	D05		RPZ Land Acquisition	32	48	400	
			Purchase SRE Equipment	41	41		300
			Construct Fence and Signage	31	83	50	1000
			Update ALP/MP with AGIS and Exhibit A	31	38		300
			Construct Hangar	12	22		700
			Construct North Hangar Taxilane	45	58		500
			Runway 13-31 Rehabilitation	56	66		2100
		BASIC	Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
24	Glen Ullin	13	Runway, Taxiway, and Apron Rehabilitation (D '21, C '22)	46	77	1600	
	D57		Wildlife Hazard Assessment (WHA) and Wildlife Hazard Management Plan (WHMP)	31	55		200
			Taxilane Extension	45	58	500	
			Construct Hangar	12	22		700
			Construct X-wind Rwy, EA, RPZ Land Acquisition	46	59		700
			Construct Partial Parallel Taxiway	45	52	100	700
		LOCAL	Pavement Maintenance (RTA, RCF, Seal)	56	79	200	200
25	Grafton	14	Taxilane & Apron Reconstruction (D '23 C '24)	55	65	500	
	GAF		Construct Hangar	12	24		600
			Drainage Improvements (Phase I '21, Phase 2 '22) & Wetland Mitigation	56	41	1600	
			Construct New SRE Building	32	50		400
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	71		150
			Replace Airport Beacon	47	78	60	
			Runway 17/35 Rehabilitation	46	79		1600
			Remove Old Storage Building	12	45	200	
			Construct Fence and Signage	31	35		1000
		BASIC	Replace RWY 16/34 REILs & Repaint Airfield Markings	56	77	200	
26	Gwinner	11	Reconstruct Taxilane & Access Road Improvements (D '22, C '23)	55	63	700	
	GWR		Update ALP/MP with AGIS and Exhibit A	37	69		300
			Purchase SRE Equipment	32	73		400
			Construct SRE Building	32	48		800
			Lighting Improvements	56	77	100	300
			Land Acquisition - Wildlife Fence	32	58		300
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	69		100
			Construct Fence and Signage	31	34		1000
			Pavement Maintenance (RTA, RCF, Seal)	56	77	200	300
		BASIC	RPZ Land Acquisition and EA	41	42		800
27	Harvey	13	Rwy 11/29, Taxiway, Apron Rehabilitation (D '25, C '26)	46	77	200	2000
	5H4		New Crosswind Runway	46	59		800
			Update ALP/MP with AGIS and Exhibit A	31	69		300
			Parallel Taxiway	45	64		1000
			Apron Expansion	44	59		300
			Pavement Maintenance (RTA, RCF, Seal)	56	77	200	200
			Construct Hangar	12	22	700	
			AGIS Survey (LPV Approach, Both Ends)	42	52	200	
			Wildlife Fence and Signage	31	38		1000
			Replace Runway 11/29 PAPIs	56	46	100	

	AIRPORT	Based Aircraft	PROJECT	NDAC Priority	FAA Priority	Project Costs (Thousands)	
						1 to 5 Yrs.	6 to 10 Yrs.
28	Hazen HZE	BASIC 16	Pavement Maintenance (RTA, RCF, Seal)	56	77	200	200
			Rehabilitate Runway (D '19, C '21)	46	77	3000	
			Rehabilitate Taxiway and Apron (D '22, C '23)	45	72		
			Wildlife Hazard Site Visit / Signage / Fence	31	62		1000
			Construct Hangar	12	22		700
			ALP/MP Update with AGIS and Exhibit A	31	62		300
			Construct Crosswind Runway	46	49		500
			Construct Partial Parallel Taxiway & MITL	46	46		1600
			Replace MIRLS, PAPIs, Airfield Lighting Controls, & Construct New Vault (D '23, C '24)	56	77	600	
			North Hangar Taxilane Construction	45	58		600
29	Hettinger HEI	LOCAL 20	Rehabilitate Taxiway C and South Hangar Taxilane (D '22, C '23)	45	74	600	
			Rehabilitate Taxiway B	45	74		400
			Apron Rehabilitation	44	67		900
			Wildlife Hazard Site Visit / Signage / Fence	31	62		1000
			Pavement Maintenance (RTA, RCF, Seal)	56	79	200	300
			ALP/Master Plan Update	31	55	300	
			Construct Hangar	12	24	700	
			Construct Hangar Taxilane	45	59		400
30	Hillsboro 3H4	LOCAL 22	Environmental Assessment for Runway Extension Land Acquisition	46	70	300	
			Purchase SRE Equipment	32	75	150	
			Land Acquisition for Runway Extension	36	60		200
			Construct Runway Extension	46	73		7000
			Apron Reconstruction (D'22, C'23)	54	67	3000	
			Reconstruct Access Road	31	46		200
			Construct Wildlife Fence and Signage	31	35		1000
			ALP/Master Plan Update	37	71		300
			Pavement Maintenance (RTA, RCF, Seal)	56	79	200	300
31	Kenmare 7K5	LOCAL 31	East Apron Construction	44	62		1200
			Construct Partial Parallel Taxiway and Hangar Taxilane (D '22, C '23)	46	76	1000	
			Relocate Fuel System	22	17		200
			Construct Access Road Extension and Parking Lot Expansion	33	20	300	
			Construct Runway 16/35 and Parallel Taxiway	46	42		6000
			Pavement Maintenance (RTA, RCF, Seal) and Partial Parallel Taxiway and Taxilane Env.	56	79	300	300
			Construct Terminal Building	21	35		500
32	Kindred K74	LOCAL 26	Airfield Lighting Rehabilitation	56	79		600
			EA, Land Acquisition, and Wetland Mitigation for Runway Extension	46	70		1000
			Replace Concrete Runway Panels	56	79	200	
			Construct Runway 11/29 Extension and Parallel Taxiway	46	73		7000
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	71		100
			Construct Terminal Building	12	41	500	
			Relocate Road for Runway Extension	47	37		500
			Construct Fence and Signage	31	35		1000
			Pavement Maintenance (RTA, RCF, Seal)	56	79	200	200
33	Lakota 5L0	BASIC 7	Rehab of Rwy 15/33, Apron, and Taxiway (D '21, C '22)	46	77	1800	
			Pavement Maintenance (RTA, RCF, Seal)	56	77	100	300
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	69		200
			Construct Wildlife Fence and Signage	31	34		1000
			Construct Taxilane	45	58		500
			Construct Parking Lot	23	23		200
			Transfer Out Entitlements (\$131,000)	X	X		
34	LaMoure 4F9	NC 4	Pavement Maintenance (RTA, RCF, Seal)	56	72	100	200
			Replace Runway 16/34 Lighting System	56	72	500	
			Reconstruct Taxiway	55	68	400	
			Reconstruct Apron	54	60	400	
			Land Acquisition / RPZ	47	60		1000
			Wetland Mitigation	37	38		500
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	64		100
			Construct Terminal Building	21	35	400	
			Construct Hangar	12	17		700
			Construct Fuel System	22	20		300
35	Langdon D55	LOCAL 19	Rehabilitate Terminal Building	21	40		200
			Construct AWOS Access Road	31	39		300
			Expand Apron & Reconstruct Taxilane (D '21, C '23)	55	61	700	
			Pavement Maintenance (RTA, RCF, Seal)	56	79	200	400
			Construct Parallel Taxiway	45	69		1000
			Construct Hangar	12	24	700	
			Crosswind Runway Turf Rehabilitation	56	79		600
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	71		150
36	Linton 7L2	LOCAL 20	Pavement Maintenance (RTA, RCF, Seal)	56	79	200	200
			Taxiway, Apron and Access Road Rehabilitation (D '22, C '23)	45	74	1100	
			Runway 9/27 Extension	46	51		1200
			ALP/MP Update with AGIS Component	31	42		300
			Construct Parallel Taxiway	46	76		1500
			Construct Hangar	12	24		700
			Construct SRE Building	32	48	500	
37	Lisbon 6L3	BASIC 12	Construct Fence and Signage	31	34		500
			Construct Turf Partial Parallel Taxiway (D'21, C'22)	45	67	600	
			Runway 14/32 and Taxiway Rehabilitation	46	77	200	1500
			Install AWOS	32	70		300
			Rwy 14/32 Lighting Rehabilitation	56	77		500
			Construct Apron Expansion	45	59		1000
			Pave Partial Parallel Taxiway	45	67		1000
			Construct Connector Taxiway to Correct Direct Access Issue	45	72		500
			Pavement Maintenance (RTA, RCF, Seal)	56	77	200	400

	AIRPORT	Based Aircraft	PROJECT	NDAC Priority	FAA Priority	Project Costs (Thousands)	
						1 to 5 Yrs.	6 to 10 Yrs.
		LOCAL	Wetland Mitigation/ Drainage (D '19, C '22)	31	41	900	
38	Mandan	83	Construct Parking Lot	23	27	200	
	Y19		Construct South Development Taxilane	45	59	1800	
			Pavement Maintenance (RTA, RCF, Seal)	56	79	300	300
			Construct Runway Expansion (EA '23)	46	48	500	5000
			ALP/MP Update with AGIS Component	31	42		300
			Construct Corporate Apron and Taxilanes	43	62		3000
			Construct Terminal Building Expansion	21	29	200	
			Relocate County Road and Powerlines	46	48		2500
			Construct Hangar	12	24	1000	2000
			SRE Building Expansion	32	48	300	
			Purchase SRE Equipment	32	36	300	300
			Realign Parallel Taxiway	46	76		2200
			Install Fuel System	22	17	300	500
			Apron Expansion	44	61	1100	600
		LOCAL	Purchase SRE Equipment	32	75	300	
39	Mohall	33	Pavement Maintenance (RTA, RCF, Seal)	56	79	200	300
	HBC		Wildlife Hazard Assessment (WHA) and Wildlife Hazard Management Plan (WHMP)	31	55	150	
			Construct Wildlife Fence and Signage	31	29	1600	
			Construct Parallel Taxiway	46	76		1000
			Construct Hangar Taxilane	45	59		600
			Install AWOS	32	42	300	
		BASIC	Construct Hangar	12	22		600
40	Mott	10	Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
	3P3		Construct Partial Parallel Taxiway	46	75		800
			Construct Fence and Signage / Conduct Wildlife Hazard Assessment (WHA)	31	64		800
			Construct Hangar Taxilane (D and C '23)	45	58	350	
			Install AWOS	32	42		300
			Construct Runway Threshold Lighting, Add Non-Precision Runway Markings, Purchase SRE	56	73	250	
			Access and Parking Lot Improvements	33	20		300
			Apron Expansion	44	59		200
			Construct Runway Extension	46	56		2000
		LOCAL	Land Acquisition for Apron Expansion	34	60	200	
41	Northwood	19	Construct Taxilane and Apron Expansion (D '22, C '23)	45	60	600	
	4V4		Pavement Maintenance (RTA, RCF, Seal)	56	79	300	300
			Construct Fuel System	22	26		500
			Construct Terminal Building	21	39		700
			Construct New Runway 14/32	46	74		5200
			Environmental and Land Acquisition for Runway Development	46	70		800
			Construct Hangar	12	24		800
			Transfer Out Entitlements (\$75,000)	X	X		
		LOCAL	Taxiway Overlay & Airfield Seal Coat (D' 20,C '21)	45	74	500	
42	Oakes	11	Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	71		100
	2D5		Construct Wildlife Fence and Signage	31	35		1000
			Construct Parallel Taxiway	45	69		1200
			Pavement Maintenance (RTA, RCF, Seal)	56	79	200	400
			Acquire SRE	32	75	400	
			ALP/MP Update with AGIS Component	37	71		300
		BASIC	Obstruction Removal and Mitigation	57	88	300	
43	Park River	10	Install AWOS	32	70		300
	Y37		Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	69		150
			Construct Wildlife Fence and Signage	31	38		1000
			Pavement Maintenance (RTA, RCF, Seal)	56	79	200	200
			Runway 5/31, Apron, Taxiway Rehabilitation	46	79		1000
			Runway Extension Field Studies ('22), EA ('23), & Land Acquisition ('24)	46	68	600	
			Construct Runway Extension	46	71		1000
		BASIC	Construct Runway Extension	46	51		1400
44	Parshall	8	Install AWOS	32	42		300
	Y74		Construct Apron Expansion and Access Road	44	59		400
			Construct Fence and Signage	31	38		1000
			Wildlife Hazard Assessment (WHA) and Wildlife Hazard Management Plan (WHMP)	31	55		150
			Upgrade Jet Fuel System	22	17	300	
			Upgrade Runway Lighting (MIRL)	56	77	400	
			Reconstruct Taxiway, Apron, and Taxilane (EA '23, D '24, C '25)	55	72	800	
			Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
		BASIC	Flight Check, Replace Windsock, Install Drainage Control Gate	56	40	150	
45	Pembina	9	Install Fuel System	22	24	500	
	PMB	↓	Runway and Taxiway Rehabilitation	46	77		1400
			Pavement Maintenance (RTA, RCF, Seal)	56	77	400	200
			Wildlife Site Visit and Wildlife Hazard Management Plan (WHMP)	31	69		200
			Acquire SRE	32	73		400
			Construct Hangar	12	22	100	600
			Construct Wildlife Fence and Signage	31	34		1000
		BASIC	Airfield Electrical Rehabilitation	56	77	400	
46	Rolla	12	Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
	06D		ALP Update / AGIS and Exhibit A	32	55		300
			Land Acquisition (RPZ)	41	44		400
			Wildlife Hazard Assessment (WHA) and Wildlife Hazard Management Plan (WHMP)	31	55		150
			Construct Fence and Signage	31	64		1000
		BASIC	Construct Hangar	12	22		700
47	Rugby	10	Pavement Maintenance (RTA, RCF, Seal)	56	77	300	300
	RUG		Construct SRE Building	32	48	700	
			Runway 12-30, Taxiway and Taxilane Rehabilitation (D '25, C '26)	46	77	100	1200
			ALP Update / AGIS and Exhibit A	32	55	300	
			Wildlife Hazard Assessment (WHA) and Wildlife Hazard Management Plan (WHMP)	31	55		150
			Construct Terminal Building	21	29		750
			Construct Fence and Signage	31	38		1000
			Transfer Out Entitlements (\$163,000)	X	X		

TESTIMONY OF
KYLE C. WANNER
EXECUTIVE DIRECTOR, NORTH DAKOTA AERONAUTICS COMMISSION
BEFORE THE
SENATE APPROPRIATIONS
NOVEMBER 9th, 2021
SENATE BILL 2345

Chairman Holmberg and members of the committee,

The Aeronautics Commission is in support of the proposed \$5 million dollar appropriation through the American Rescue Plan Act to allow the state to provide infrastructure grants to public-use airports throughout North Dakota.

A breakdown of the justification for this funding is as follows:

One-Time Infrastructure Funding: The proposed airport infrastructure grants are one-time expenditures for high priority and justified projects that all 89 public-use airports throughout North Dakota would be eligible to apply for grant consideration. These funds would not be utilized for on-going expenses.

Ability to Leverage Federal Funds: These dollars have the ability to help leverage additional federal funds from the Airport Improvement Program for North Dakota airport projects. The funds would also reduce the local financial burden associated with the costs of the portion of projects that the federal government is unable to provide funding on and may also assist with high priority projects that are ineligible for federal grants.

Airport Needs are Identified: Airport capital needs have been compiled in a statewide capital improvement plan which shows an estimated \$400 million in projects at our 89 public use airports within the next 5 years and an estimated \$550 million in needs in the following 6-10 years.

Project Funding Gap: The North Dakota Aeronautics Commission's current 2021-2023 biennial budget is projected to provide approximately \$7 million in total airport infrastructure grants over the current biennial time period. Federal funding is currently anticipated to be between \$30-\$50 million each year but is dependent on multiple factors including: The readiness of high priority/shovel ready projects, availability of federal funds per congressional approval, and the availability of local & state money to complement/leverage those federal dollars. At these current funding levels and an awareness of increased construction costs - a funding gap exists for airport infrastructure projects which is the reason that the Airport Infrastructure fund through the "Operation Prairie Dog" legislation was formed.

Operation Prairie Dog Funds Have Not Arrived: Due to the Covid-19 pandemic and subsequent loss of oil revenues within North Dakota, the airport infrastructure fund was unable to fill to its programmed \$20 million cap during the 2019-2021 biennium.

North Dakota's Airport System

11834

- 89 Public-Use Airports in North Dakota
 - 71 airports are paved
 - 18 airports maintain turf only runways
- 54 are eligible to receive federal funding
- 35 are maintained utilizing state and local funding only
- Over 200 private airstrips also exist throughout the state

According to the 2015 Economic Impact of Aviation Study



Employment

Jobs related to airport management, airport tenants, capital investment at airports, and visitor spending

12,217 jobs



Payroll

Annual payroll associated with these jobs

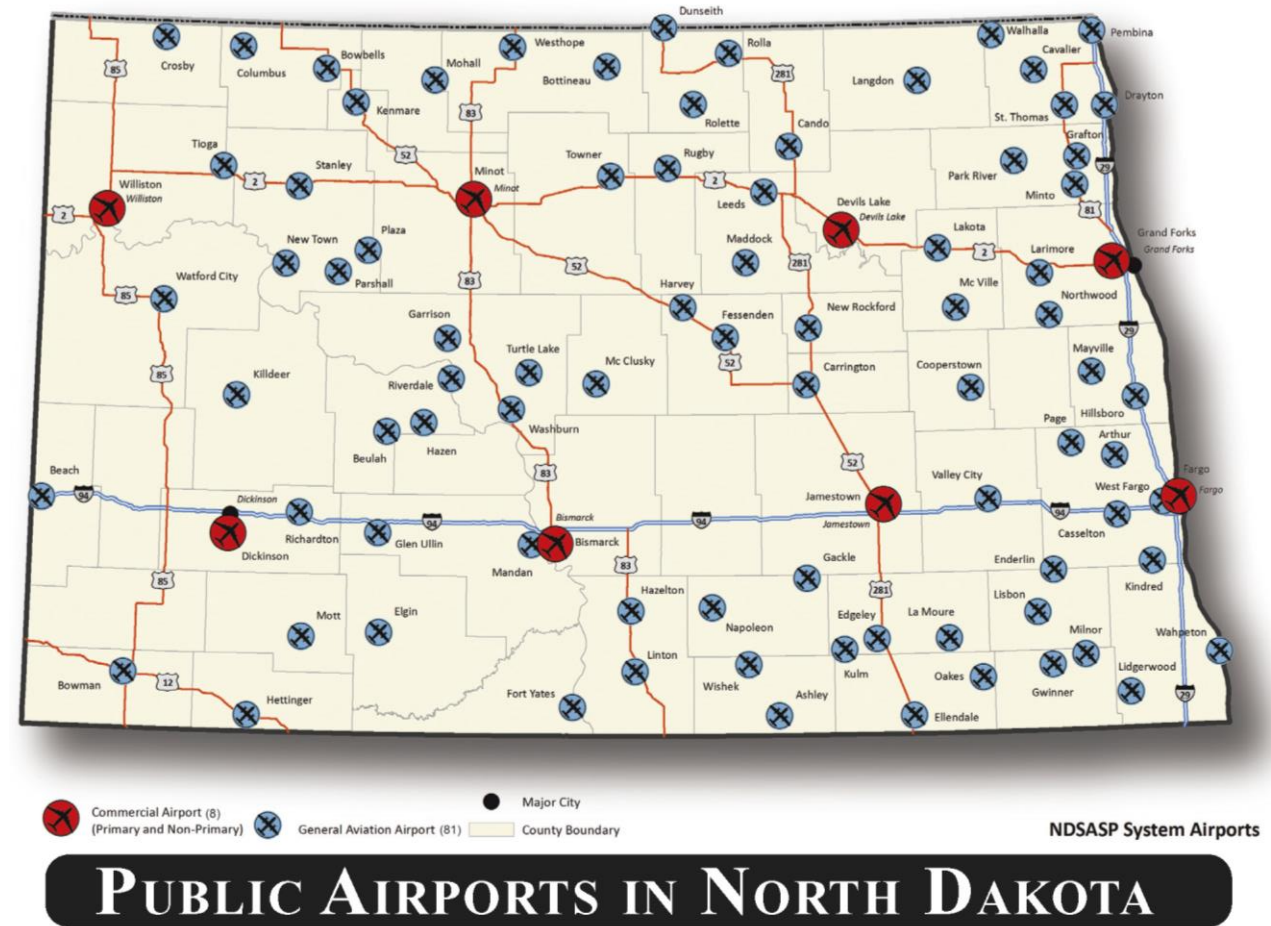
\$505.2 million



Output

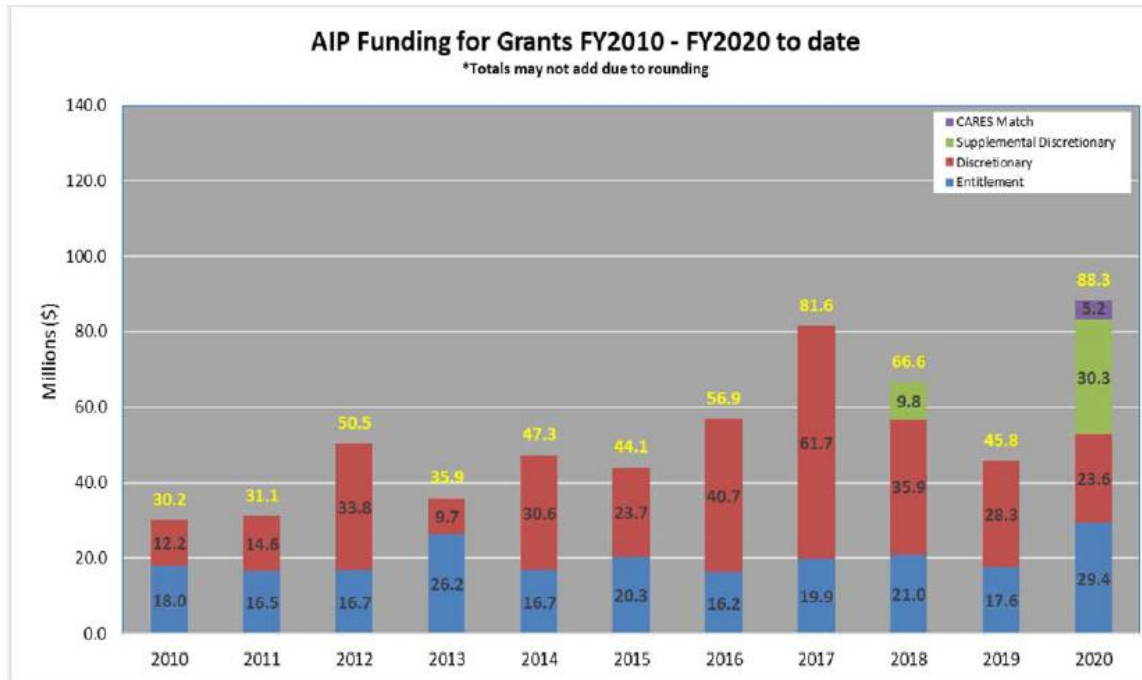
Annual economic output for five activity centers

\$1.56 billion



Historical Federal Funding for North Dakota Airports

North Dakota Grant Funding FY2010 – FY2020; Supplemental Appropriations and CARES Act



Supplemental Discretionary

Intent to Award

-6 Grants Totaling \$39,010,091

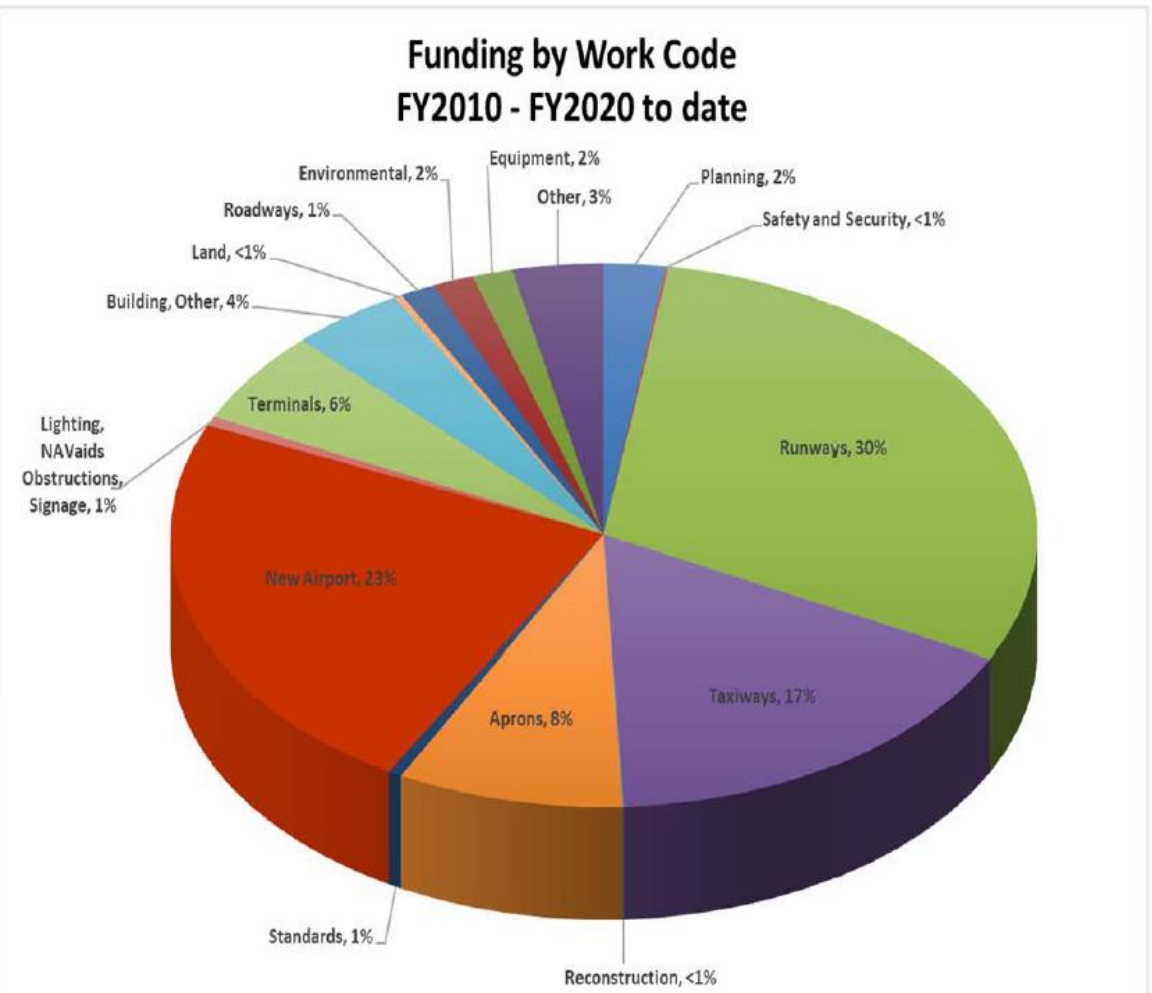
Fiscal Year	Grants	Total
2018	4	\$31,760,091
2019	1	\$2,400,000
2020	1	\$4,850,000

*FY2020 Supplemental will receive CARES Funds for 100% match as long as funding is available

CARES Act

-53 Grants Totaling \$69,489,703

Airport Type	Grants	Total
Small Hub	1	\$21,637,515
Non-Hub	6	\$45,408,388
Commercial Service	1	\$1,352,800
General Aviation	45	\$1,091,000



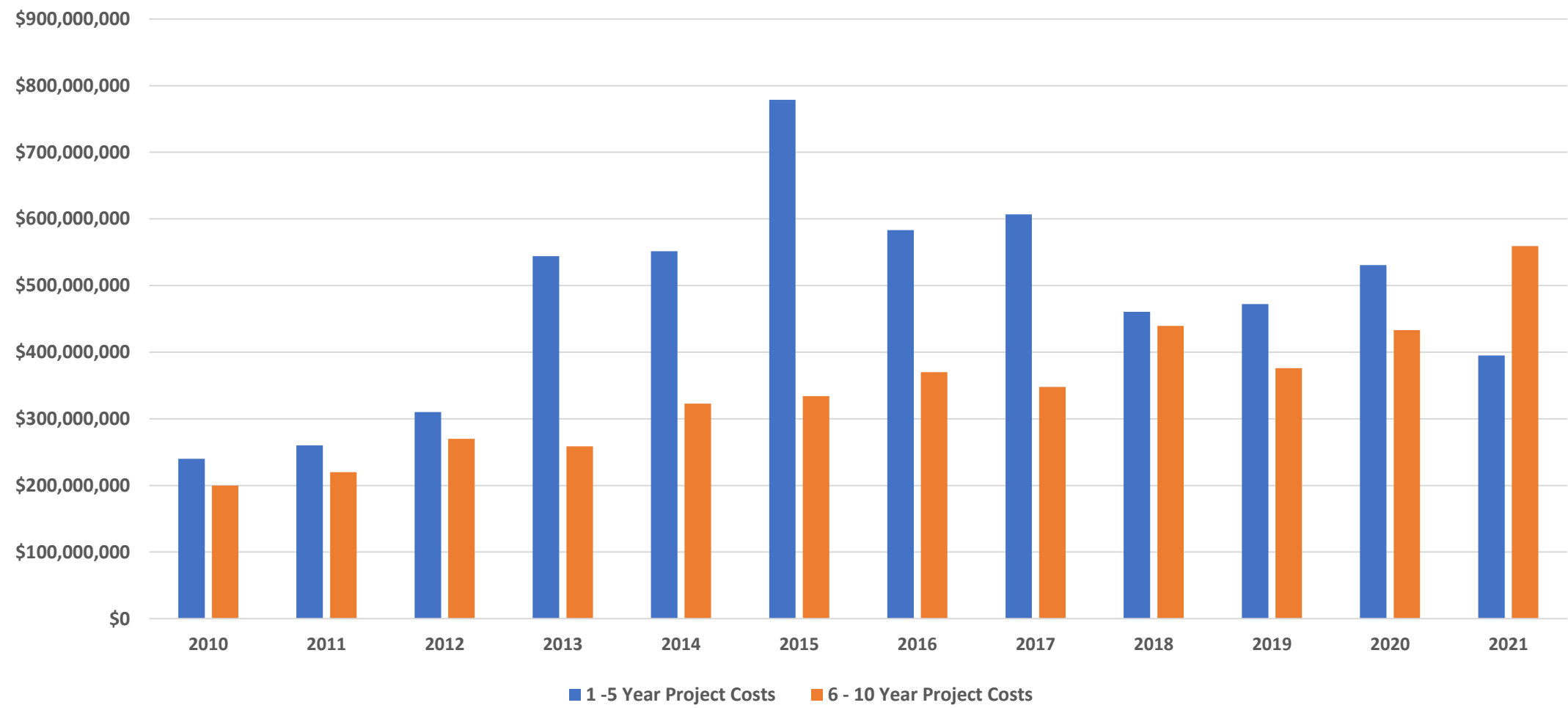
North Dakota's Return on Investment

From 2011-2020 (last 10 years):

- North Dakota has received \$548 million from Federal Government for Airport projects (not including CARES funds)
- The State of North Dakota has invested a total of \$151 million in airport projects.
 - Over the last 10 years - for every \$1 dollar that the state invested in airports, we have been able to leverage/receive approximately \$3.63 from the Federal Aviation Administration.



North Dakota Airport Infrastructure Needs Analysis



Major Airport Projects on Horizon

Commercial Aviation Major Projects

- **Fargo:** Terminal Apron Reconstruction & Terminal Building Expansion
- **Bismarck:** Major Airfield Drainage Improvements, Crosswind Runway Rehabilitation, Terminal Apron & Building Expansion
- **Minot:** Crosswind Runway Rehabilitation, Airfield Drainage Improvements
- **Jamestown:** Primary Runway Rehabilitation
- **Grand Forks:** Crosswind Runway Reconstruction/Extension & Primary Runway Reconstruction
 - \$115 million total estimated cost (project years: 2021 – 2027)

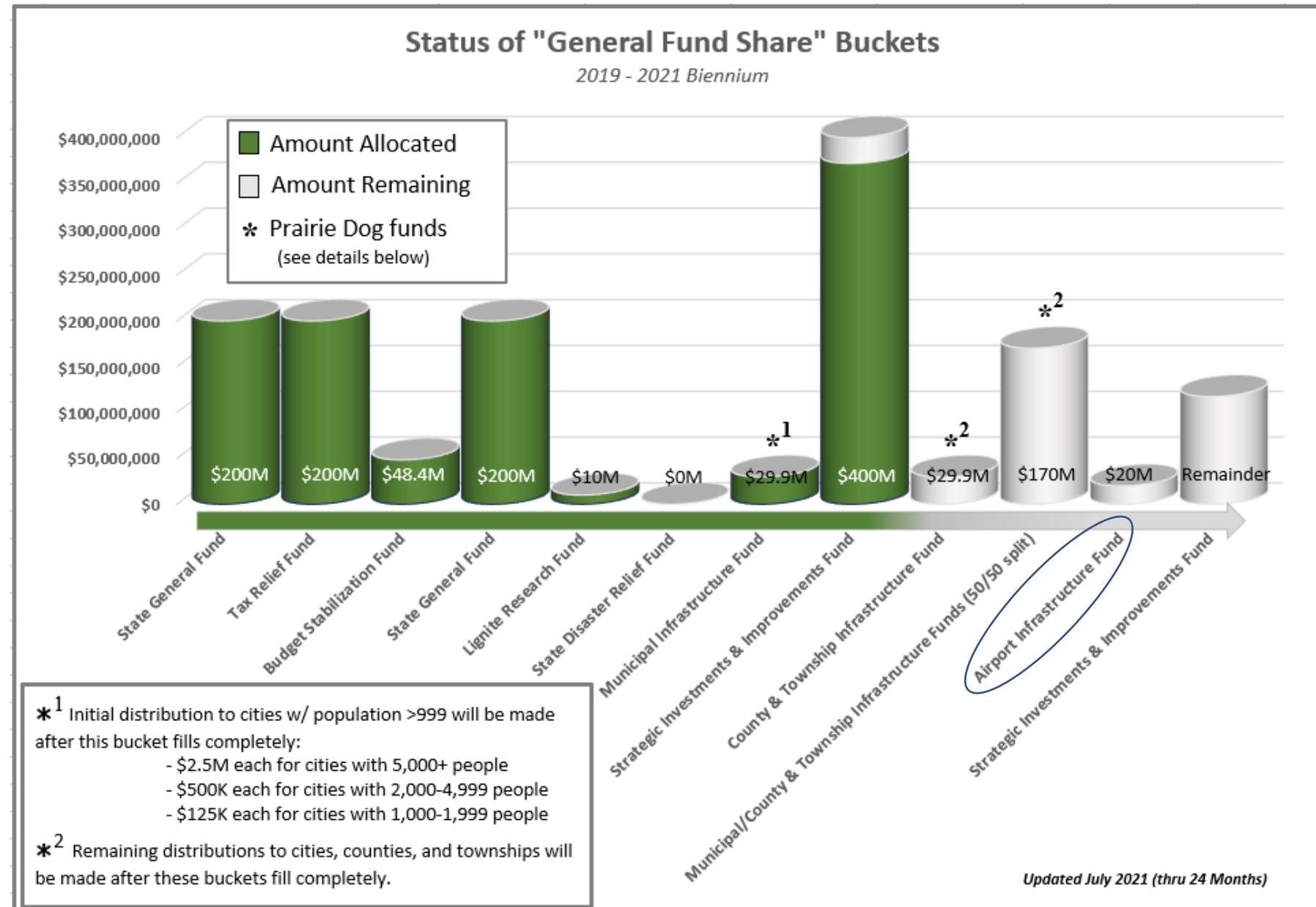
General Aviation Runway Rehabilitations

- Beach
- Bottineau
- Carrington
- Cavalier
- Crosby
- Glen Ullin
- New Rockford
- Westhope
- St. Thomas
- Leeds
- Wishek
- Lakota



Fargo – Passenger Terminal (summer 2020)

Status of Oil Revenue Buckets





Airport Association of North Dakota

11838

Ryan Riesinger – President Anthony Dudas – Vice President

Jordan Dahl - Sec. / Treasurer

P.O. Box 2845, Fargo, North Dakota 58108-2845

(701) 795-6981

November 8, 2021

RE: Letter of Support to Senate Appropriations Committee – Utilizing American Rescue Plan Act funding to provide \$5 million to the North Dakota Aeronautics Commission for airport grants (Bill 2345, Section 1: subsection 41)

Members of the Senate Appropriations Committee,

I am Ryan Riesinger, President of the Airport Association of North Dakota (AAND) and Executive Director of the Grand Forks Regional Airport Authority (GFK). AAND is the professional organization for North Dakota Airports and it serves to promote airports and aviation across the state. I want to thank you for the opportunity to submit comments in support of utilizing American Rescue Plan Act funding to provide \$5 million to the North Dakota Aeronautics Commission (NDAC) for airport grants.

Covid-19 has had a serious impact on our nation's economy and one of the hardest hit areas was the travel industry, including airlines and airports. The American Rescue Plan Act (ARPA) has provided funding to help entities replace revenue lost during the pandemic. Allocating \$5 million of ARPA funds to the Airport Infrastructure Fund will allow the NDAC flexibility to keep high priority Airport projects on track and I ask that you utilize the funding for this high priority purpose.

The North Dakota Aeronautics Commission (NDAC) is vitally important to our State's Airports. Their mission is to serve the public by providing economic and technical assistance for the aviation community while ensuring the safe and cost-effective advancement of aviation in North Dakota. The Commission and its staff successfully accomplish this mission every day,

and our statewide system of airports is stronger because of it. We continue to be very supportive of their efforts and believe the \$5 million to the Airport Infrastructure Fund with American Rescue Plan funding will be the best way to meet our mutual funding needs.

As our airports recover and plan for future development and growth the funding needs continue to be significant. The Federal Aviation Administration (FAA) has developed a 5-year overall capital improvement program for the airports in North Dakota and the amount for 2021-2025 is \$395 million. Our airports work cooperatively with the FAA to maximize federal grant participation, but additional investment from the State and local airport sponsors will be required to meet these forecasts. We certainly support any and all additional funding for the NDAC as we have confidence that it will be administered in the best interest of airports in the State.

In closing, AAND strongly supports Senate Bill 2345, including the \$5 million for the Aeronautics Commission. We respectfully request that the Appropriations Committee support the bill. I thank you for the opportunity to provide this letter of support today and appreciate your efforts. I would be happy to answer any questions.

Respectfully,

A handwritten signature in black ink, appearing to read 'Ryan R', with a stylized flourish at the end.

Ryan Riesinger
President, Airport Association of North Dakota
Executive Director, Grand Forks Regional Airport Authority



DEPARTMENT OF COMMERCE TESTIMONY

NOVEMBER 9, 2021 9:50 AM

INTERIM SENATE APPROPRIATIONS COMMITTEE

ROUGH RIDER ROOM

SENATOR RAY HOLMBERG, CHAIRMAN

Good Afternoon Chairman Holmberg and members of the Appropriations Committee. For the record, my name is Shawn Kessel and I serve as the Deputy Commerce Commissioner for the State of North Dakota.

Just three years ago, North Dakota's Department of Commerce had slightly over \$1 billion worth of projects in queue. Today, after a few years of adopting a new strategic approach for development and deployment, our Economic Development and Finance Division is now working on more than \$25 billion in projects. This brings our capital expenditures at a level not seen anywhere in the nation, with a value of nearly half of our state's entire economy. This is due to amazing legislative and executive leadership that has established and enabled industry growth to historic heights.

To secure this growth trajectory for future generations and to enable North Dakotans to find and sustain great jobs, as well as live in amazing and healthy communities, we believe that the solution lies in going big on workforce development programming and doubling down on programs that have proven effective. We need to go big on growing existing industries while diversifying into the next generation economy.

Simultaneous to our GDP amelioration in projected projects, North Dakota is also delivering robust economic diversification initiatives in the realms of unmanned air systems, technology, defense, and biomanufacturing. We recently saw proof with an almost \$10 billion purchase of a homegrown company. These levels of growth will bolster economic resilience during commodity downturns.

North Dakota currently has 30,000 open jobs and is projected to have more. To address this, our Workforce Division will have to go big and bold, as we did with economic development by following an unconventional approach to attract top talent.

In addition to workforce, we have also seen a rapid shift in our demography. In response to recent Census 2020 results, Commerce became more proactive to community needs by working closely with other state agencies, regional development organizations, and the Rural Development Council. Through community development efforts, Commerce has the vision to empower communities to attract and retain a long-term workforce that meets the economic development needs in the state.

Below are specific requests of the Department of Commerce that were also generated by private industry and the Workforce Development Council. These requests will fit into a broader request for meeting workforce demands while being proactive for the next several years. Notice that these requests create the requisite infrastructure for companies across the state to recruit and retain top talent.

Workforce Specific Programs Request

Regional Workforce Impact Program: (\$25,540,000; 10% match)

Lack of available workforce is arguably North Dakota's greatest problem and it's one that looks different in each part of the state. A "one size fits all" solution is neither realistic nor feasible for addressing workforce. As with any problem, it is best solved at the local level and workforce is the same; however, we don't have a mechanism to support the initiatives that communities and regions need to deploy to address their workforce needs.

By creating a one-time funding model to support localized workforce initiatives, we give local and regional representatives the opportunity to articulate their needs and access to funding to address them quickly.

All proposals must be sustainable and should align with a strategic plan in addition to addressing how each project will attract and/or retain talent in the area. Some examples of investments for which these funds could be used, include:

- Upskilling and/or re-skilling initiatives for in-demand jobs (these programs can include educational classes and on-the-job training).

- Investments in childcare or related supportive services to assist employees in accessing new training opportunities and/or expanding and supporting their participation in the labor force.
- Providing career counseling or coaching services that aid employees in pursuing new training and employment opportunities.
- Renovating space to transform into a training facility.

We are requesting \$25,540,000 to support localized ideas and efforts to address workforce development on a regional level. To ensure local commitment to a project, all applicants will be required to contribute a match totaling 10% of their overall ask. This match amount is equitable as each community is resourced differently and reflects the size and scope of each individual project.

Statewide Workforce Incentive Program: (\$10,000,000; 1:1 match)

The pandemic exasperated an existing workforce shortage in North Dakota and the bottom line is that we need to recruit more people to the state to fill the job openings we have now and those that will be created. Cities and states across the nation are incentivizing people to relocate, which means talent attraction has become a “pay to play” space. Job seekers are becoming accustomed to incentives that will ease the stress of moving, help acclimate to a community, or temporarily assist with living expenses when accepting a new role. Businesses are recognizing this and stepping up to the plate out of necessity. For example, we recently became aware of a business in Western North Dakota that offered approximately 30 jobs to out-of-state workers in the last four weeks. Of those offers, 17 applicants were offered moving and housing incentives; all accepted their job offers. The company was not able to offer this to all applicants and those who did not receive an additional incentive did not accept their job offer. If we want to remain competitive in recruiting top talent to the state, we need to support businesses by decreasing the financial burden of providing incentives that attract top talent.

Our lack of available workforce is already a hindrance to business growth, recruitment, and economic prosperity. We cannot afford to lose out to other states if we want to remain competitive in a global marketplace. By creating an incentivization package, we can provide matching grants to businesses by helping them fill their vacancies, resulting in more efficient operations and greater support for the local economy.

Cities and states that are offering a similar program are providing roughly \$10,000 in incentives. Our program will provide a dollar-for-dollar match up to \$12,000 per new employee who is relocating to North Dakota from another state or country, upon

signature of a three-year contract with the company. A similar program specific to nurse recruitment already exists in Commerce but, the need to recruit workers exists in every industry. Many businesses across the state are already exploring how they can incentivize potential employees and we are requesting \$10 million to support that effort.

Technical Skills Training Program: (\$3,240,000; 1:1 match)

In July 2020, Commerce launched the Technical Skills Training Grant through Coronavirus Relief Funds. This program was designed to support the launch or expansion of accelerated skilled workforce training programs to help displaced workers develop the skills needed to pursue jobs in new fields. Although this program continues to successfully meet this need by supporting nearly 20 programs to date, many employers have inquired about the ability to use this program to establish programs for internal training which is not included in the intent of the Technical Skills Training Grant as it's currently written. These dollars could also be used for incoming worker training as many companies provide onsite training regardless of educational background and experience, in addition to safety training; a need that was further emphasized by the pandemic.

We are requesting \$3.24 million to expand our Technical Skills Training Grant program to include use for upskilling, onboarding, and safety training, in addition to accelerated re-skilling programs which will increase skilled workforce throughout North Dakota, create a pipeline for internal advancement and entry level job openings, offset the cost of training new and existing workers, and enhance workplace safety. Each company will be eligible for up to \$50,000 in matching funds (1:1) per training program with multiple opportunities to apply within the window of availability for these funds.

Workforce Innovation Program: (\$10,000,000)

In conjunction with the statewide workforce incentive and the Regional Workforce Impact Grant, the Workforce Innovation Program will focus on attracting skilled workers from across the nation and globe. We must get serious about in-migration for skilled workers or we risk losing to other states. By targeting communities in Canada and Mexico, North Dakota can build on the success of the TN Visa to attract workers and families for 60 approved occupations. This program will also provide community liaisons to support new residents assimilating to North Dakota and attract citizens from other nations and urban centers across the U.S. Private industry will drive this requirement through specific skill set or aptitude requests. Commerce will contract across the country and in nations where we can find workers to meet the needs and work with industry to onboard new residents. This program intends to attract 5,000 workers within 12-18

months to give the state an immediate workforce boost. For perspective, North Dakota grew by almost 10,000 per year over the last decade; as such, approach would augment existing in-migration by roughly 25% per year to provide workforce relief for industry. A proposed framework includes:

Going big on TN Visa Program

This program only allows skilled workers to remain in state for three years plus an option to extend. Commerce would likely contract offices in Canada and Mexico for federally approved 60 occupation types. The majority of the focus would be on Alberta due to similar climate and proximity to North Dakota. Alberta also has a high unemployment rate.

Approximately \$3 million would be dedicated to this effort as we would contract firms to find critical workers that can come to the U.S. in fewer than four weeks following a job offer from an industry partner (per the federal program).

Our focus will be on the energy patch and specific occupations proposed by industry in North Dakota. Initial target would be up to 2,000 workers focused on central and western North Dakota based companies.

Unconventional precision recruitment for in-migration

Other states, including many in the Midwest, such as Oklahoma and Nebraska, are taking advantage of a workforce where many of these individuals stood alongside our military for years, sometimes decades, to help our military do the job that they were tasked within Afghanistan. The same occurred with the Kurds in Iraq in the fight against the Hussein Regime and ISIS; Tennessee has been highly adept putting our allies to work as well. Many don't know this but over 400 Kurdish families call Fargo-Moorhead home. Over the last 20 years, these folks have built companies, bought homes, and have created an amazing workforce pool for companies like Cardinal Glass. This is why most people didn't know there were 400 families, integration and assimilation were swift.

Kurdish and Afghan refugees given their experience working with American contractors, rapid assimilation into American society as well as specific skill sets in industries would be of major benefit to the state.

Note that this program will be 100% industry driven based on job requirements established by companies. Commerce will set up job fairs across military bases in the

U.S. and overseas to find well qualified workers that meet these criteria. Commerce will contract offices to perform credentialing overseas where opportunities exist to locate highly valuable skill sets.

Double credentialing – A first of it's kind and game changer

This concept will be the first of its kind in the nation; U.S. State Department and U.S. Homeland Security credential for health and security. North Dakota will credential workers based on skill sets and experience. **North Dakota will do everything possible to verify that the federal government meets vetting standards.** This would have to be done in conjunction with federal authorities and non-profits due to how existing programs work. Commerce would work with the U.S. government to try and limit random relocations and focused on skilled workers instead.

Approximately \$3 million will be dedicated toward this effort. Note that non-profits make requests to the state. As such, these groups would also screen North Dakota for readiness to accept new semi-skilled and skilled workers. Up to 2,000 workers; 100% based on industry requests. Note that 2,000 workers would reflect an influx of workers that North Dakota absorbed in the mid-2010s. As such, it will not strain the system within approved areas. The only difference would be precision recruitment to reflect the needs of industry. Other states are rapidly moving in this direction and we can't miss out on a well-trained workforce

Community liaisons will be required to expedite assimilation. The liaison services would cost approximately \$1.5 million for three years and would cover both the eastern and western regions. The funds would allow liaison services that ensure a smooth transition for new North Dakotans. The liaisons will also provide a basic education campaign for impacted communities and a smoother transition for current residents.

Domestic targeting

We have opportunities beyond foreign workers but given the strains on workforce nationally, a domestic campaign will occur with fewer expected people.

First, we will go big on bringing North Dakotans home through a diaspora targeting campaign. Using approximately \$500,000, we will go after 500 workers using a come home campaign based on top 10 cities where people go. This will be data driven using high demand NAICS codes.

Simultaneously, we will take an urban approach given the out-migration of some cities. We will invest \$300,000 and focus on semi-skilled and NAICS established by industry offsite. We will also examine the potential for investing this money into U.S. territories to determine which workers can be leveraged most expeditiously. Target will be 500 workers. We will also examine areas with high unemployment or cost of living in the U.S. with messaging that focuses on the quieter life.

We will also go big on a Native American Workforce Initiative. Teaming up with the Executive Director of the Indian Affairs Commission Nathan Davis, Commerce will invest \$400,000 in developing a path forward for increased workforce participation. We will develop a framework for joint business development based on tribe-based needs and requirements.

Rural Workforce Housing Program: (\$21,075,000)

When visiting communities in North Dakota the three most consistent hurdles to growth they mention are: not enough workforce, not enough or the right kinds of housing for workforce, and not enough quality day care. The Rural Workforce Housing Program is designed to meet the needs of these communities. Local governments will have the opportunity to partner with the private sector in multiple ways to create housing that meet the workforce housing demand identified by the community through utilizing existing infrastructure and driving property tax values up!

Communities win in several ways:

- Create a minimum of five new housing structures to meet one of most identified hurdles across North Dakota cities.
- Elimination of blighted property throughout the community.
- Increase in overall property values and therefore property tax revenue for the community.
- Increase in community pride and population gain.

The local government will be responsible for obtaining a housing study (funds will be available to defray most if not all this cost) with a focus on workforce and simultaneously identifying blighted properties in the community. The community shall be provided funding which will be utilized to acquire the identified blighted property (if needed), remediate any hazards, and then remove the blighted structure or remediate any hazards and refurbish the structure so that it meets building codes and can be occupied.

In either case once the remediation of hazards is complete, the land and/or building/s must be transferred to a private builder/developer for a nominal fee. The grant can be used for equipment acquisition, operational costs or fixtures. The program would apply to communities that have a population of 5,000 or less.

Corresponding administrative request to workforce needs

1. \$1,740,000 admin support including five temp FTEs to facilitate program management and one temp FTE for strategy and project management.
 - a. Break down:
 - i. One manager.
 - ii. Two program managers.
 - iii. Two community workforce development specialists.
 - iv. One finance admin specialist (fiscal team) to focus on community needs and liaise with new federal and new state workforce programming efforts.
 - b. Temp for up to 36 months.
 - c. Includes miscellaneous expenditures.
 - d. Support to managing each program above.

Economic Development Programs Request

Hydrogen development grants: (\$20,000,000; match 1:1)

To advance and accelerate the newly established hydrogen industry in North Dakota, Commerce will provide \$20 million in 1:1 matching grants to private industry. These grants can be utilized to accelerate investment into the new industry, build out needed infrastructure necessary to redevelop facilities, and/or retain and grow jobs. Put simply, hydrogen is among several major transformative energy investments that will grow the economy while ensuring that existing industry grows simultaneously.

Autonomous Agriculture Matching Grant/Grand Farm: (\$10,000,000; match 1:1)

With the vision of creating the first fully autonomous farm in the world, the Grand Farm Initiative is accelerating research and innovation to develop technologies for the farm of the future. Grand Farm is the nexus point for industry, producers, higher education, and government to collaborate on autonomy and advanced agriculture technology. The

resulting projects are testing innovations, providing demonstrations, and showcasing integrations that amplify the technologies in North Dakota and attract businesses from around the world.

The proposed \$10 million match grant will leverage federal American Rescue Plan Act funds with private investments to establish a permanent, world-class destination innovation facility in North Dakota for advanced agricultural technology. It would enable robust project management capabilities for the building and operations of the facilities, ecosystem, and farm projects. It will make possible expanded workforce development offerings beyond the existing software development bootcamp into cyber security, embedded software, and more.

This funding would be directed towards:

- Grand Farm Innovation Facility planning and development.
- Project management.
- Workforce development in advanced technology in agriculture.

Innovators who use the space will be able to immediately test their products in the fields that surround this hub, empowering the creators to investigate their product performance in a highly capable, real-world environment. The proximity of the facility to the testing area, small businesses, corporations, and startups, as well as larger farm equipment companies, will allow the participating entities to quickly transform their ideas into viable and commercializable products.

Funding for project management will be spent on the work done to build-up to the launch of the innovation facility. Each element will supplement the phases of facility construction. These elements include:

1. Construction management
2. Legal work and permit acquisition
3. Project development
4. Stakeholder input gathering
5. Contract development

Project funding will also be used for critical workforce development through the expansion of the Emerging Digital Academy and the diversification of the offerings.

To raise the matching funds for this project, Grand Farm will develop and launch a capital campaign. This capital campaign will bring in investments from individuals, philanthropic organizations, and corporations from a global setting – many of which have already expressed their interest in supporting the development of this facility

Vantis: (\$10,000,000)

The intent of the Vantis request is to leverage the opportunities beyond the program, to implement a commercialization plan in a new phase of the existing program. The commercialization plan is broken down into five key initiatives that result in “Connected Communities” across the state. In the past we bought infrastructure, now we are buying commercialization and the ability for communities across the state to leverage the network.

1. Certified UAS (Unmanned aircraft systems)
 - a. This will incentivize UAS manufacturers in North Dakota to produce certified UAS that can be commercially used and serve for governmental purposes.
2. Electrification
 - a. To enable the advanced operations, drone ports will be deployed across the state. With the movement towards highly electrified vehicles, the need to new fuel sources will be explored and implemented. These hubs will increase access for rural North Dakota.
3. Vantis
 - a. Although Vantis is not a new opportunity, we must understand its impact from the state’s \$48 million investment. This infrastructure will support drone ports and will provide the operations center for UAS flights to be conducted.
4. UAS operator services
 - a. This will incentivize UAS operators to use the Vantis services. This will not only support commercial operators but also support public use cases.
5. Training/Education
 - a. This new opportunity will reimagine the future workforce. We know there is going to be demand for training for UAS services that will need to reach into university programs, and STEM in K12 and beyond.

These five initiatives make up the future “Connected Communities” of North Dakota and will boost our industrial productivity.

The \$10MM will be invested in deploying the training and education campaign, supporting public use cases such as search and rescue and flood operations, the creation of drone ports in strategic corners of the state, and the creation of an incentive program to drive more UAS manufacturers to the state,

Innovation Technology Loan Fund (LIFT) (\$15,000,000)

The LIFT program is perhaps the best tool we have in our toolbox when it comes to recruiting innovative companies to North Dakota and expanding companies that are already doing great things here. Businesses participating in LIFT added and/or retained over 300 jobs in the state, with an additional projected increase of 45% in 24 months. Commerce utilized the Regional Economic Model Policy Insight (REMI PI+) to forecast the economic impacts of LIFT from 2020-2024. The projected economic impacts include increases to the state’s economy (as measured by the state GDP and output); payroll creation (as measured by wages and salaries); and new jobs created (as measured by employment). The estimates were adjusted for inflation using the 10-year inflation rate projections reported by the Congressional Budget Office on Feb. 1, 2021. The analysis projected that from 2020-2024, the average annual economic impacts from LIFT for North Dakota in a year would be:

- An increase in the size of the state economy of \$168 million in economic output and \$104 million in the state GDP.
- An increase of 828 jobs across all industries, with 772 jobs occurring in the private non-farm industries and 60% of those occurring in the technology industry. This estimate consists of full-time and part-time workers.
- The LIFT Committee has received over \$32 million in requests from over 30 companies this 2021-23 biennium. To date, the committee has awarded \$3.5 million leaving \$11.5 million yet to be distributed. The committee continues to see interest with new applications coming in weekly. During the 2019-21 biennium, the LIFT Committee awarded \$14.57 million of the appropriated \$15 million to 20 companies.

North Dakota Development Fund (NDDF) (\$15,000,000)

The NDDF is front and center as we grow the states' economy. When there is a gap between North Dakota landing a project and another state getting it, the NDDF is the final factor in many cases that swing things in North Dakota's favor.

NDDF investments have contributed to 12,403 primary sector jobs and 677 companies have been funded.

The NDDF has remaining cash in the amount of \$13,682,628 if the current pipeline and unfunded projects are funded. Further, there is an anticipated influx in applications with requests in excess of \$10 million in the next three to five months. Given the rate of acceleration of projects and the size of the requests, the NDDF will need to be recapitalized in the next six to eight months in order to continue investing in North Dakota businesses.

Corresponding administrative request to economic development needs

1. \$800,000 admin support including 3 temp FTEs to facilitate.
 - a. Break down:
 - i. Two program managers for large infusion of capital (both state and federal).
 - ii. One finance admin specialist to augment fiscal team
 - b. Temp for up to 36 months.
 - c. Includes miscellaneous expenditures.
 - d. Support to managing each program above.

Community and Tourism Development Programs Request

Infrastructure grants for community attractions and outdoor recreation businesses: (\$10,000,000)

To attract and retain workforce, North Dakota communities must offer the amenities, entertainment, and outdoor recreation opportunities desired by residents. The activities visitors enjoy also add to our quality of life. Interest in outdoor recreation is at an all-

time high, partially due the pandemic. Visitors and residents are also looking for less-crowded places to recreate, which differentiates us from other states.

In North Dakota much of our outdoor recreation is "do-it-yourself" meaning you need to own your equipment to participate. There are opportunities for businesses to provide recreational rentals, guided trips, and packages to allow more people the ability to participate.

Our entertainment offerings are limited in some communities and many areas have few entertainment offerings in the winter. This grant will serve as start-up grant and enhancement grants for entertainment and outdoor related businesses who see an opportunity to take advantage of the travel trends while also enhancing the quality of life for residents and providing more to offer new recruits.

Corresponding administrative request to tourism needs

1. \$250,000 admin support
 - a. Break down:
 - i. One temp FTE.
 - b. Temp for up to 36 months.
 - c. Includes miscellaneous expenditures.
 - d. Support to managing each program above.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 1, line 1, after the second semicolon insert "to provide for a legislative management study;"

Page 1, line 22, after the period insert "The state water commission shall expend moneys from the state fiscal recovery fund before moneys from the resources trust fund. The funding provided under this subsection may be used for water projects related to flood control, water supply, and economic development."

Page 9, after line 14, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - WATER PROJECT STABILIZATION FUND. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of establishing a water project stabilization fund to provide more consistent levels of funding for water projects from the resources trust fund in the times of revenue volatility. The study must include consideration of other stabilization funds, the timing of resources trust fund revenues and water project expenditures, and reporting requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment clarifies the use of funding for water projects and provides for a Legislative Management study of a water project stabilization fund.

11808

SENATE APPROPRIATIONS

SB 2345

Justin J. Kringstad

Geological Engineer

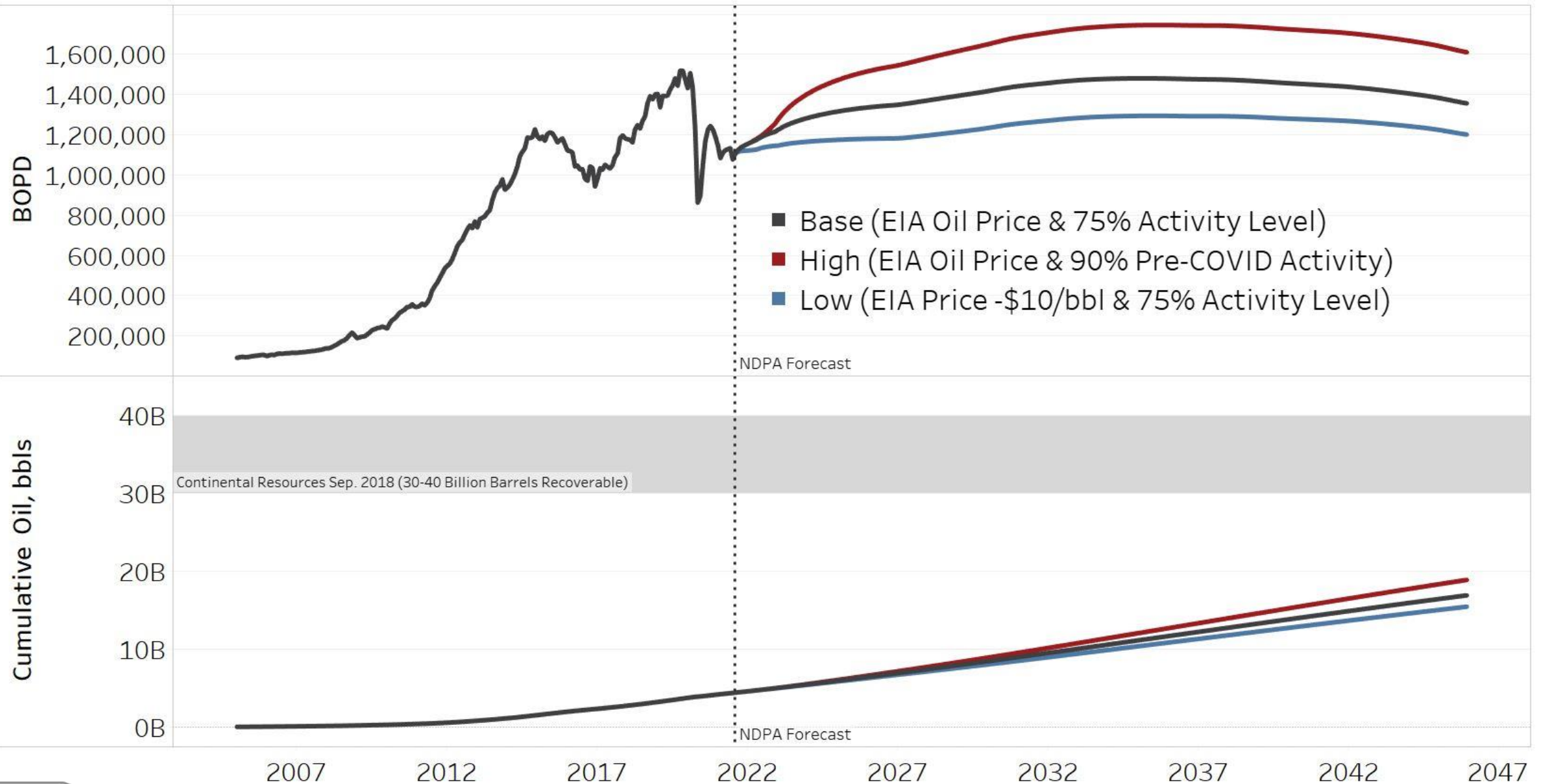
Director

North Dakota Pipeline Authority

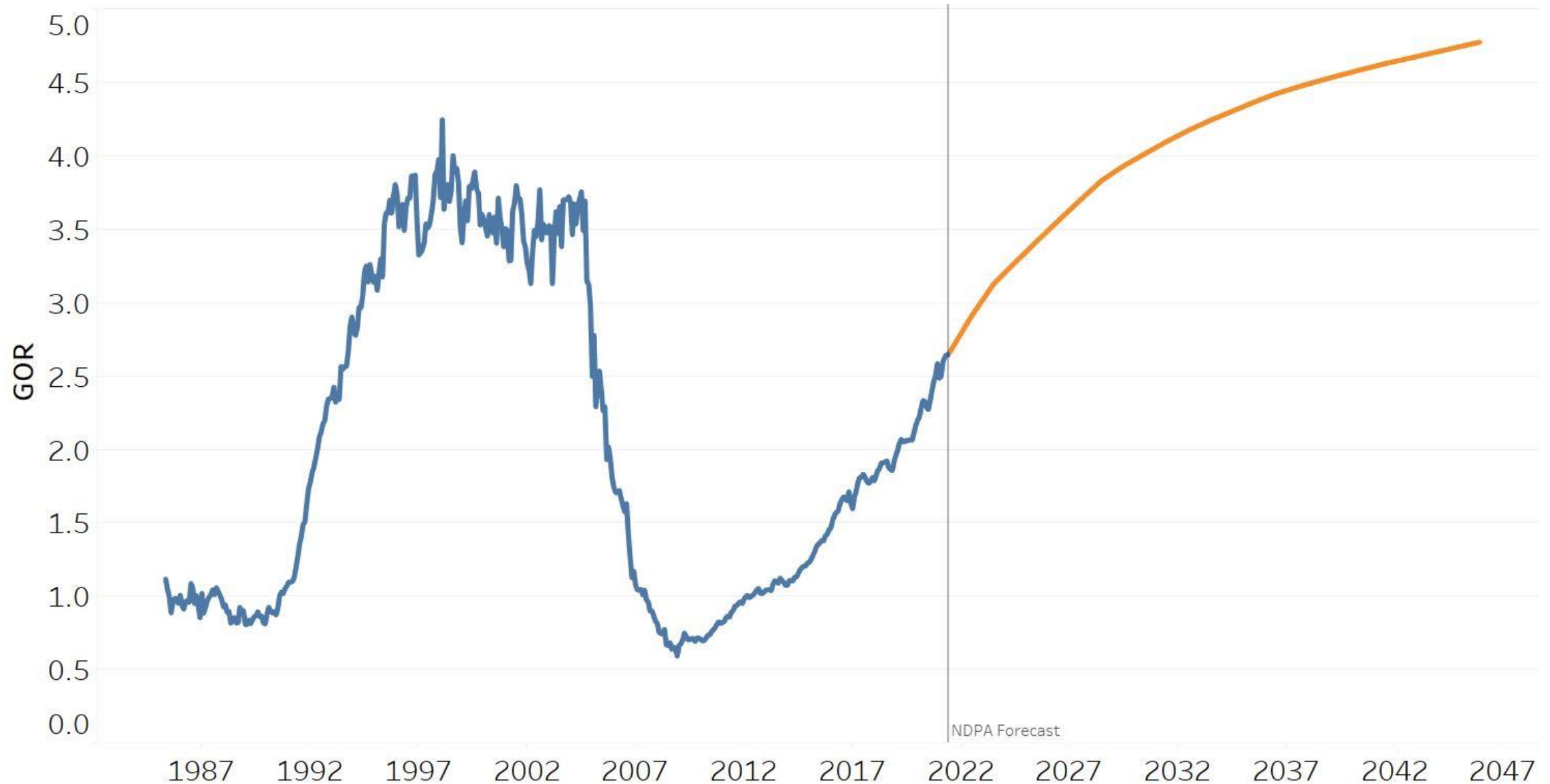
November 9, 2021



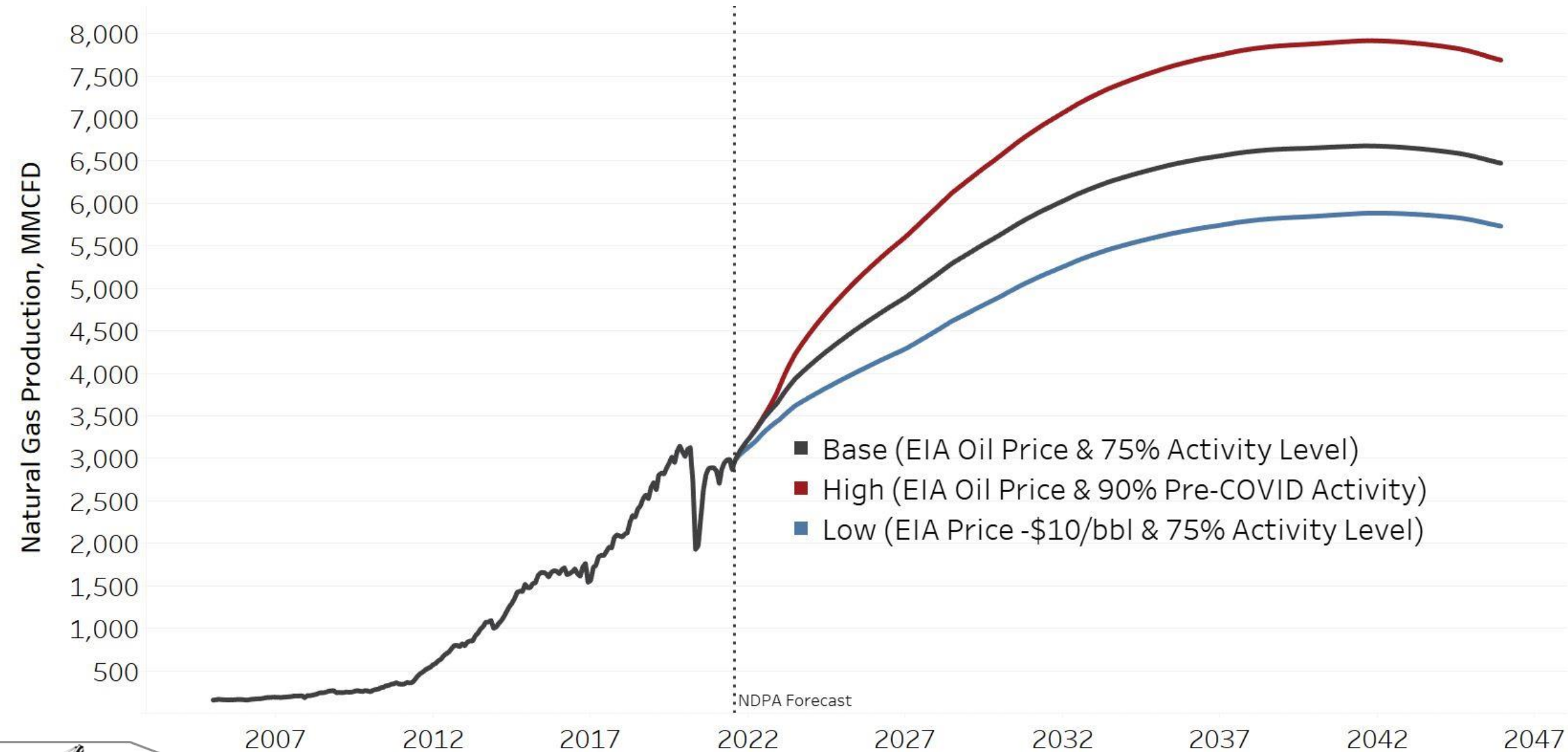
ND Oil Production: EIA Price Deck



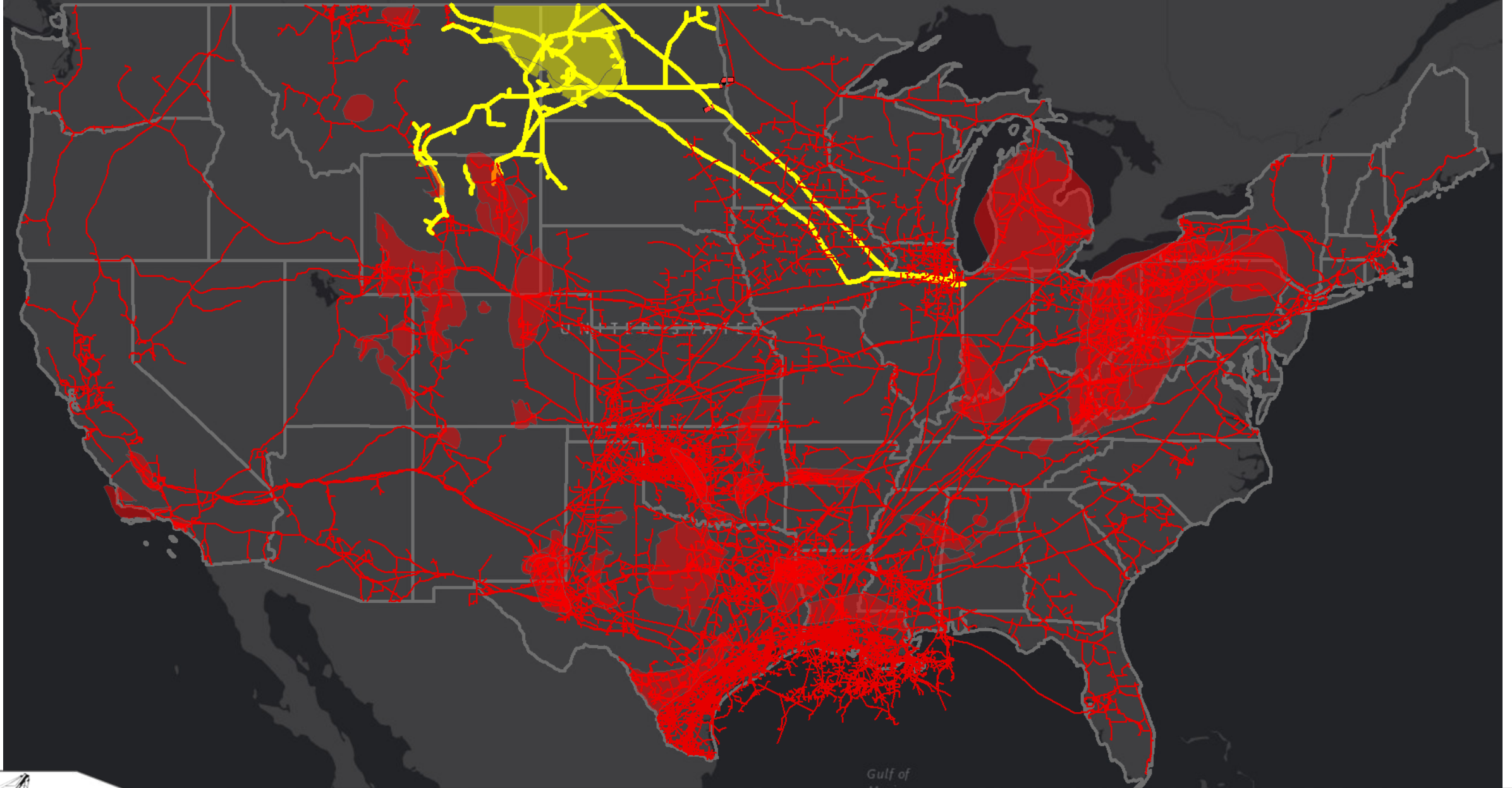
ND Gas Production: GOR Assumption



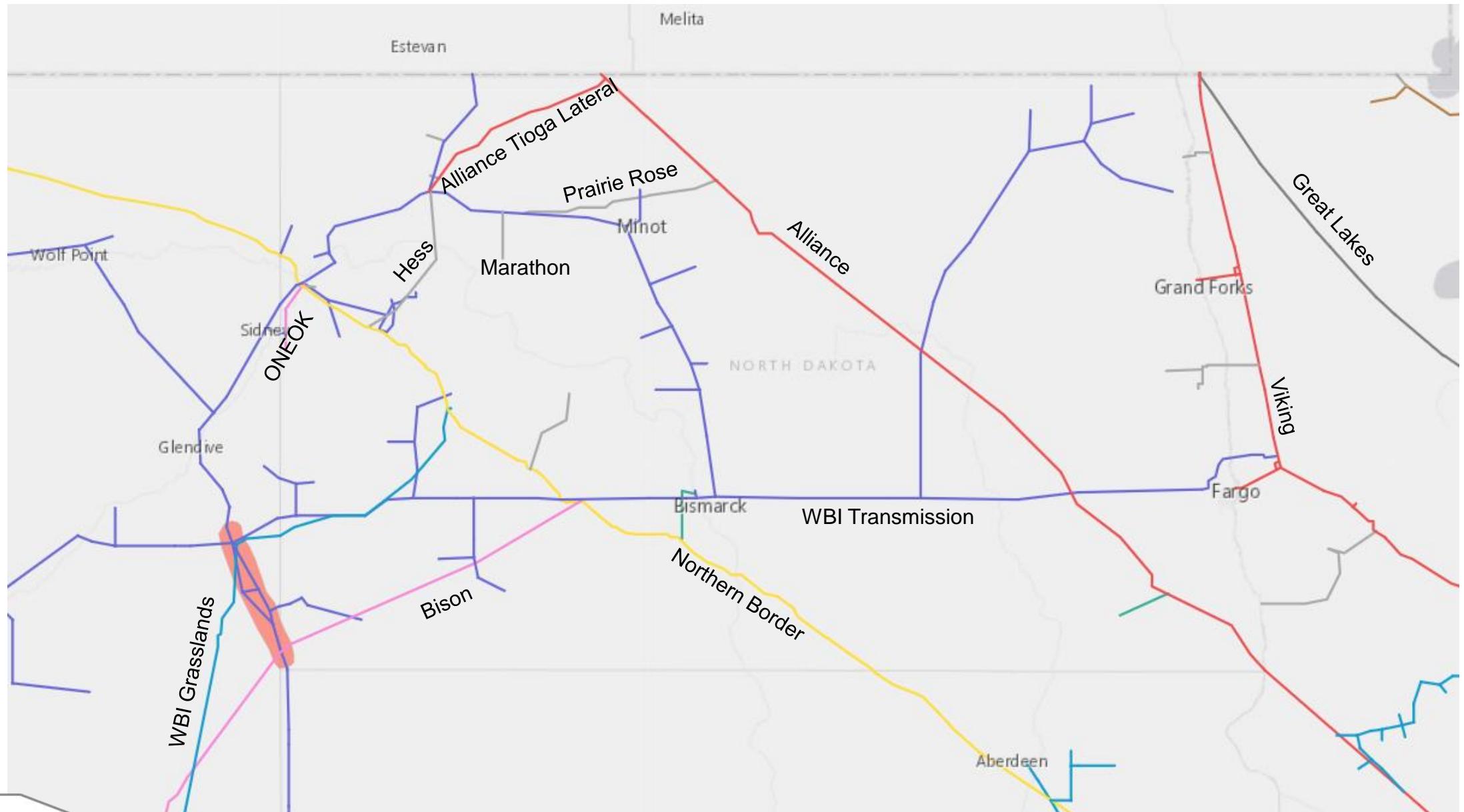
ND Gas Production: EIA Price Deck



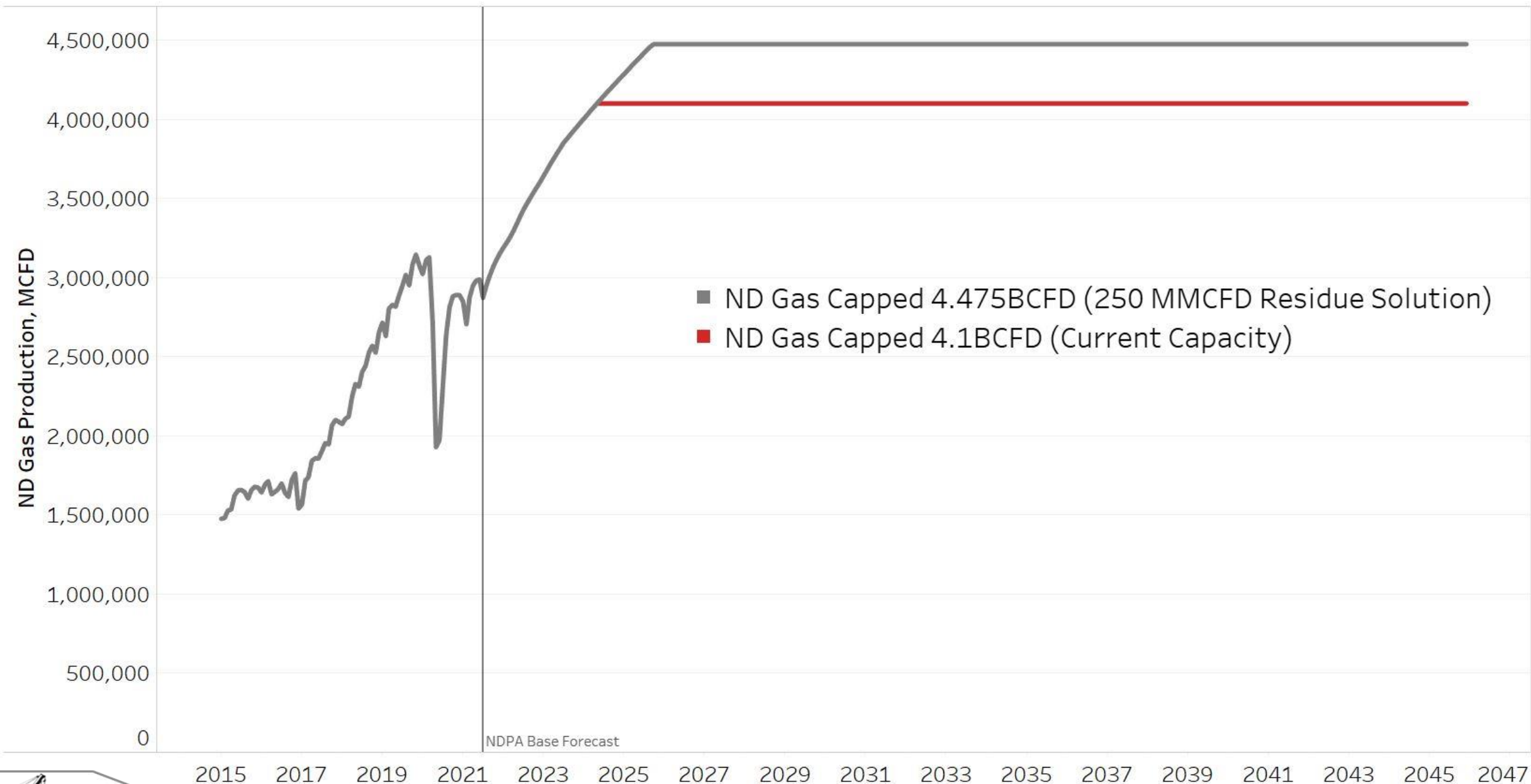
Bakken Natural Gas Infrastructure



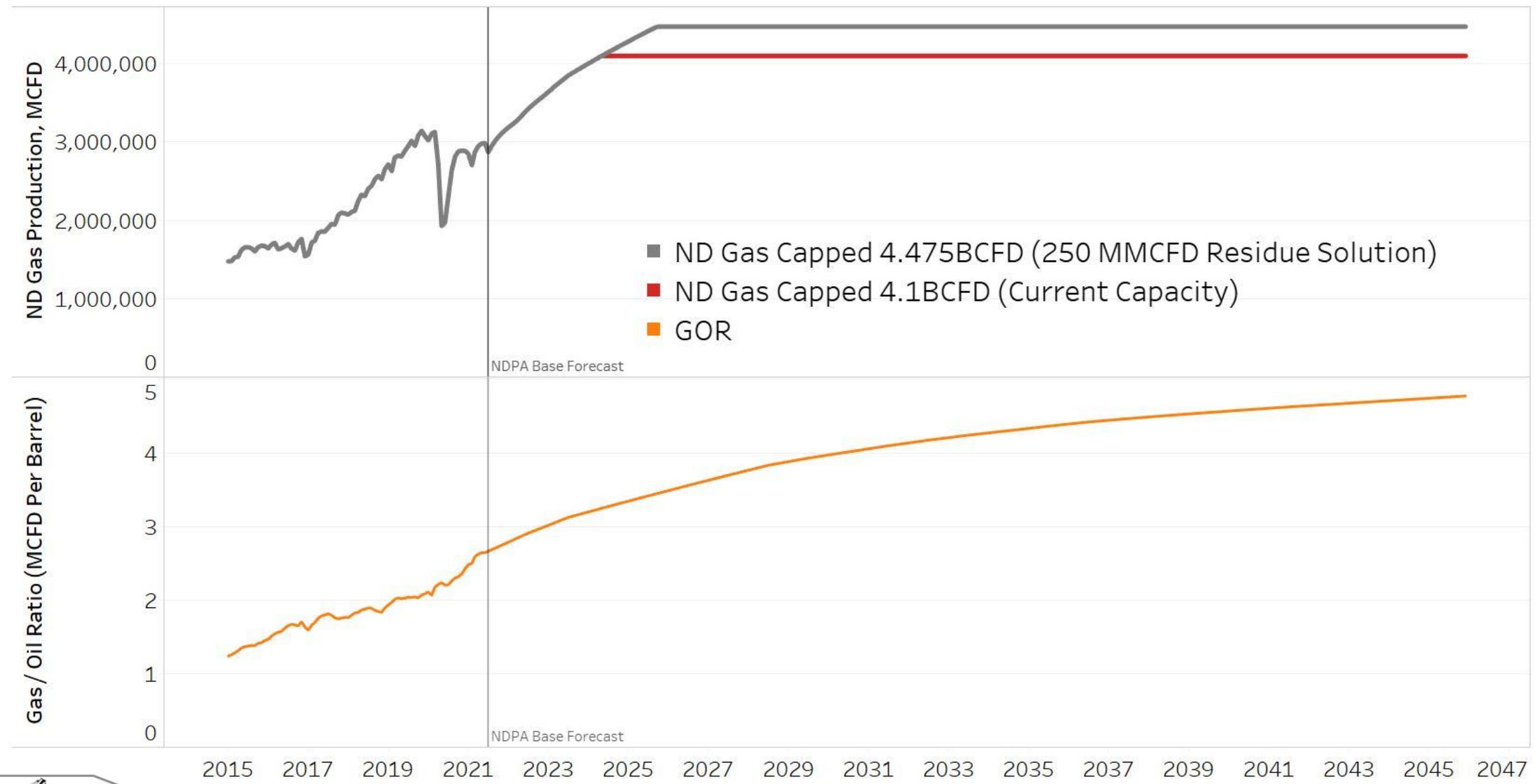
Major Residue Gas Pipeline Infrastructure



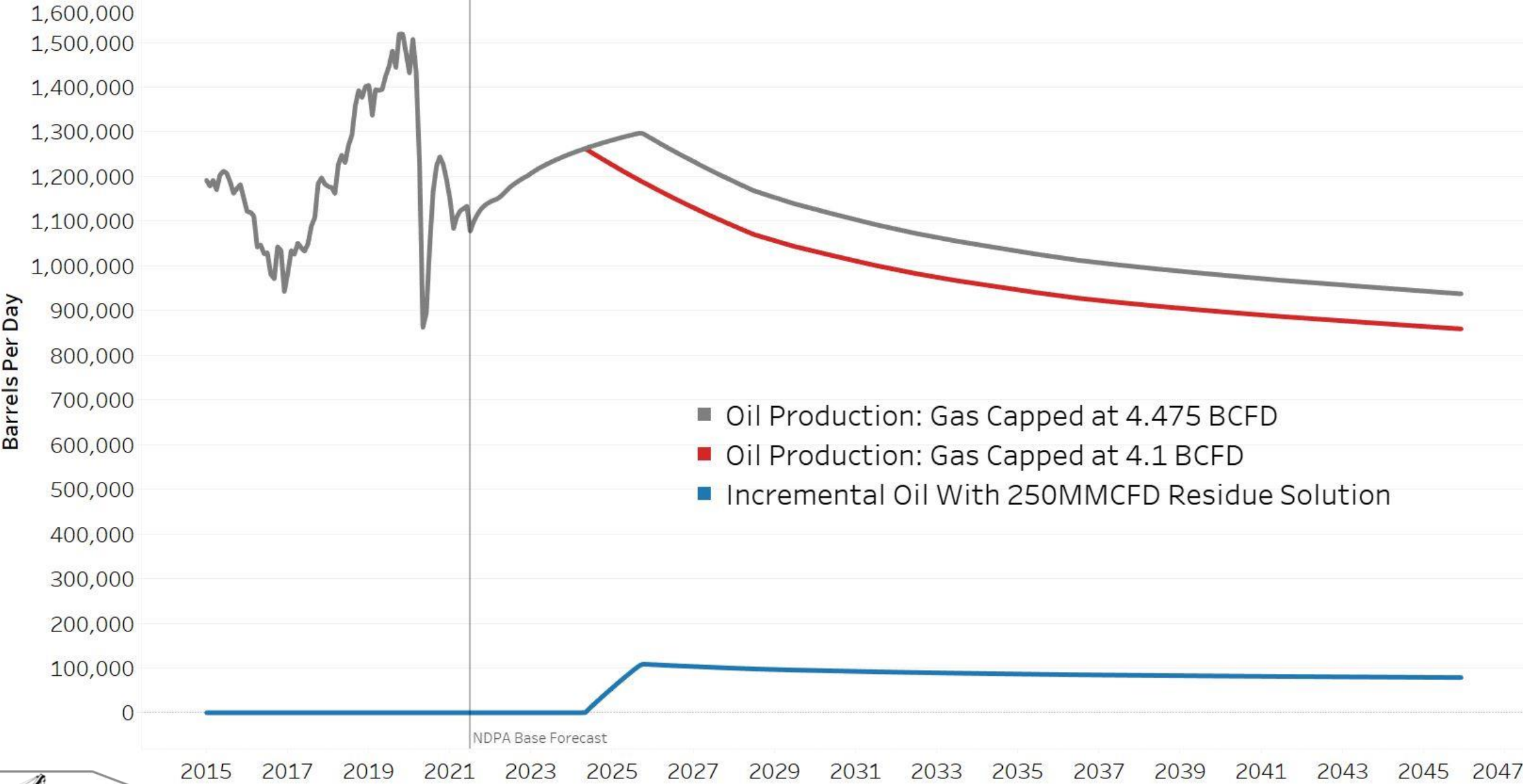
Gas Transmission Expected to Limit Oil Production



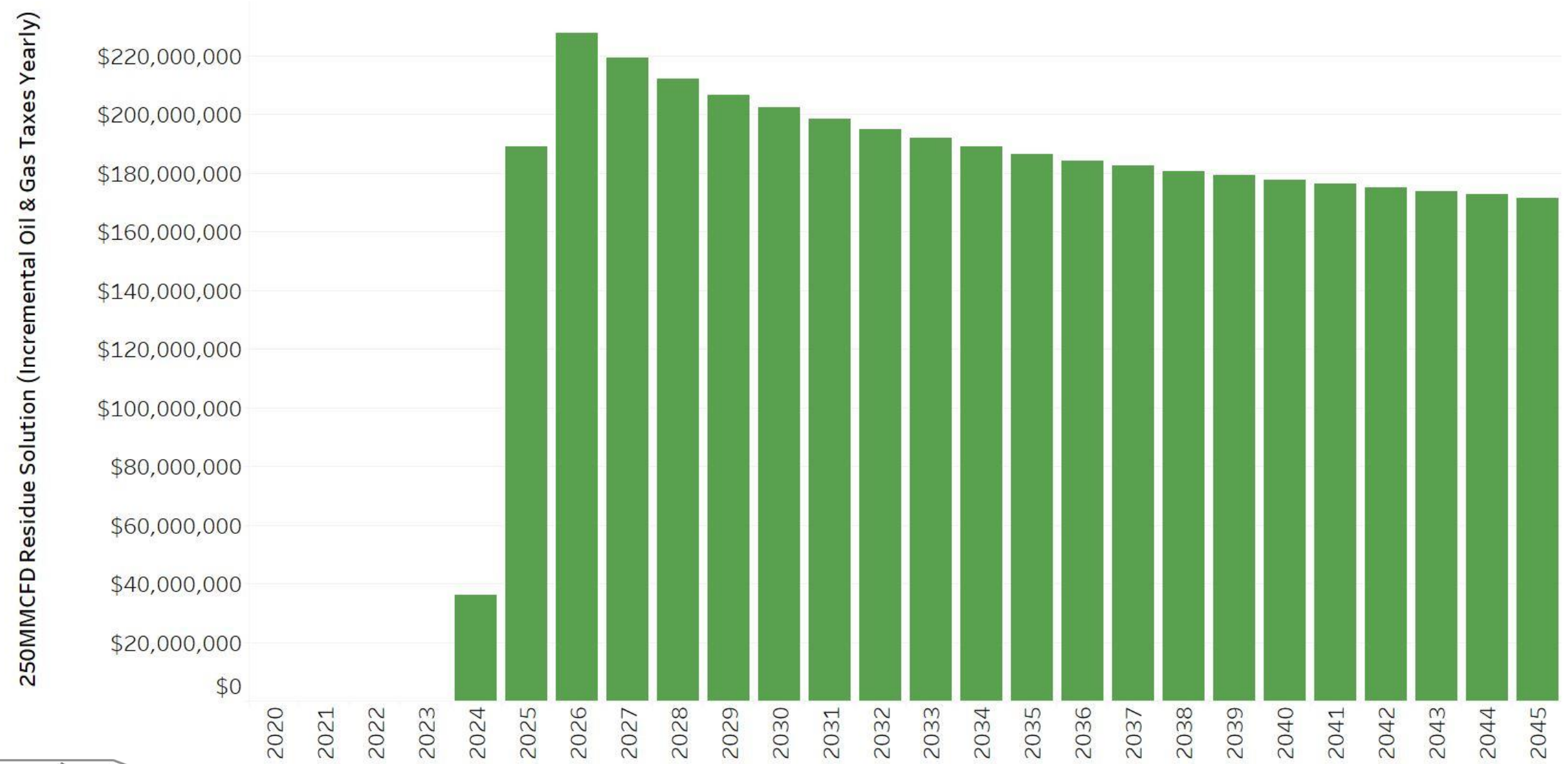
Gas Transmission Expected to Limit Oil Production



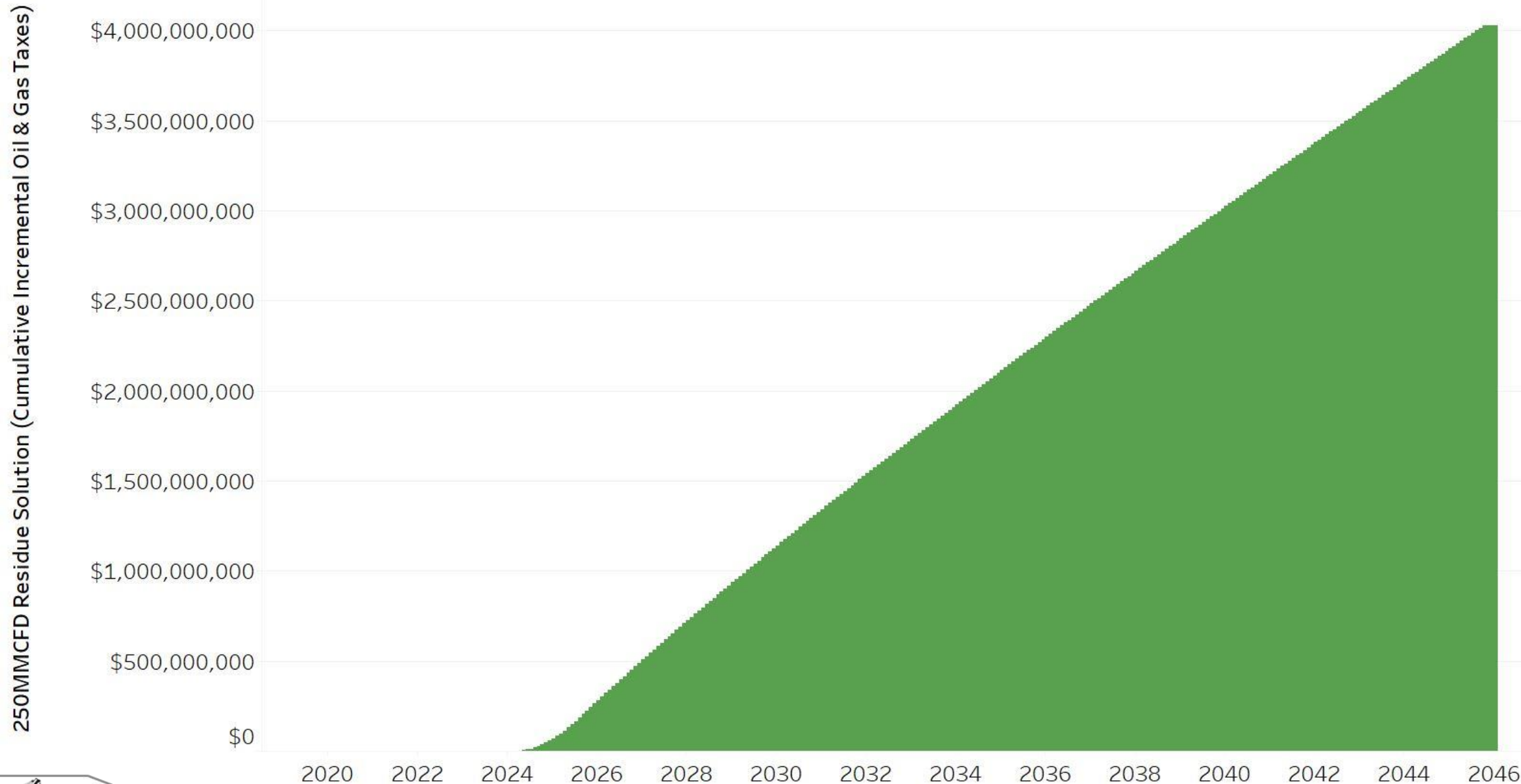
Gas Transmission Expected to Limit Oil Production



Incremental Oil & Gas Taxes*: 250 MMCFD Residue Gas Solution



Incremental Oil & Gas Taxes*: 250 MMCFD Residue Gas Solution



Contact Information

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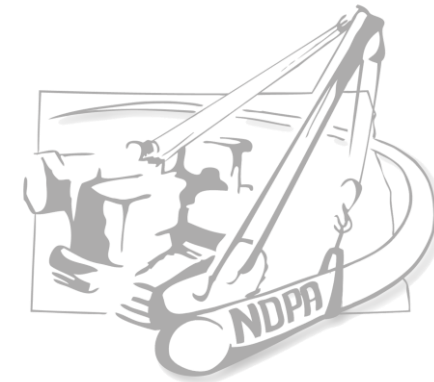
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**Know what's below.
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Websites:

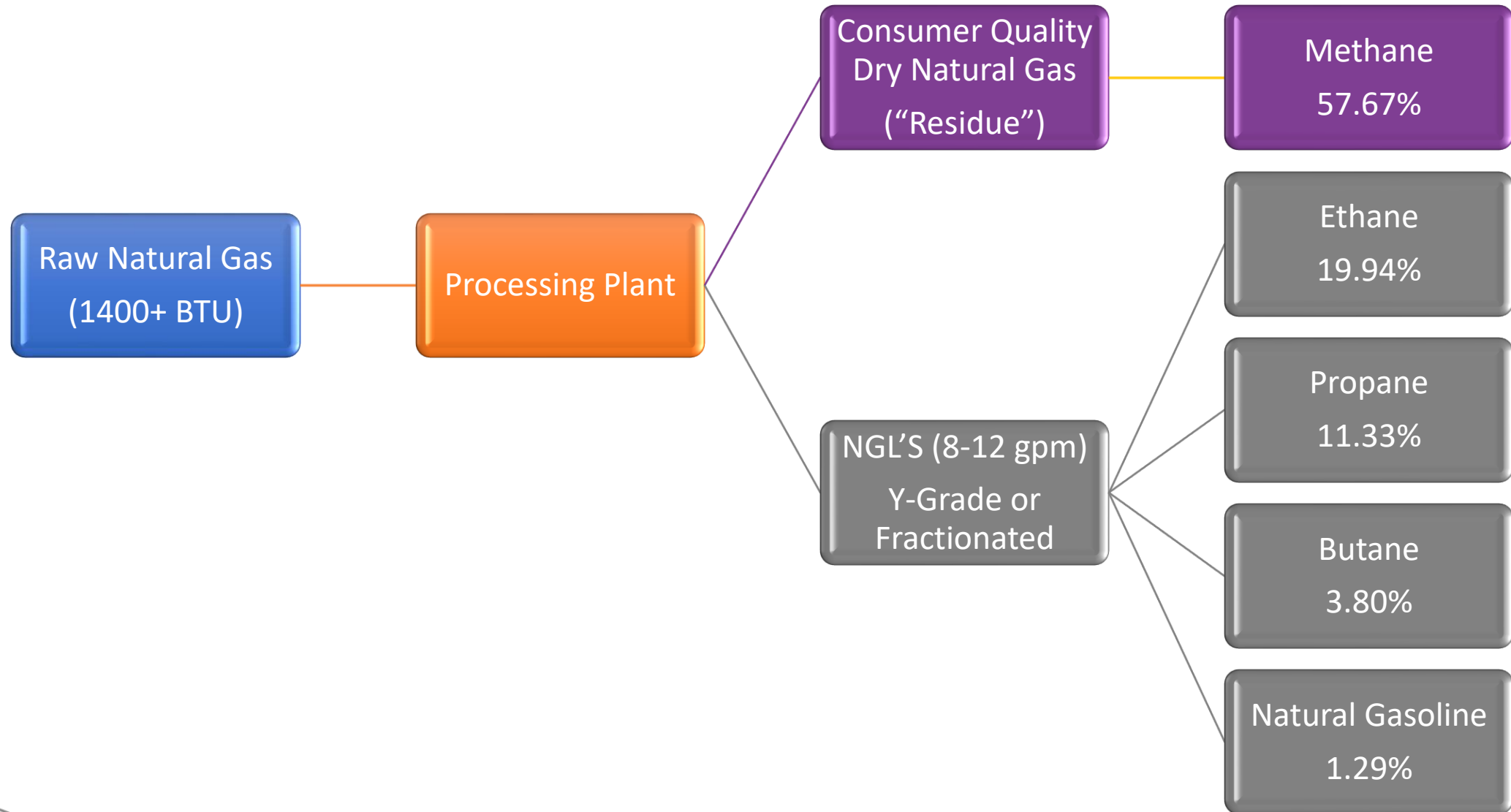
www.pipeline.nd.gov
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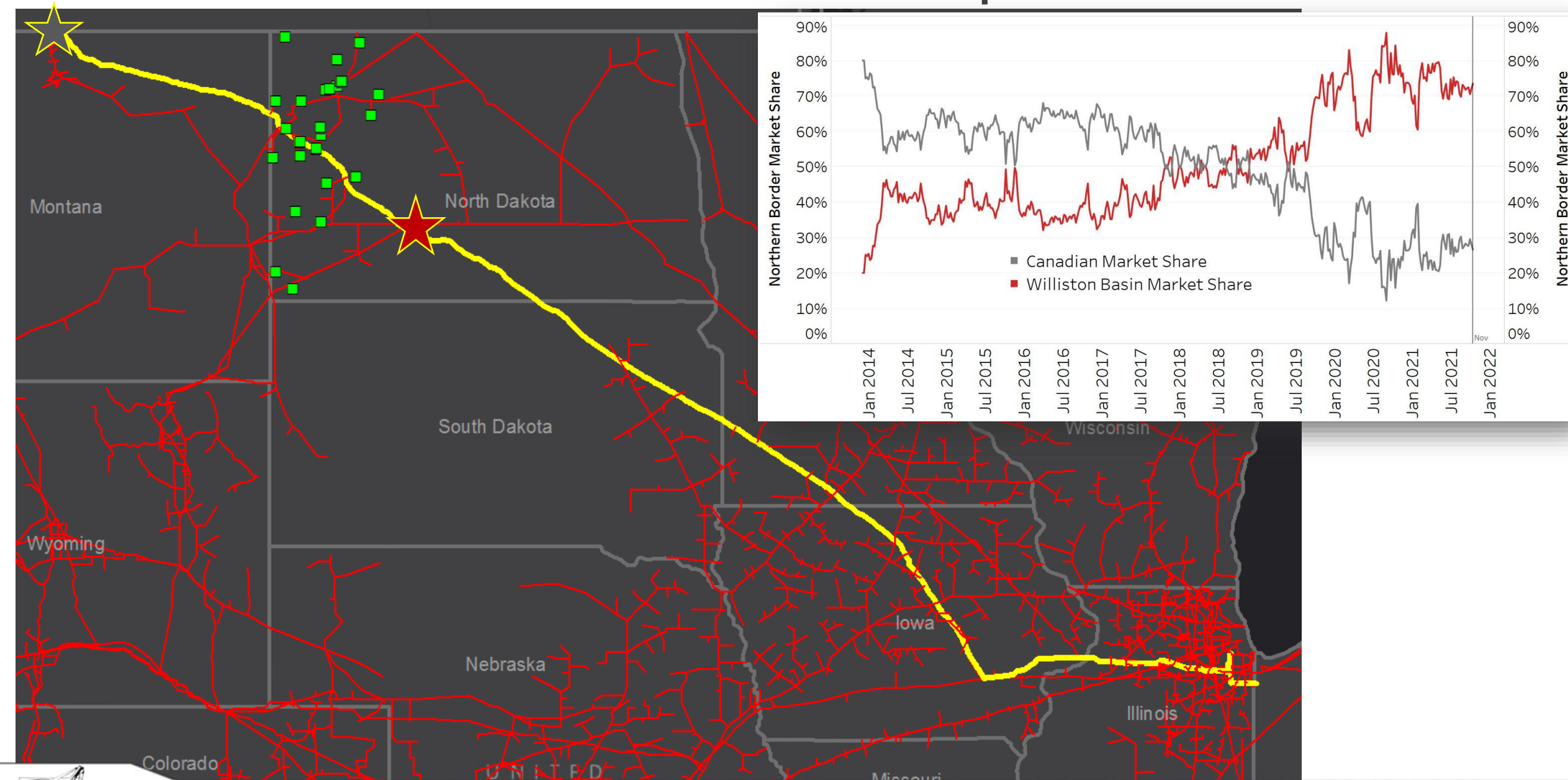
Supplemental Slides



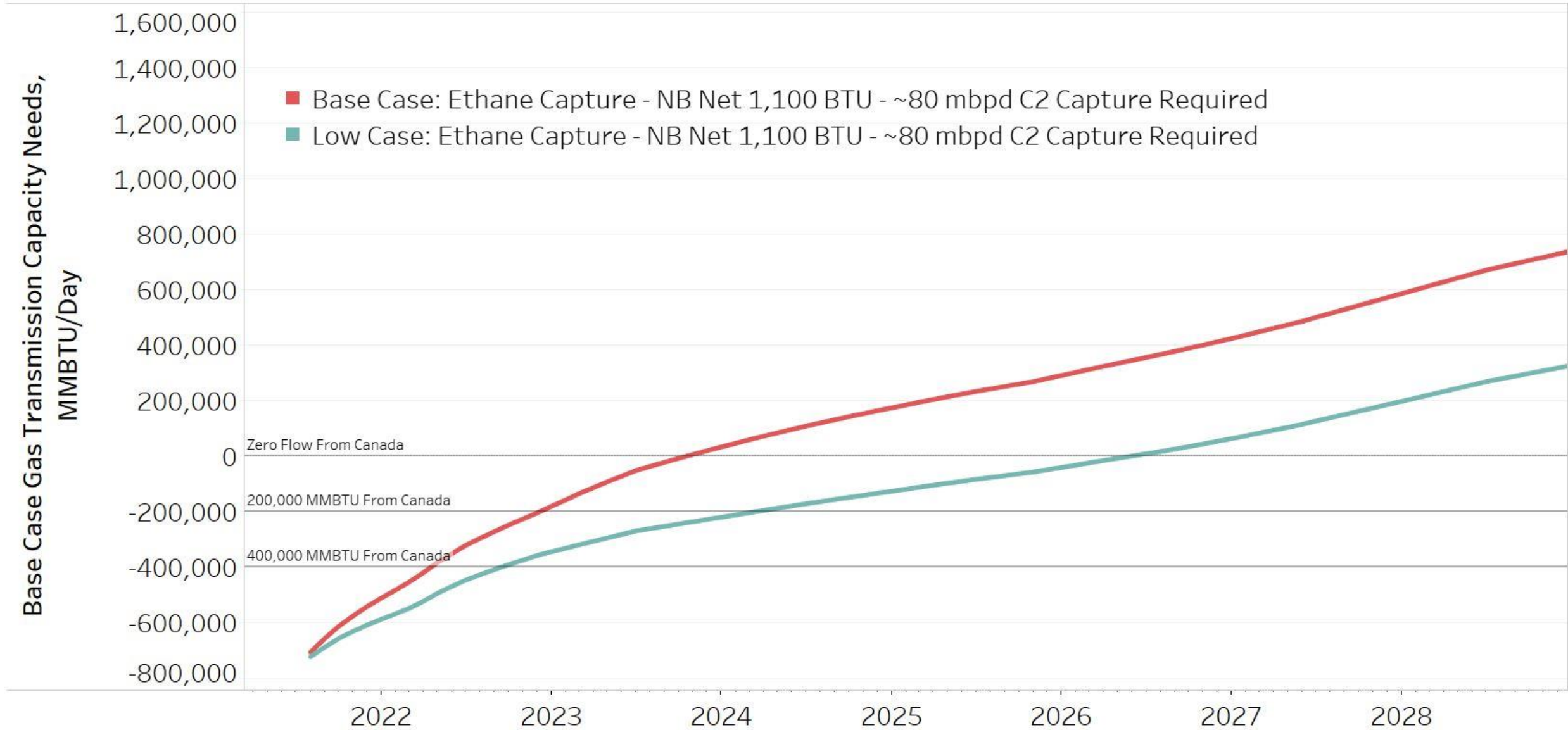
Natural Gas Processing



Northern Border Pipeline



Northern Border – BTU Calculations*



**Testimony of Grand Forks Mayor Brandon Bochenski
Senate Appropriations Committee
Bismarck, North Dakota – November 9, 2021**

Chairman Holmberg and Senate Appropriation Committee Members, thank you for allowing me the opportunity to testify before you about natural gas.

The State of North Dakota has tremendous energy, water, and agriculture resources within its borders that are dispersed throughout various geographic areas of our State. Billions of dollars of economic development projects wait in the wings for the right combination of these important resources to strategically come together. We have an opportunity to diversify a fast-growing economy not only regionally, but statewide for many cities and counties as well. Our state is only as strong as the sum of its parts.

A natural gas trunk line bringing low-cost and high-quality Bakken natural gas from western to eastern North Dakota, is one of several game-changing investments that can unlock boundless industrial potential while also serving the residents of many communities along the way. Increasing natural gas usage within the state will also allow for increased oil production to reach 1.5 million barrels a day and beyond. The proposed \$150 million in appropriated funds from the State Fiscal Recovery Fund for natural gas pipeline infrastructure will give the private sector the leverage it needs to invest in this legacy project.

Industrial growth for Grand Forks has been historically hampered because of the limited natural gas capacity and supply creating a difficult environment to seize the maximum value of the region's rich agricultural land of the Red River Valley. This limitation provides a significant competitive disadvantage and obstacle in drawing industrial development to Grand Forks and other areas of the state while other communities in ag-rich states that do not have this limitation have grown industry, populations, and added new jobs.

A large publicly traded company, Fufeng Group Ltd., has chosen Grand Forks for the location of its first U.S. based wet-corn mill manufacturing facility. The site chosen for the phase 1 of the project is a 370-acre parcel in Grand Forks' agri-business park and the project is projected to be the region's largest ever private investment. The national siting competition included 25

locations with Fufeng Group Ltd. selecting Grand Forks as the primary site of the facility and the community where it wants to operate its historic industrial facility.

The development is contingent on our ability to serve the project with 32 million cubic feet per day peak in natural gas. The development timeline is one where the facility is scheduled to become operational several years before the proposed Bakken Trunk Line would reach the facility. Postponing the development until the Bakken Trunk line reaches the facility would result in losing this extraordinary development and the economic impact such a facility will have on Grand Forks and the surrounding area. Therefore, the City of Grand Forks is requesting that along with the funding for the Bakken Trunk Line, the appropriations bill also includes a \$10.5 million grant that would be used to offset the costs of pipeline infrastructure improvements to serve the Grand Forks' agri-business park from the Viking line 13 miles to our east with a 12" lateral line. This 13-mile pipeline infrastructure would provide an interim solution for the natural gas capacity and supply need for this industrial development in Grand Forks and importantly allows this project to continue with an intended groundbreaking in the spring of 2022. The benefits of this 13-mile pipeline infrastructure is three-fold: (1) it secures significant gas user standing ready to be served by the new Bakken Trunk Line when ready and that will be fully operational several years before the Bakken Trunk Line is completed, (2) a redundant access to natural gas is created, and (3) an ability to connect this lateral line is created to the Bakken Trunk Line for interstate distribution of Bakken natural gas into the future. The capacity from the Viking pipeline line is not a long-term solution in Grand Forks as the capacity cannot support other future users that likely include the following: American Crystal Sugar, JR Simplot Co., Red River Bio Refinery expansion, Phase 2 of Fufeng's wet corn mill, residential growth, and most notably Northern Plains Nitrogen. All told additional consumption of another 150-200 MMCF/day could be online within the next 5-10 years.

These current projects and many others in the que highlight the importance of the Bakken Trunk Line from western to eastern North Dakota.

In summary, the Bakken Trunk Line will solidify the long-term competitive advantage to Grand Forks and the State of North Dakota for further development and the future economic growth for our community, region, and state. The \$10.5 million in funding to install 13-mile pipeline

infrastructure improvements provide an immediate impact of allowing an extraordinary development to move forward and will serve the long-term impact and purpose of the Bakken Trunk Line by creating a connecting point for the distribution of Bakken natural gas.

Thank you for your time and consideration,

Brandon Bochenski

Mayor of Grand Forks

**Senate Bill 2345
(Section 1, Subsection 1)**

Testimony of Ron Ness

Senate Appropriations Committee

November 9, 2021

Chairman Holmberg and members of the Appropriations Committee, my name is Ron Ness, president of the North Dakota Petroleum Council. The North Dakota Petroleum Council represents nearly 600 companies in all aspects of the oil and gas industry, including oil and gas production, refining, pipeline, transportation, mineral leasing, consulting, legal work, and oilfield service activities in North Dakota. I appear before you today in support of Senate Bill 2345 and, specifically, Section 1, Subsection 1 of the bill.

North Dakota has a unique opportunity to partner with Bakken producers and midstream companies interested in finding new markets and transportation options for Bakken natural gas. A major transmission line linking the west to the east will provide countless dividends back to the state, including moving high value, North Dakota-produced natural gas at competitive rates to underserved market areas of the state. By expanding processed Bakken natural gas takeaway capacity with the addition of such a major trunk line, North Dakota's oil industry can also increase oil production while advancing the state's goal of producing clean, sustainable, reliable, and affordable energy to the nation and the world.

Instead of being reliant on natural gas sourced from Canada, North Dakota is in the unique position of being able to invest in a major piece of infrastructure that serves and benefits the entire state. Central and eastern North Dakota are largely starved for the level of natural gas supply required for those regions to grow their economic portfolios. Supporting a FERC-regulated common carrier natural gas trunk line to areas of central and eastern North Dakota will allow third parties to compete to deliver Bakken natural gas to local communities and anchor economic development projects. This is a "win-win-win" project for the state.

We therefore urge a **Do Pass** on Section 1, Subsection 1 of Senate Bill 2345. I would be happy to answer any questions.



DAKOTA NATURAL
GAS

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Senate Bill No. 2345
Testimony
Cody Chilson, President
Dakota Natural Gas, LLC
Senate Appropriations Committee
November 9, 2021

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Cody Chilson, I am the president of Dakota Natural Gas, LLC, and I support Senate Bill 2345 and propose two friendly, complimentary additions to the current language to allow the discretion for the Industrial Commission to award grant funds to distribution systems which would help close an essential service gap and expand natural gas access within North Dakota.

I appreciate the opportunity to share the reasons for my support with you. Dakota Natural Gas is a relatively new natural gas distribution company here; however, its affiliate companies in Minnesota have been finding creative ways to provide natural gas solutions to rural areas for many years. We formed DNG to help bring a natural gas solution to unserved communities in North Dakota and, I am proud to say that in our first three years of operation, we have successfully done so and are now serving the Drayton, Hillsboro, and Mayville communities; and we have asked the Public Service Commission for approval to expand into Portland next year. Many more communities throughout the state have contacted DNG, asking us to help them get natural gas service – something a lot of people around the state have been seeking for decades to no avail. We have been conducting economic viability studies in several parts of the state; but unfortunately, the result is often the same – building out a system to them is just too expensive and there is no way to make such a project economic. Access is often a function of population density and distance from natural gas supply pipelines, which is why many rural and outlying communities don't have it. In many cases, that kind of gas line will never make economic sense because there will never be a way to fully recover the cost and generate a return, so regulatory requirements won't allow for the line to be built.

DNG recognizes that the primary focus of SB 2345 is to build a trans-Dakota pipeline and DNG is very supportive of that process, because DNG recognizes the need for that line. While it may have been borne out of concerns about capacity limits impacting oil production in the west and a desire to get North Dakota gas headed east, there is intrinsic value in having another natural gas supply line running through the state to ultimately make it easier for unserved communities to gain access to natural gas at reasonable rates.

The North Dakota legislature can take a dramatic step to help bring safe, reliable, and affordable gas to communities throughout the state; but, limiting the proposed grant funding to infrastructure to transport gas from western North Dakota will still not solve the problem of getting gas to unserved communities for several – if not many – years. Moreover, if the funds are solely designated for a trans-Dakota pipeline but they are not sought within the next 20 months (the Bill's timeline), then those funds could, unfortunately, be stranded money. Adding language that provides the Industrial Commission with the discretion for grant funds to be awarded for the purpose of distribution systems to serve currently unserved areas does not undermine the trans-Dakota

pipeline; rather, it complements it. Such language would not necessarily divert funds from a trans-Dakota pipeline; however, it would provide discretion for funds to be awarded to worthy distribution projects, whether that be the result of delayed pipeline construction or to provide natural gas access to communities in the immediate future. Therefore, DNG respectfully proposes that the bill be amended to read: “. . . . for the purpose of pipeline infrastructure grants to allow for the transportation of natural gas from western to eastern North Dakota and to provide natural gas infrastructure to serve communities within the state that do not currently have natural gas service . . .”.

DNG is already working with several unserved communities to assess their market needs and design systems; and, as a result, it has projects to serve new communities that could have construction begin in 2022 to provide natural gas service before the winter of 2023, if funding is available; but, those projects cannot happen without grant funding. While early projects like these would be supplied by existing supply pipelines, a similar model could be used to extend gas off of a trans-Dakota pipeline once it is ultimately finished. In the meantime, however, there are many deserving communities that could be moving toward natural gas service. Moreover, using a model that allows grant funding to be used for distribution systems could also potentially result in having distribution systems built in tandem with the trans-Dakota pipeline construction such that there would be immediately available pipeline customers.

We are not asking for the state to fund the entire construction investment for distribution systems. Instead, we ask you to consider the positive impact of establishing a contributory grant program that complements private investment. By offsetting a substantial part of the buildout costs for distribution infrastructure, grants will mitigate the chilling effect that heavy construction costs have on natural gas expansion. Without it, the service gap may never be closed. We believe that this model could work in all parts of the state that are still unserved and that it could be utilized by any qualified natural gas distribution company, so it isn't limited to just DNG or DNG's prospective service areas. A grant program can make these projects economically viable. Moreover, the impact of the grant funds will be felt well beyond the initial communities served with them, because the extension of natural gas builds on itself by making subsequent extensions more economic. For example, DNG's proposed extension to Portland would have never been economically feasible but for the fact that DNG is already serving Hillsboro and Mayville. Similarly, the communities that will initially be served with assistance from grant funding are not the only communities that will benefit from the grant, because other nearby communities may also have subsequent opportunities to be served for years to come. The initial extension of natural gas to one area makes it much less expensive to expand distribution to additional facilities and communities in the future.

Additionally, once new gas systems are constructed, the state will reap tax benefits from the infrastructure that would not otherwise have been built; and, economic development will be bolstered throughout the State, which helps both residents and communities and enhances the tax base even more. Historically, in areas where our companies have extended natural gas service, it helped attract housing and businesses within the communities, as well as increasing agricultural sector economic development. Similarly, natural gas has helped educational, health care, and other public institutions save money on energy costs and that money gets directed toward other things.

Several critical areas should be addressed by natural gas grant legislation, including the following:

- First, there should be the discretion to award funds to distribution projects for unserved areas.
- Second, funds should be made available to pay for all construction costs and materials related to infrastructure necessary for natural gas distribution systems for unserved areas of the state. As part of those costs, payment should be allowed to be made directly to the applicant and also to be made directly to a supply pipeline on the applicant's behalf as a contribution in aid of construction to be applied toward the applicant's interconnection fee.
- Third, available funds should exceed a 1:1 match, as 1:1 funding is not sufficient to make construction economic. A grant program should allow for up to 2/3 of project funding to come from grant funds and should be paid to the applicant during the year of construction rather than utilizing a reimbursement structure.
- Fourth, the program should include language specifically clarifying that the portion of the infrastructure investment funded by a grant award will not be included in the natural gas distribution company's investment calculation for purposes of determining rates or property tax assessments, such as amending the bill to add the following language:
"Grant-funded infrastructure investment shall not be included as utility investment for the purposes of determining utility rates or property tax assessment; however, the remaining portion of the infrastructure investment made by the utilities may be considered in determining rates and property tax assessments."
- Finally, income tax on the grant funds significantly undermines the beneficial impact of a grant. While the state cannot address federal income tax treatment, it could exclude a grant award for state income tax purposes, thereby increasing effectiveness of the grant funds.

I am confident that you will agree that a natural gas construction grant program is in the best interest of the people of North Dakota, and I respectfully request that you support it and include it in final appropriations legislation, incorporating provisions for distribution systems to help close the service gap. Chairman Holmberg and Committee members, thank you for the chance to be heard on this very important matter.

21.1123.02000

Sixty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2345

Introduced by

Legislative Management
(Appropriations Committee)

1 A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to
2 provide for a report; and to provide an effective date.

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

4 **SECTION 1. APPROPRIATION - TRANSFER - FEDERAL STATE FISCAL RECOVERY**
5 **FUND - ONE-TIME FUNDING - REPORT.**

6 1. There is appropriated from federal funds derived from the state fiscal recovery fund,
7 not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may
8 be necessary, to the industrial commission for the purpose of pipeline infrastructure
9 grants to allow for the transportation of natural gas from western to eastern North
10 Dakota and to provide natural gas infrastructure to serve communities within the state
11 that do not currently have natural gas service for the period beginning with the
12 effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this
13 subsection, at least \$10,000,000 must be used for the portion of the project to
14 transport natural gas to areas in Grand Forks County. Grant-funded infrastructure
15 investment shall not be included as utility investment for the purposes of determining
16 utility rates or property tax assessment; however, the remaining portion of the
17 infrastructure investment made by the utilities may be considered in determining rates
18 and property tax assessments.



**Testimony of Jennifer Greuel
Economic Development Association of North Dakota
In Support of SB 2345
Sections 1, 29, 35, 38, 39
Nov. 9, 2021**

Chair Holmberg and members of the Senate Appropriations Committee:

I am Jennifer Greuel, executive director of the Economic Development Association of North Dakota (EDND). I am here in support of several proposals to use American Rescue Plan Act (ARPA) funding to strengthen and diversify North Dakota's economy.

EDND represents more than 80 state economic development organizations and related businesses on the front line of economic development efforts throughout North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life.

As you're aware, there are many ideas in this bill which could serve to strengthen and diversify North Dakota's economy. Today EDND would like to focus on the proposals related to natural gas infrastructure, workforce needs and diversification of the economy.

Natural Gas to Meet Community Needs

The challenge of providing natural gas to unserved or underserved communities lies in financing the gap between the existing pipelines and the community. The included \$150 million recommendation (*Section 1, Subsection 1*) for natural gas infrastructure would help address this gap and provide additional communities with service, while making use of North Dakota produced natural gas.

EDND has been involved in conversations with utility companies, legislators, and the Public Service Commission (PSC) for many years about the topic of natural gas, most recently during the 2017 Legislative Session and the following interim. The availability of natural gas and the expansion of natural gas infrastructure play a key role in the continued growth and vitality of many businesses, communities and the state. Natural gas is a resource typically required in order to attract any significant manufacturing opportunity. National site selectors have reported they won't consider a community for a manufacturing project if it does not have natural gas service. Therefore, communities with access to natural gas have an advantage over communities without it. More than 300 communities in the state do not have access to natural gas and many with service don't have enough to compete for large value-added projects.

Meeting ND's Workforce Needs

North Dakota's unemployment rate has quickly rebounded after the pandemic (3.5 percent in Sept. 2021), and workforce availability is a significant challenge facing North Dakota businesses, limiting the growth potential of the state's economy. EDND supports the development of workforce attraction, development and retention strategies that address the needs of the state's businesses and industries.

North Dakota does not have enough people, especially in highly-skilled fields, to fill its job openings, much less attract new businesses which would serve to diversify the economy and reduce the state's reliance on energy and agriculture. The \$15 million Local Workforce Development Incentive Program (*Section 38*) outlined in this bill would serve to attract non-resident workers to the state and give regions and businesses the tools and flexibility to attract the talent they need, and the \$5 million technical skills training grant program (*Section 39*) would help retrain our existing workforce.

Childcare availability and cost are major issues facing young families making up North Dakota's potential workforce pool. Childcare expenses can result in fewer workers, detracting from the state's productivity and ability to attract new talent into the state. The \$17 million in this bill to be provided to the Department of Human Services (*Section 29*) could begin to help address this need.

Diversification of the Economy

One of EDND's top legislative priorities for the past few sessions has been related to the diversification of the state's economy. North Dakota has long benefitted from energy and agriculture being the leading pillars of its economy. However, relying heavily on these industries has caused a boom and bust cycle several times over the state's history. One tool to help bring new industries to the state is the included \$5 million (*Section 35*) for the Innovation Technology Loan Program (LIFT) as part of a comprehensive statewide strategy. The more the state supports investment in other industries, the more stable our economy and tax base will become.

Thank you for the opportunity to express our support for these important proposals and for your continued commitment to keeping North Dakota globally competitive and diversifying the state's economy.

Chairman Holmberg and members of the Senate Appropriations committee, my name is Granville Brinkman. I am the Economic Development Director for the City of Beulah and the president of Mercer County Economic Development. Economic Development for Mercer County and Beulah involves enticing new businesses to move to the area and create much needed jobs. While natural gas is the main heating fuel for most businesses and homes in the United States, part of North Dakota, including Mercer County, remain underserved or have no service. Mercer County has valuable resources; enough coal to provide electricity to nine states, sand and gravel, and an abundant water supply from Lake Sakakawea. New industries often come to Beulah or Hazen in search of a location to build their business but then leave due to our lack of natural gas service. Natural Gas service for Mercer County has been a priority goal since the early 2000's, preceding my time as Economic Development Director. Since we understand the value of natural gas service in economic development, Mercer County Economic Development supports passage of SB 2345 and an appropriation of \$150 million to the East-to-West natural gas pipeline. Mercer County wants to be part of the natural gas solution for the State of North Dakota. Therefore, we stand in support of the appropriations mentioned in SB 2345 to the North Dakota Department of Commerce, specifically \$21 million for a fuel production facility

incentive program, \$20 million for hydrogen development grants and \$15 million for workforce recruitment, retention and retraining. These are all programs that may in the end benefit Mercer County and its citizens as we search for the correct economic development opportunities.

Mercer County currently has opportunities in front of us including a glass manufacturing operation that is particularly attracted to Mercer County due to the felspar content of the sand associated with sand mining. The sand not required to produce glass could be used for hydraulic fracturing activities, as well as well pad construction in western North Dakota. Another opportunity is a plastics recycling plant. A third is a petrochemical plant. There are also more local needs for natural gas such as: a meat packing plant, a petroleum products plant, the local grocery store, hardware stores, churches, the industrial park and our schools. They would all benefit from natural gas service. As long as natural gas prices are less than \$20 per 1,000 feet, natural gas is a less expensive alternative that can save large facilities thousands of dollars per month in heating costs. Bronson's Market Place, in Beulah for example, estimated a savings of \$30,000/annum. We understand that switching from propane to natural gas is not easy or without expense and not all homeowners will elect to make the change. Beulah has a divided city, south of 7th street has propane service and north of 7th

street is mostly electric heating. Those with electric heating may be more inclined to switch to a lower cost heating supply. That said, in order to grow Mercer County, entice new businesses and new jobs, natural gas service is a top priority and a top necessity.

Mercer County Economic Development (MCED) is currently pursuing an Economic Assistance Grant from the Economic Development Administration for \$5 million. This money, if awarded, will provide the internal natural gas infrastructure for the cities of Beulah and Hazen. Mercer County is looking at several alternatives for natural gas trunk lines to service this infrastructure. The closest current trunk line is located near Glen Ullin, more than thirty miles from Beulah, and has a cost of approximately \$25 million to service Beulah and Hazen. Mercer County Economic Development continues to discuss possibilities for natural gas service with Bakken Energy to see if a closer and less expensive alternative might be possible. After infrastructure is built and while trunk line service is in construction phase, Mercer County plans to contract liquid natural gas service to feed infrastructure necessary to serve those most in need: new businesses, churches, the hardware and grocery stores- those who most benefit.

MCED has also submitted a grant application to EDA for \$250,000 to develop the Great Plains Technology & Jobs Incubator. The GPTJI would provide programs from BSC and UMary for training or retraining of citizens from the counties of Mercer, Dunn, Oliver and McLean via distance learning or classroom with trained educators. Mercer County cannot afford to lose more of our workforce to parts of this state or other states, so we are dedicated to the concept of enticing new industry and retraining our workforce for new types of opportunities. Mr. Chairman and members of the committee, thank you for time this morning. I am happy to stand for questions.



Chairman and Members of the Committee:

For the record, my name is Mike Rud. I serve as the Executive Director of the North Dakota Propane Gas Association. On behalf of our over 130 NDPGA members and the well over 1,000 North Dakotans they employ, I urge a **"DO NOT PASS"** on SB 2345.

NDPGA is pro-natural gas.. it's needed to produce propane. Independent American Energy.

The strategic partnerships between North Dakota's long-standing and emerging energy industries enable all sectors of the industry to work together as they meet our state and nation energy needs without government funding any expansion of one energy over another competing energy source. **ESPECIALLY WITH 150 MILLION of TAX PAYER \$\$\$\$.**

ALL OF THE ABOVE ENERGY POLICY. That's been ND's goal from Day One!

North Dakota currently has about 50,000 homes, farms and businesses using safe, efficient and affordable propane. Many of NDPGA's locally owned and operated businesses likely serve your communities in some capacity. **The propane industry generates over \$800 Million in economic activity annually in ND.**

Millions of private business dollars have been spent by propane marketers to meet the needs of rural residents and small communities. To my knowledge the state's propane industry has never asked for legislation to expand *propane's* customer base. If one of my members wants to grow or expand operations, **two options exist: dipping into cash reserves or going to the bank to borrow the money. We ask for a level playing field—not special treatment.**

The Expansion of any energy market should be driven by consumer demand. It should be funded with private investment, not state tax payer dollars.

For example, after the 2013-2014 winter vortex which hit most of the United States, propane

marketers saw the need for more bulk fuel storage, more transports and other industry needs to meet consumer demand. Millions of private dollars were spent during this time on industry upgrades across the state. It's also my understanding when Dakota Access Pipeline expanded to get more oil out of the Bakken in a timely fashion, it did so on its own dime. A scenario very similar to what we are hearing in the oil patch about natural gas today. It's also my understanding when MDU built the refinery in Western ND very little or no state money was leveraged.

Bottom line: History has shown if the ROI (return on investment) is there, energy industries will use private dollars to expand. We have seen this very idea play out on two separate occasions in ND recently. The Bobcat plant in Gwinner converting to natural gas and the ADM plant in Wahpeton doing the same. To my knowledge, both businesses signed long term natural gas supply agreements. The free market system and Capitalism at work.

NDPGA members are by no means afraid of competition as long as all competitors are on equal footing. Free enterprise needs to prevail in this matter. **VOTE "DO NOT PASS" on SB 2345.**

Testimony of Adam Dunlop

Midwest Ag Energy, Director- Regulatory & Technical Services
North Dakota Ethanol Producers Association

To the Senate Appropriations Committee

In Support of Senate Bill 2345

November 9, 2021

Chairman Holmberg and members of the Senate Appropriations Committee:

I am Adam Dunlop, Director- Regulatory & Technical Services of Midwest Ag Energy located in Underwood and Spiritwood. Midwest Ag Energy is a member of the North Dakota Ethanol Producers Association (NDEPA), which represents North Dakota's six ethanol plants, industry stakeholders and associated businesses. NDEPA is here today to indicate support for Senate Bill 2345, specifically section 1, subsection 34 of the bill which includes \$21 million of North Dakota's American Rescue Plan Act (ARPA) funds to repay loans issued to five of the state's ethanol plants in 2020 through the Ethanol Recovery Program.

North Dakota's ethanol industry contributes \$624 million annually to the state's economy and provides more than 10,000 direct and indirect jobs. The plants utilize 160-180 million bushels of corn annually to produce more than 500 million gallons of ethanol. In addition, 1.3 million tons of distiller's grains are produced and utilized in livestock feeding operations.

The Ethanol Recovery Program is a loan guarantee and interest buydown program for North Dakota ethanol plants established in 2020 from the existing state Biofuels PACE program and value-added loan guarantee program. It provided ethanol producers up to \$15 million in low-interest (1%) loans. Loans were provided by commercial banks but backed by the State Improvement and Investment Fund (SIIF) and the interest lowered by the Bank of North Dakota (BND). Our industry is grateful for the program as it helped our state's plants weather the economic challenges related to the COVID-19 pandemic.

The program, approved by the North Dakota Industrial Committee and implemented by BND, was effective in helping the industry, which is essential to farmers and rural communities, through an unprecedented time where fuel prices plummeted, and fuel demand was cut in half due to the COVID-

19 pandemic. As biofuel plants across the country closed during this crisis, the Ethanol Recovery Program offered support to sustain North Dakota's ethanol plants during this time of extreme industry challenges.

Coming off COVID-19 disruptions, the state was hit with a year of extreme drought, which significantly impacted the production of corn and other ethanol feedstocks. According to the U.S. Drought Monitor, 2021 is the seventh driest year to date over the past 127 years. In addition, all 53 counties in North Dakota have USDA disaster designations. North Dakota's corn yield is projected to be down considerably this year from 139 bushels per acre in 2020 to 108 bushels per acre for the 2021 crop year. While the industry was starting to rebound, the drought and resulting 2021 crop loss has inhibited a full recovery by driving up the cost basis for corn as much as 75 cents.

The drought has and will continue to affect rancher ability to feed their livestock. Each bushel of corn processed by North Dakota ethanol plants produces 18 pounds of livestock feed (distillers grains), which are a cost-efficient, high-quality feed to supplement livestock during times of drought when forages are poor quality.

We thank you for your support of the state's ethanol industry in the past and urge your favorable consideration of SB 2345, which will assist with sustaining an industry important to the state's economy and ag producers. Below is a list of additional organizations that have indicated support of the loan forgiveness program.

Supporting Organizations

North Dakota Corn Growers Association

North Dakota Farmers Union

North Dakota Grain Growers Association

North Dakota Association of Rural Electric Cooperatives

November 9, 2021

Hello Chairman Holmberg, members of the Committee.

My name is Greg Tehven, a fifth generation North Dakotan from a farming family. I'm also the CEO of Emerging Prairie, an organization that leads Grand Farm Research and Education Initiative ("Grand Farm").

For months, we've worked with Senator Sorvaag, Representative Howe and a wide group of Senators and Representatives on our Grand Farm ARPA request. We are grateful and supportive of the Senate and House's recommendation to use \$10M towards our effort.

Grand Farm, a 501(c)(3), empowers a neutral platform for industry, farmers, higher education, and government to collaborate on autonomous and advanced agriculture technology. Grand Farm works regularly with companies and startups from North Dakota and around the world to better understand their products, provide capabilities for demonstration and development, and to amplify the technologies in North Dakota. Grand Farm currently operates a test site on donated agricultural acres to demonstrate and test new and innovative ag technologies.

It is clear that somewhere in the United States or around the world, a community will lead the efforts in agriculture technology development. We believe North Dakota needs to be that leader. By building on the state's investment in rural broadband, VANTIS, the LIFT program, the impact of House Bill 1425 from the 2021 session, and more, we can continue to enable our farmers to be the most advanced in the world.

We will support the growth of our current companies, attract more folks to the state, and upskill our workforce. An investment in Grand Farm will allow us to utilize a 1:1 match for the long term home of the Grand Farm in Cass County, allow us to continue our efforts to collaborate on research and demonstration, and give us the ability to invest in the future workforce needs of advanced technology in agriculture.

We are confident that over the use of the funds, we'll be able to support job growth. Companies in North Dakota will benefit from our work and be able to increase in size while we attract additional companies from the region. We'd anticipate 50 to 150 new jobs created in North Dakota each year.

We know ARPA funding is a one-time opportunity and are confident that an investment in Grand Farm will propel North Dakota agriculture into a leading position for modern agriculture technology. Because of the impact of COVID, our state's ag tech companies were





GRAND FARM

limited on trade show opportunities, sales growth, and the ability to attract talent. Grand Farm's Innovation Facility will help North Dakota's companies recover from the impact of COVID, amplify and increase research opportunities, and allow North Dakota to attract and retain companies in advanced technology in agriculture.

The time to invest in Grand Farm is now. We have significant momentum, from 53 private sector companies including Microsoft and CHS, engage with 60+ startups from across the world, and a growing number of educational institutions involved. As technology advances, connectivity increases, and autonomous solutions present themselves, an investment from North Dakota will allow us to lead, multiply resources, and solve real problems in agriculture: workforce challenges, labor concerns, safety concerns, and most importantly improving profitability for our farmers.

We are grateful for the leadership of both Senate and House members as well as the private sector for giving us confidence that an investment in Grand Farm will allow North Dakota to play offense, continue to support a critical industry in the state, and build a platform that will be a key collaborator with educational institutes, private sector, startups, and the capital-formation community.

Thank you for your consideration, and I would be pleased to answer any questions you might have.

Greg Tehven

CEO of Emerging Prairie
Founder of Grand Farm
701-361-7274 / greg@emergingprairie.com



Grand Farm Innovation Facility

Overview

Grand Farm Research and Education Initiative ("Grand Farm"), is a North Dakota 501(c)(3) non-profit that accelerates collaboration and innovation to develop technologies for the farm of the future. Grand Farm is a subsidiary of Emerging Prairie, a North Dakota 501(c)(3) non-profit.

Grand Farm empowers a neutral platform for industry, producers, higher education, and government to collaborate on autonomous and advanced agriculture technology. Grand Farm works regularly with companies and startups from North Dakota and around the world to better understand their products, provide capabilities for demonstration and development, and to amplify the technologies in North Dakota. Grand Farm currently operates a test site on donated agricultural acres to demonstrate and test new and innovative ag technologies.

Requested Allocation: \$10M

- \$10M toward Grand Farm Innovation Facility planning, development, infrastructure, and construction (subject to 1:1 match)

This one-time request would leverage federal ARPA funds with private investments to establish a permanent, world-class destination innovation facility in North Dakota for innovation in advanced agricultural technology. It would enable robust project management capabilities for the building and operations of the facilities, ecosystem, and farm projects. And it would make possible expanded workforce development offerings beyond the existing software development bootcamp into cyber security, embedded software, and more.

Grand Farm is currently finalizing the process of selecting a permanent location in North Dakota for the Innovation Facility. This funding would carry momentum through selection of the location, directly into the preparation, planning, and construction of Grand Farm's Innovation Facility.





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Grand Farm is an equal opportunity provider.



122 1/2 N Broadway Fargo ND 58102



grandfarm.com

Impact

Since the launch in April 2019, Grand Farm has been working on growing a globally relevant ecosystem -- developing relationships with organizations from around the world. Now, Grand Farm is poised to focus this energy into an Innovation Facility driving significant positive impacts to North Dakota.

Grand Farm was developed to be additive to existing infrastructure, programs, and state/federal investments. The independent, neutral-platform allows for direct and rapid engagement with growers, industry, researchers, and government. This gaps-based approach maximizes investment into programs, facilities, and infrastructure.

The construction of the Grand Farm's Innovation Facility will:

- **Engage Growers** - The technology developed by industry and higher education at the Innovation Facility will make growers more efficient and make their jobs safer. In collaboration with North Dakota State University's extension, Grand Farm will work to bring this technology to growers. Grand Farm's Innovation Facility will also serve as a meeting place for growers and their organizations, showcasing modern and future technologies in agriculture.
- **Multiply State Funding** - Grand Farm's Innovation Facility will also be funded (and matched) through private contributions by individuals and organizations from around the world, multiplying North Dakota's investment into the project. To raise the matching funds for this project, Grand Farm will develop and launch a capital campaign. This capital campaign will bring in investments from individuals, philanthropic organizations, and corporations from a global setting -- many of which have already expressed their interest in supporting the development of an Innovation Facility.
- **Support Agriculture and Technology Businesses** - Grand Farm's Innovation Facility will provide businesses with office space, workshop space, test plot space, regular engagement with the agriculture and technology industries, and allow for scalable options for growth.

Grand Farm is an equal opportunity provider.



122 1/2 N Broadway Fargo ND 58102



grandfarm.com

- Attract Businesses to North Dakota - Leveraging Grand Farm's rapidly growing, globally relevant ecosystem, and working with North Dakota resource partners, Grand Farm will attract businesses to North Dakota both nationally and internationally -- in-turn, growing North Dakota's economy.

- Create High-Paying, High-Skilled Jobs - The attraction of businesses to North Dakota will create high-paying, high-skilled jobs in the agriculture and technology industries.
- Increase the Tech-Ready Workforce - To supplement traditional education efforts, Grand Farm's Workforce Development Program will develop high-skilled, tech-ready workers to fill job gaps existing in agriculture and technology industries.
- Agriculture Safety - From 2012-to-2020 in North Dakota, there were 122 total reported incidents resulting in injuries (55) or death (67) in agriculture operations. Agriculture is considered one of the most dangerous jobs in the United States of America, and is often the most dangerous job in other countries. Innovations in agriculture technology often lead to safer environments for those in the agriculture industry.
- Access to Funding for Early Stage Startups and Researchers - Grand Farm has served as an attractor of venture capital for early-stage companies. This compliments North Dakota program's, including: LIFT, ND Development Fund, Agriculture Products Utilization Committee, and the North Dakota Legacy Fund. Grand Farm continues to collaborate with University of North Dakota and North Dakota State University to bring federal grants to North Dakota.

Innovation Facility Construction Budget (from original \$25M request)

Preliminary Capital Budget for Phases of Grand Farm Innovation Facility

Planning, Feasibility, Predesign	\$ 150,000
Architectural Design of Master Plan	10% \$ 3,750,000
Land	160 acres \$ 960,000



GRAND FARM

Construction costs; consulting expenses; project management fees; equipment, furniture and fixtures; utilities and non-utility infrastructure; and any other major expense.	est. \$500/sq ft for 75,000 sq ft \$ 37,500,000
Contingency, scope changes	10% \$ 3,750,000
Overrun	10% \$ 3,750,000
Construction financing (\$50M for 18 months)	4% interest rate \$ 3,000,000

Total \$ 52,860,000



Business Plan

Grand Farm's Innovation Facility is intentionally built around a business model which will be self-sustaining following completion of construction.

Annual Revenues
Events and Conferences Sponsorships \$350,000
Events and Conferences Tickets 100,000
Events and Conference Hosting 350,000
Co-Working Space Membership 75,000
Office Leases 400,000
Co-Location Leases 600,000
Shipping Access Fees 50,000
Technology Workshop Supplies 25,000
Technology Workshop Memberships 100,000
Test Plot Management Fees 300,000 Education Fees 300,000
Education Scholarships 250,000 Project Management Office 500,000
Partnerships 500,000
Direct Donations 100,000
Naming Rights 1,000,000
Total Estimated Annual Revenue \$5,000,000





GRAND FARM

Annual Expenses
Fully Loaded Direct Staff Costs (30 FTEs) \$2,890,000
Travel 250,000
Sponsorships for Grower Organizations 100,000
Startup Project Seed funds 100,000
Building Maintenance 60,000
Equipment Acquisition/lease 250,000
Farm Management 140,000 Utilities 120,000 Taxes 250,000 Equipment Maintenance 100,000 Insurance 80,000 Security 50,000 Marketing/events 400,000 Office supplies 20,000 Snow removal/Grounds maintenance 40,000
Total Estimated Annual Expenses \$4,850,000

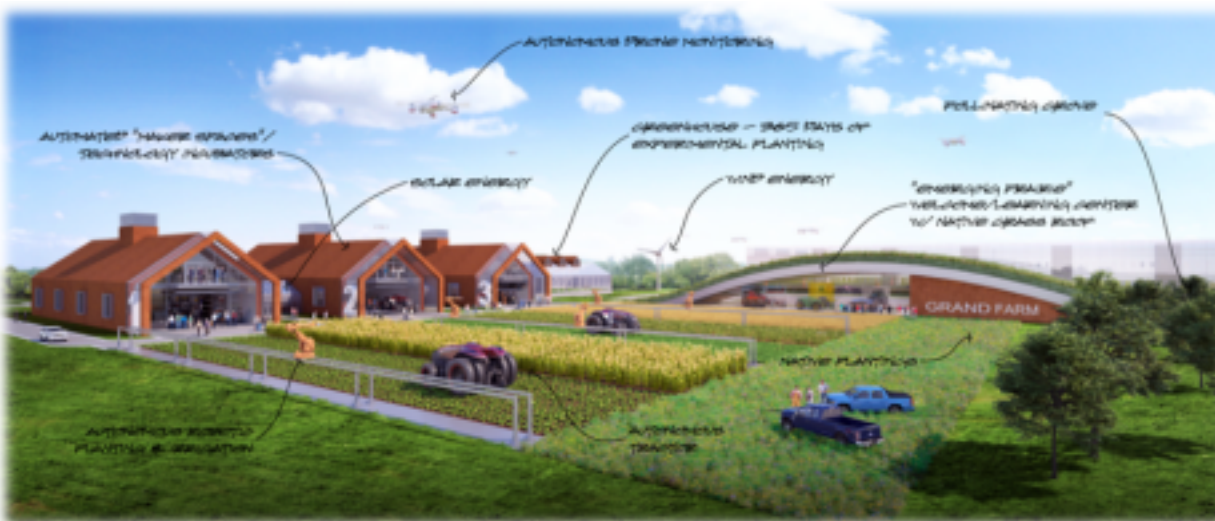
As the facility is developed and comes to completion, further refinement will be required as it relates to the overall operating model with the goal of being able to self-support the operation at the forefront of decision making.





Grand Farm's Innovation Facility will grow and inspire businesses, organizations, and entrepreneurs nationally and internationally to collaborate in developing technological and human solutions for farming in a new era.

The main hub will ideally have a variety of resources available for prototyping purposes, including but not limited to 3D printers, CNC milling machines, laser cutters, a machine shop, and a robotics lab. Innovators who use the space will be able to immediately test their products in the fields that surround this hub, empowering the creators to investigate their product performance in a highly capable, real-world environment. The proximity of the facility to the testing area, small businesses, corporations, and startups, as well as larger farm equipment companies, will allow the participating entities to quickly transform their ideas into viable and commercializable products.



The Innovation Facility will allow for individuals and organizations to rapidly prototype products for testing; this space will also serve as a meeting and smaller event space. This requires the necessary space and equipment to accomplish this task. This is the first module of a much larger Innovation Facility to be developed. The focus of this facility will be to provide opportunities for collision and collaboration, where product ideas can be taken from ideation to reality. This building will primarily include the following components:

Entrance

Guests, tenants, and staff will be met with stairs leading up to the entrance of the Grand Farm hub.

Welcome Area

As people enter the hub, they are met with a welcome area. A receptionist will greet visitors and welcome back tenants and members. On the walls of the welcome area are displays, portraying information and video of farm operations in real-time. There is an area for seating. This welcome area serves doubly as a security point, preventing people without access to the makerspace and innovation center offices. There is an elevator to the second floor. Attached to the welcome area is a conference/classroom where meetings and presentations occur.

Workshop

Coming off of the welcome area is a community workshop. Worktables fill the room with space for product development and teams to talk through their innovative process. This space has 3D printers, Raspberry Pies, a mill for metal working, and product testing equipment like oscilloscopes. Attached to this are several private working rooms with locked doors. A technician desk is present where a full-time technician can maintain equipment and provide consultation.

Garage Workshop

For larger equipment, a garage workshop exists. This workshop will house small farm equipment for product development and testing. A garage door allows for direct access to the fields.

Offices

On the first and second floor of the hub are offices. Some of these offices will be for the Grand Farm staff. There are private offices to house tenant businesses. These offices provide individual desk space and group tables where product development can occur.

Event Room and Observatory

On the second floor is an event and conference room with windows overlooking the demonstration facility. This is where larger events occur and where groups can be hosted. This room will double as a group workroom when events are not occurring. This room will be modular, allowing for scalability with the size of events.



Fields

Grand Farm is currently utilizing more than 140 acres for demonstration and research purposes in the growing season 2021. The minimum number of acres for the 2022 growing season would be 160 acres.

Appendix: Detailed Plan

Innovation Facility Construction (original \$25M Request)

The \$52 million (with \$25 million from American Rescue Plan Act) to be spent towards Innovation Facility construction will include: planning, development, infrastructure, construction of buildings and launch. Below is a detailed breakdown of each phase and elements which will be included:

Phase 1: Planning (Start: January, 2022)

- Land Acquisition - Currently, Grand Farm is undergoing the selection process for the final site of the Innovation Facility. Once selected, the land will be acquired.
- Architect Engagement - Engagement of an architect to design the Innovation Facility, including land assets and building.

Phase 2: Development (Start: June, 2022)

- Capital Campaign - To raise matching funds, Grand Farm will utilize the architectural plans and business plan to design and launch a capital campaign.
- Engineering Plans - With the architecture plans, engineers will build out the overall engineering plan for the site.
- Security Plans - A consultant will be employed to identify potential security liabilities within the full facility build-out and identify solutions that can be implemented to offset risks.

Phase 3: Infrastructure (Start: January, 2023)

- Roads - The development of the road infrastructure to support traffic, construction, and shipping.
- Utilities - Connecting existing public infrastructure to the site, including water, sewer, and electricity.
- Connectivity - Bringing connectivity capabilities to the sites to both support building operations and projects on the Grand Farm.
- Land Development and Management - Preparation and management of land for a test plot environment to support AgTech projects on the site.



- Equipment - Purchasing of equipment for the Innovation Lab, land management, and for outfitting the buildings.

Phase 4: Construction (Start April, 2023)

- Buildings - Construction of the buildings on the site which make up the Hub and the Wings of the main facility buildings.

Appendix: 2021 Sky, Gold, and Green Partners of Grand Farm

Sky Partners	 Microsoft						Kevin & Stacy Biffert	 CHS	NDSU
Gold Partners	 FARGO MOORHEAD COMMERCIAL BANK	 NORTH Dakota Commerce Be Legendary™	 IntelligentAg	 GENESIS FEED TECHNOLOGIES	 AgCountry Farm Credit Services	 RAZOR FARM EQUIPMENT			
	 RDO EQUIPMENT COMPANY	 EIGHT DRONE SERVICES	 Farmers Union	 KENNELLY EQUIPMENT CO.	 NORTHERN PLAINS UAS TEST SITE	 PROSEED	 DCN Dakota Carrier NETWORK		
	 BREMER BANK	 ONSHARP	 LIVEWIRE GreenlandFARM.com	 MIDCO	 COMPEER FINANCIAL	 NETWORKCENTER INCORPORATED			
Green Partners	 SATSHOT	 NDGGA NORTH DAKOTA GRASSLAND GROWERS ASSOCIATION	 BUSHEL	 REALM AGRICULTURE	 cube LABS digital natives at work	 ADFARM			
	 Xcel Energy	 EideBailly	 Bobcat	 Thoreson Sachs TRUST COMPANY	 GENESIS FEED TECHNOLOGIES	 RED RIVER FARM NETWORK Reporting, Igniting Growth's Potential	 nice		

Note: This list does not include ground-tier partners, which are early-stage startups within the Grand Farm ecosystem.

Appendix: Matching Funds Strategy

Note: Currently, this proposal includes funding to develop and launch a capital campaign. This statement is the initial thinking of Grand Farm as it relates to securing capital for the Innovation Campus. As the Capital Campaign is developed, this thinking could evolve.

Currently, Grand Farm intends on utilizing a tiered approach to raise the capital needed to build out the Innovation Facility. This includes four tiers of contributors which would be made up of: individual contributors, large corporate contributors, federal government grants, and economic development corporations.

- Tier 1: \$1,000,000+ in contributions. There have been 20 identified potential contributors to-date.
- Tier 2: \$50,000/year for 3 years in contributions (total \$150,000). There have been 30 identified potential contributors to-date.
- Tier 3: \$20,000+ in contributions. There have been more than 40 identified potential contributors to-date.
- Tier 4: Below \$20,000 in total contributions.

Grand Farm anticipates in the development of the capital campaign, more opportunities for contributors will be identified or emerge. The current list of potential contributors accounts for \$25.3 million in contributions.





November 8, 2021
Senate Appropriations
SB 2345

Katie Ralston, Director of Workforce Division, ND Department of Commerce

Hello, Chairman Holmberg and members of the Senate Appropriations Committee. My name is Katie Ralston, and I serve as the director of the workforce division at the North Dakota Department of Commerce. In my role, I also have the pleasure of serving as the director of the industry-led Workforce Development Council. I'm here in support of the workforce proposals included in SB 2345, Section 1, subsections 38 and 39.

I would like to thank you for including such a generous funding level for workforce in this bill. Although my time with Commerce has been relatively brief, I have not seen dollars like this attached to dedicated workforce development projects or programs outside of education in my time with the State. If funded, I am confident we will take a big step forward in meeting the workforce needs of North Dakota businesses, communities, and citizens.

Lack of available workforce is arguably one of North Dakota's greatest challenges and it's one that looks different in each part of the state, so a "one size fits all" solution is neither realistic nor feasible for meeting the workforce needs of employers across North Dakota. With a low unemployment rate and a high labor participation rate, businesses statewide are having a difficult time finding workers who have the skills necessary to fill their vacancies. We see businesses limiting their hours, changing the ways in which they operate, or closing their doors altogether, because they simply do not have the staff they need to maintain their operations. We have also seen North Dakota businesses choose to grow in other states rather than here at home for the same reason. In the last year, nine thousand North Dakota workers left the workforce due to retirements, lack of affordable childcare, individuals going back to school, or moving out-of-state. This number also includes the people who worked multiple jobs prior to the pandemic, who have since dropped to working just one, which further exacerbates the problem for employers, especially those in the hospitality industry.

As with many problems, they are best solved at the local level and this one is no different; however, we don't currently have a mechanism to support the initiatives that communities and regions want to implement to address their workforce needs. By creating a one-time funding model to support regional workforce initiatives, we give local and regional leaders the opportunity to articulate their needs and the funding to address them.

All proposals for what we are calling the *Regional Workforce Impact Program* must be sustainable, innovative solutions to help businesses find workers, and help workers and jobseekers prepare for and connect to better, higher-quality and more family-sustaining careers.

Some examples of investments for which these funds might be used, include but are not limited to:

- Upskilling and/or reskilling initiatives for in-demand jobs, including educational classes and on-the-job training.
- Investments in childcare or related supportive services to assist employees in accessing new training opportunities and/or expanding and supporting their participation in the labor force.
- Providing career counseling or coaching services that aid employees in pursuing new training and employment opportunities.
- Capital investments, capital purchases or leases for new or renovated space to support the applicant's proposed program.
- Programs for recruiting and retaining workers may also be eligible as long as these proposals comply with ARPA regulations.

We support the funding amount of \$15 million as stated in the bill; however, a larger allocation of \$20 million for this program would be ideal as it will allow us to increase the funding we award to local projects. We believe the four to one match identified in the bill will demonstrate local commitment without creating major barriers to accessing the grant, as we know resources vary by community. To ensure equitable access to these grant dollars, we plan to reserve a portion of funds based on population of the eight planning regions, with each region having access to a minimum of \$1,000,000. Increasing the overall award for this program will in turn increase the minimum funding amount for each region and help create a balance of funding for both the rural areas of each region and the urban centers.

The eight planning regions will also be used to define the geographic lines of a 'region', although the impact of some projects may extend beyond those boundaries. This program will require coordination of multiple partners and resources, with eligible applicants including economic development organizations, cities, chambers of commerce, regional councils, and others.

To administer this program, Commerce is requesting to use \$318,643 of the program award through the 2023-2025 biennium.

The next program we will administer with a \$5,000,000 allocation is the Technical Skills Training Grant which we developed with Coronavirus Relief Funds (CRF). This program was initially designed to support the launch or expansion of accelerated skilled workforce training programs to help displaced workers develop the skills needed to pursue jobs in new fields. Although this program continues to successfully meet this need by supporting nearly 20 programs to date, many employers have asked about the ability to use this program to establish internal training programs which is not included in the intent of the Technical Skills Training Grant as it's currently written under CRF guidelines. The use of ARPA dollars will give us the ability to support incumbent worker training, in addition to creating more comprehensive onboarding programs,

and enhanced safety training, which is a need that was emphasized by the pandemic. We plan to use \$3,000,000 to support these training programs in addition to the type of new and accelerated re-skilling programs we've been funding throughout the last several months. The Technical Skills Training grant will increase skilled workforce throughout North Dakota, create a pipeline for internal advancement in businesses, offset the cost of training new and existing workers, and enhance workplace safety. Each company or training provider will be eligible for up to \$50,000 with a 1:1 match.

Senate Bill 2345 identifies the option to use a portion of these funds for a workforce innovation program. We plan to use the remaining \$2 million in this allocation to ramp up our talent attraction efforts by taking a skills-based recruitment approach while targeting specific regions of North America to ensure we're recruiting workers who possess skills that match the needs of our employers; however, to make a more meaningful impact in recruiting individuals to the state, we could use an additional \$2 million in this program. These funds may be used to increase marketing in the top cities in which North Dakota graduates live or to hire contractors to help us expand our reach.

Thank you for including these dedicated workforce initiatives in this bill. I appreciate the opportunity to share our vision for how we will use them to address North Dakota's workforce challenges and set us up for success as we move into the future. I am happy to answer any questions you may have.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 6, line 10, replace "grants" with "direct benefit payments"

Page 6, line 13, after "2023" insert ". The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of the recipients, the disbursement amounts, or disbursements made"

Renumber accordingly

27. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing ~~grants~~direct benefit payments to developmental disabilities services providers to provide retention bonuses for direct services professionals serving clients with intellectual or developmental disabilities for the period beginning with the effective date of this Act, and ending June 30, 2023. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of the recipients, the disbursement amounts, or disbursements made.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 6, line 16, replace "grants" with "direct benefit payments"

Page 6, line 18, replace "grants" with "direct benefit payments"

Page 6, line 19, replace "grants" with "direct benefit payments"

Page 6, line 20, replace "grants" with "direct benefit payments"

Page 6, line 20, after "facilities" insert ". The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of the recipients, the disbursement amounts, or disbursements made"

Page 9, after line 14, insert:

"SECTION 3. DEPARTMENT OF HUMAN SERVICES – ADMINISTRATIVE

COSTS. The department of human services may use a portion of the grants to long-term care facilities for administrative expenses, which may not exceed three percent."

Renumber accordingly

28. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the department of human services for the purpose of grantsdirect benefit payments to long-term care facilities for the period beginning with the effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this subsection, \$20,800,000 is for grantsdirect benefit payments to nursing facilities, \$2,950,000 is for grantsdirect benefit payments to basic care facilities, and \$1,250,000 is for grantsdirect benefit payments to assisted living facilities. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of the recipients, the disbursement amounts, or disbursements made.

SECTION 3. DEPARTMENT OF HUMAN SERVICES – ADMINISTRATIVE COSTS. The department of human services may use a portion of the grants to long-term care facilities for administrative expenses, which may not exceed three percent.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 6, line 23, after "projects" insert ", direct benefit payments"

Page 6, line 25, replace "expand" with "provide community-based"

Page 6, line 25, remove "western"

Page 6, line 28, after "2023" insert ". The requirements of chapter 54-44.4 do not apply to direct benefit payments under this subsection, including the selection of the direct payment recipients, the direct payment disbursement amounts, or direct payment disbursements made"

Page 9, after line 14, insert:

"**SECTION 3.** A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Appeal – Federal coronavirus stimulus funds.

1. A person may not appeal a denial, revocation, or reduction in service or payment directly arising from an exhaustion of appropriated federal coronavirus stimulus funds as a result of the federal coronavirus pandemic emergency declaration received under federal law, including the federal Coronavirus Aid, Relief, and Economic Security Act [Pub. L. 116-136], Coronavirus Response and Relief Supplemental Appropriations Act of 2021 [Pub. L. 116-260], and American Rescue Plan Act of 2021 [Pub. L. 117-2].
2. A person may not appeal the department's termination of a program or service established from the appropriated federal coronavirus stimulus funds as a result of the federal coronavirus pandemic emergency declaration received under federal law, including the federal Coronavirus Aid, Relief, and Economic Security Act [Pub. L. 116-136], Coronavirus Response and Relief Supplemental Appropriations Act of 2021 [Pub. L. 116-260], and American Rescue Plan Act of 2021 [Pub. L. 117-2].

SECTION 4. AMENDMENT. Subsection 3 of section 50-11.1-14.1 of the North Dakota Century Code is amended and reenacted as follows:

3. The department may provide supports and incentives to ~~build child care capacity~~, including:
 - a. Technical assistance and support to individuals who want to establish a new program or expand existing capacity to include information on needs assessments, regulatory

processes, facility design and furnishings, startup and operating budgets, staffing patterns, curriculum evaluation, and development of business plans.

b. Grants to programs with a viable business plan to support early childhood facility development and expansion in areas with a demonstrated need.

c. Direct benefit payments to beneficiaries."

Renumber accordingly

29. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$29,000,000, or so much of the sum as may be necessary, to the department of human services the purpose of projects, direct benefit payments, grants, and services, including \$5,000,000 for Medicaid eligibility system upgrades, \$17,000,000 for child care services, \$4,000,000 to expand provide community-based behavioral health services in western North Dakota, and \$3,000,000 for substance use disorder treatment voucher system grants for the period beginning with the effective date of this Act, and ending June 30, 2023. The requirements of chapter 54-44.4 do not apply to direct benefit payments under this subsection, including the selection of the direct payment recipients, the direct payment disbursement amounts, or direct payment disbursements made.

SECTION 3. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

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1. A person may not appeal a denial, revocation, or reduction in service or payment directly arising from an exhaustion of appropriated federal coronavirus stimulus funds as a result of the federal coronavirus pandemic emergency declaration received under federal law, including the federal Coronavirus Aid, Relief, and Economic Security Act [Pub. L. 116-136], Coronavirus Response and Relief Supplemental Appropriations Act of 2021 [Pub. L. 116-260], and American Rescue Plan Act of 2021 [Pub. L. 117-2].
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SECTION 4. AMENDMENT. Subsection 3 of section 50-11.1-14.1 of the North Dakota Century Code is amended and reenacted as follows:

3. The department may provide supports and incentives ~~to build child care capacity,~~ including:

- a. Technical assistance and support to individuals who want to establish a new program or expand existing capacity to include information on needs assessments, regulatory processes, facility design and furnishings, startup and operating budgets, staffing patterns, curriculum evaluation, and development of business plans.
- b. Grants to programs with a viable business plan to support early childhood facility development and expansion in areas with a demonstrated need.
- c. Direct benefit payments to beneficiaries."

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 6, line 31, remove "grants to"

Page 7, line 1, remove "organizations that provide"

Page 7, line 3, remove "awarded to organizations that do not provide or promote"

Page 7, line 4, replace "abortion services" with "used for the current and any future alternative-to-abortion services grant agreement. The requirements of chapter 54-44.4 do not apply to the current alternative-to-abortion services grant agreement"

Renumber accordingly

30. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$1,500,000, or so much of the sum as may be necessary, to the department of human services for the purpose of ~~grants to organizations that provide alternatives-to-abortion services~~ for the period beginning with the effective date of this Act, and ending June 30, 2023. The funding provided in this subsection may only be ~~awarded to organizations that do not provide or promote abortion services~~ used for the current and any future alternative-to-abortion services grant agreement. The requirements of chapter 54-44.4 do not apply to the current alternative-to-abortion services grant agreement.



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November 8, 2021

Senate Appropriations Committee
SB 2345

Dear Chairman Homberg and Committee Members:

My name is Steve Smith and I serve as President and CEO of the YMCA of Cass and Clay Counties in Fargo, ND. On behalf of the State Alliance of North Dakota YMCAs, including the Altru YMCA in Grand Forks, the Missouri Family YMCA in Bismarck, and the Minot Family YMCA, we are submitting this testimony in support of SB 2345, and specifically in support of Subsection 29 of Section One of that bill concerning child care appropriations to the Department of Human Services.

The YMCAs of North Dakota are the state's largest provider of child care services. We perhaps more than anyone, recognize the importance of quality child care on workforce development, the economy, and the wellbeing of our children and families in North Dakota. At the same time, we also have firsthand knowledge of the challenges of offering these quality programs due to hiring qualified child care workers and then getting them through the complex regulations that include the FBI background check and finger printing. The current labor market is causing child care providers to increase their wage structures and they are passing these fees onto parents. Additionally, the many requirements that our facilities require through our licensing processes cause additional fee increases. We want to keep child care affordable and available for North Dakota families.

How we do this is an enormous problem. We don't have all the answers but believe that the approximately \$17 million child care appropriation to the Department of Human Services in SB 2345 is a good first step. We are anxious to work with the Department, and the State of North Dakota, to be part of the solution to this long-standing problem.

Therefore, we respectfully request that you DO PASS on SB 2345. Thank you for your time and consideration. I, along with my colleagues, are ready and willing to answer any questions you have.

Yours in Service,

Stephen Smith
President and CEO
YMCA of Cass and Clay Counties

Senate Appropriations Committee**SB 2345****November 9, 2021**

Good morning Senator Holmberg and members of Senate Appropriations Committee. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. I am here today to ask you for your continued support of SB 2345 and subsection 28 to help nursing facilities, basic care, and assisted living recover from the devastating impact from COVID-19.

We appreciate the support you gave last month in getting long term care a part of what we know now as SB 2345.

The American Rescue Plan Act provides eligibility to nursing facilities and other congregate care settings, (i.e. basic care and assisted living), for funding. COVID-19 has devastated the long term care community, with 57% continuing to operate at a loss today. Revenue losses have been tremendous. Occupancy has still not recovered, and staff have become scarce. In the most recent 30 days, 60% of nursing homes have stopped admissions.

You might expect when occupancy is down, that expenditures are also down. However, just the opposite has occurred. Facilities are spending more. The top expenditure is additional pay for staffing, overtime, hero pay, pay for working in COVID units, hiring contract staff at exorbitant prices and paying for personal protective equipment. Staff are still masking 24/7, just like we did in the beginning days of the pandemic. All of our measures to protect residents and staff have cost millions of

dollars beyond our rate structure. We are not asking for money to increase wages, we are asking for funding to help us cover the costs that we have already incurred as we had insufficient revenue to pay for them. We continue to incur significant losses due to declines in occupancy and increased expenditures related to staffing needs and PPE.

Federal support and funding to basic care and assisted living has been little to non-existent. Nursing facilities have received some provider relief funds, at the most covering about 3-5% of our revenue losses.

Nursing Facilities:

Nursing facilities have experienced severe impacts to cash flows due to the significant decline in occupancy based on the 2021 and 2020 Department of Human Services Nursing Facility Cost Report data. The Cost Reports show that 73 of 76 facilities saw occupancy declines, with a range of no impact to well over a 50% decline in occupancy. Using the occupancy data from the Cost Reports and the rates as set by the State for rate years 2020 and 2021, the decline in days multiplied by the applicable case mix adjusted average rate for each facility shows that resident related revenues have declined by an estimated \$62.2 million in the current year cost report period. During this time, facilities have noted that expenditures did not decline as they were required to maintain staffing levels to deal with significant sick leave and quarantine days, staff overtime, incur significant contracted nursing costs due to staffing shortages, and the increased infection control costs. Provider Relief Funds received have helped facilities deal with a portion of the loss, but these funds for most only covers 3-5% of the impact, facilities with over 5% declines are losing financial stability as operating cash funds are depleted. Cash flow losses will continue through December 31, 2021 for facilities that continue to have reduced occupancy and continue to face

severe staffing shortages. These reductions in cash flow are leading to issues at facilities which are leading to decisions to close, severely decreasing capacity for others, and financing operations using lines of credit. Subsection 28 provides \$20.8 million for nursing facilities.

Basic Care:

Basic Care Facilities have seen occupancy declines directly related to Covid-19. Of the 39 facilities that provided occupancy data, 27 of them saw declines in occupancy, 17 had declines over 5%, and 16 had declines over 10%. These declines in occupancy lead directly to reductions in revenues and cash flows as facilities are not able to adjust rates for Medicaid residents during any rate year. The reporting facilities lost an estimated revenue and cash flow of \$4.1 million. The impact to all 61 basic care facilities is estimated to be \$5.4 million. During this time, facilities are seeing expenditures remain consistent with prior years as they deal with limited available staff, quarantine leaves, and increased infection control expenditures. The lost revenues and decreased cash flow have resulted in facilities depleting operating cash to levels that are unsustainable and requiring the facilities to obtain lines of credit, consider closing, and delaying payments for services. Subsection 28 provides \$2.95 million for basic care facilities.

Assisted Living:

We surveyed assisted living facilities to estimate the impact to their business. Average unrecovered costs for the sample were \$31,200 per facility. Using this as a baseline, the total estimated impact for the 74 assisted living facilities in 2020 is \$2.3 million dollars. Subsection 28 provides \$1.25 million for assisted living facilities.

Summary: We ask for your support of \$25 million of one-time funding to basic care, assisted living and nursing facilities to help them recover. This funding will not impact future costs reports and is a one-time infusion of funds. Only those impacted will receive relief. Those without impact will not be eligible. Distribution would be through the Department of Human Services.

This concludes my testimony, and I would be happy to answer any questions you may have.

Shelly Peterson, President
North Dakota Long Term Care Association
1900 North 11th Street
Bismarck, ND 58501 (701) 222-0660

NDLTCA Member Survey on Workforce Shortage Crisis & The Impact of COVID-19 In Long Term Care Facilities

North Dakota's long term care facilities have been in the epicenter of the COVID-19 pandemic, which exacerbated an already serious workforce shortage. The North Dakota Long Term Care Association recently surveyed its members and received concerning responses showing just how seriously workforce shortages are crippling the ability of long term care facilities to meet the needs of residents.

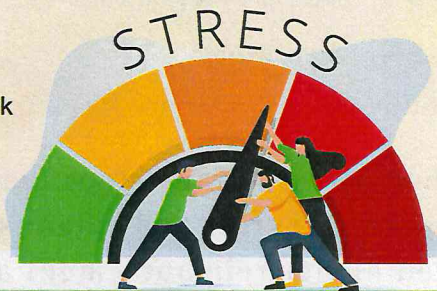
Eighty-Nine percent of facilities are reporting a **shortage** of staff members to fill a shift. Virtually all facilities, (96%), are asking staff to work overtime or take extra shifts.

The **costs to fight the pandemic** have left the majority of **long term care facilities struggling**, with **57% operating at a loss today**.

THE SURVEY RESULTS **74%** of long term care facilities say their workforce situation **has gotten worse** since 2020.

How North Dakota Long Term Care Association members are trying to address these workforce challenges

- 79%** working to hire new staff
- 70%** increasing pay to staff
- 56%** offering bonuses to staff who work overtime/double shifts
- 54%** hiring contract staff



In the Past 60 Days

- 96%** have asked staff to work overtime or take extra shifts
- 89%** do not have sufficient staff to fill shifts
- 57%** have turned to agency staff to fill shifts



When asked about their current staffing situation, North Dakota Long Term Care Members responded:

- 79%** ranked it concerning to crisis
- *34%** concerning, beginning to have numerous open shifts
- *24%** disconcerting, few applicants and we need more staff
- *21%** crisis, numerous open shifts and few qualified applicants or no applicants

Members indicated the following positions that are vacant or are recruiting to fill:

- 88%** CNA or direct caregiver
- 70%** Dietary Staff
- 52%** RN
- 51%** LPN
- 49%** Housekeeping
- 24%** Activities
- 24%** Other support staff (e.g., maintenance, office)
- 10%** Director of Nursing
- 6%** Rehab Staff
- 6%** Social Workers
- 4%** Infection Preventionist
- 2%** Administrators

In 2020, what was the primary reason staff members left their job?

- #1** Quit
- #2** Burn out/Stress of job
- #3** Retirement

78% felt directly or indirectly the reason related to staff losses was due to **COVID-19**



When asked to rank steps that would **help them improve** their ability to **recruit and retain staff**, over three quarters of members cited higher **reimbursement** as the **BEST** way to retain staff.

They ranked measures as follows:

- #1** Higher reimbursement to offer better pay and benefits
- #2** Less regulations and/or paperwork
- #3** Improved perception of working in the profession
- #4** Improving the workplace culture/environment
- #5** Reinstatement of the temporary nurse aid program
- #6** More training programs at local schools and higher institutions
- #7** Career ladder programs

We need your help! Get vaccinated and apply for a job in a long term care facility – You will make a difference!



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701-222-0660 | www.ndltca.org

Testimony**Senate Bill No. 2345 – Department of Human Services****Senate Appropriations Committee****Senator Ray Holmberg, Chairman****November 9, 2021**

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Pamela Sagness, Executive Policy Director for Behavioral Health for the Department of Human Services (Department). I appear before you in support of section 29 of Senate Bill No. 2345.

Section 29 identifies four Department of Human Services items that total \$29,000,000.

The first is a \$5 million allocation to facilitate modification of the state's integrated eligibility system, commonly known as SPACES, in order to complete COVID-related eligibility system updates, to make technical corrections to process eligibility accurately, and to communicate relevant changes to members.

The integrated eligibility system (SPACES) has been the hub for distribution of multiple streams of COVID-relief funding; the volume of change the system has had to incorporate and the extremely short timelines in which to complete the changes, has resulted in a backlog of work that is compromising the overall functionality of the system. Requested funds would support focused triage teams who would tackle outstanding business needs, thereby strengthening the infrastructure that supports eligibility for economic assistance across ND.

The second is a \$17 million allocation to support two early childhood initiatives. One will increase the number of households who would be eligible for child care assistance by increasing the household income limit from 60% of area median income to 85% of area median income. Adjusting the household income limit will enable more working parents to receive help with costs of childcare, which is a critical to their ability to remain engaged in the labor force.

The second is a pilot program that would help employers provide a child care benefit to employees who have young children and whose household income is no greater than 150% of area median income. This would be a voluntary program. Employers can apply to participate if they are interested in accessing the matched dollars made available from the state. Using a matched stipend model offers a flexible and practical way to encourage private investment in child care by helping private sector dollars to go further. It can quickly and easily enable businesses of all sizes and types to provide a childcare benefit to employees if they choose to do so.

The third is an allocation of \$4 million to expand access to community behavioral health services. The community behavioral health program has served more than 1000 North Dakotans since November 1, 2020 reducing the waitlist for services so individuals get needed treatment & support services. The current COVID relief funds for the program expire December 31, 2021.

The final element of the \$29 million is an allocation of \$3 million to expand residential addiction services through the Substance Use Disorder Voucher grant program, increasing the total number of awards from 2 to 4.

This concludes my testimony. Thank you.

Substance Use Disorder Treatment Voucher System Grants

\$3,000,000 (*one-time funding*)

Increase the number of grants provided in HB 1012 Section 24 to “up to 4” and add additional funding to increase substance use disorder treatment services to underserved areas of ND. The additional funding and number of awardees allows flexibility to address regional and population specific needs and increases the ability to award qualified addiction treatment programs for the required 5-year commitment.

HB 1012 Section 24:

SECTION 24. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Substance use disorder treatment voucher system grants.

1. A licensed substance abuse treatment program, excluding regional human service centers and hospital or medical clinic-based programs for medical management of withdrawal, may apply for a competitive substance use disorder treatment voucher system grant. A licensed substance abuse treatment program is eligible for a one-time grant award. To receive a grant, a licensed substance abuse treatment program shall:
 - a. Submit an application in the form and manner prescribed by the department;
 - b. Enter a grant agreement with the department;
 - c. Use grant funds for a licensed substance abuse treatment program with fewer than seventeen beds in an underserved area, as determined by the department, in the state's substance abuse treatment system;
 - d. Use the grant funds to support the provision of substance use disorder treatment in underserved areas of the state's substance abuse treatment system;
 - e. Provide and disclose information needed to comply with the department's data collection requirements; and
 - f. Operate in compliance with grant requirements.
2. The department, within legislative appropriations, may distribute **up to two grants** under this section to licensed substance abuse treatment programs.
3. The department may recapture grant funds distributed to a licensed program found by the department to be out of compliance with the requirements established by the grant program, including ending or reducing the operation of the substance use disorder treatment services in the underserved area.
4. The department may not collect property, equipment, or supplies purchased with grant funds from the licensed substance abuse treatment program after successful completion of the terms of the grant.
5. The grant term must be for five years.

Connection to ARPA Guidelines: Supporting the public health response. Services to address behavioral healthcare needs exacerbated by the pandemic, including mental health services, substance abuse treatment, other behavioral health services, hotlines or warmlines, crisis intervention services or outreach to promote access to health and social services.

Estimated Impact / Population to be Served: Individuals in rural and underserved areas of the state will be able to receive critical addiction services and facilitate opportunities for family to participate.

FOOD ACCESSIBILITY IN ND for SB 2345

In North Dakota, individuals and families continue to face challenges in accessing and in being able to afford food. Major efforts of many state and local partners were successfully implemented over the last 15 months. However, the crisis of food supply, distribution, cost, and equitable access/availability continues, and the need for a coordinated, targeted approach to address food and nutrition security in North Dakota can and should be strengthened.

1. Address food supply/distribution disruptions that are impacting all communities

- Fund ways to develop community-based food aggregation delivery and distribution methods that integrate schools, groceries, food pantries, Meals on Wheels and other places that prepare and serve food with a network of resources. This should be a simple grant process to local, regional, or statewide groups. This should include purchase of food, necessary equipment such as refrigeration/freezer or distribution costs. The program should begin by Dec 1, 2021.

\$3,000,000

Draft amendment for 2345

To allocate for 3 million dollars for the purchase and distribution of food to essential services such as schools, nursing homes, meals on wheels, food pantries, rural grocery stores managed through the ND Department of Agriculture.



11782

**North Dakota Grain Growers Association
Testimony in Support of
SB 2345, Section 2
Senate Appropriations Committee
November 8, 2021**

Chairman Holmberg, members of the Senate Appropriations Committee, for the record my name is Dan Wogsland, Executive Director of the North Dakota Grain Growers Association (NDGGA). NDGGA, through our contracts with the North Dakota Wheat Commission and the North Dakota Barley Council, engages in domestic policy issues on the state and federal level on behalf of North Dakota wheat and barley farmers. I am providing testimony for you today on behalf of NDGGA in support SB 2345, Section 2, which will aid in “freeing up” federal funds for road and bridge construction projects in the state.

Road infrastructure in North Dakota has critical needs that must be addressed. SB 2345, Section 2 will help to provide the North Dakota Department of Transportation (NDDOT) with some of the resources necessary to address some of the critical road and bridge infrastructure needs in the state. Public safety is the responsibility of not only NDDOT but of every decision-maker in the state. NDDOT cannot provide for that public safety without the resources necessary to help carry out this mission. Similarly, the commerce of this state cannot be conducted at any level without an adequate transportation system. SB 2345, Section 2, isn't the “be all, end all” of the resources necessary but it does provide some of the necessary help for NDDOT to get their goals accomplished.

Therefore the North Dakota Grain Growers Association would respectfully request that the Senate Appropriations Committee approve SB 2345, Section 2, and the Association would hope that the full Senate concur.

"You Raise; We Represent"

Phone: 701-282-9361 | Fax: 701-404-5187 | 1002 Main Ave W. #3 West Fargo, N.D. 58078



11783

**North Dakota Grain Growers Association
Testimony in Support of
SB 2345, Section 1, subsection 34
Senate Appropriations Committee
November 8, 2021**

Chairman Holmberg, members of the Senate Appropriations Committee, for the record my name is Dan Wogsland, Executive Director of the North Dakota Grain Growers Association (NDGGA). NDGGA, through our contracts with the North Dakota Wheat Commission and the North Dakota Barley Council, engages in domestic policy issues on the state and federal level on behalf of North Dakota wheat and barley farmers. I am providing testimony for you today on behalf of NDGGA in support of SB 2345, Section 1, subsection 34, which awards grants to eligible fuel production facilities which considers the facility's facility loan guarantee at the Bank of North Dakota.

Fuel production is a key value-added component for North Dakota agriculture. Enhancing the fuel production industry's ability to further advance fuel production in the state by freeing up industry's capital will pay dividends not only for North Dakota agriculture but for North Dakota consumers as well. With margins getting tighter in the fuel production industry SB 2345, Section 1, subsection 34, will encourage more investment in the North Dakota fuel industry, will substantially place more dollars in farmer's pockets that will ultimately reach North Dakota main streets which is a win-win-win for all concerned.

Therefore the North Dakota Grain Growers Association would respectfully request that the Senate Appropriations Committee give its favorable recommendation to SB 2345, Section 1, subsection 34, and the Association would hope that the full Senate would concur.

"You Raise; We Represent"

Phone: 701-282-9361 | Fax: 701-404-5187 | 1002 Main Ave W. #3 West Fargo, N.D. 58078



**North Dakota Grain Growers Association
Testimony in Support of
SB 2345, Section 1, subsection 37
Senate Appropriations Committee
November 8, 2021**

Chairman Holmberg, members of the Senate Appropriations Committee, for the record my name is Dan Wogsland, Executive Director of the North Dakota Grain Growers Association (NDGGA). NDGGA, through our contracts with the North Dakota Wheat Commission and the North Dakota Barley Council, engages in domestic policy issues on the state and federal level on behalf of North Dakota wheat and barley farmers. I am providing testimony for you today on behalf of NDGGA in support SB 2345, Section 1, subsection 37 which allows the Department of Commerce to provide autonomous agricultural matching grants in the state.

Chairman Holmberg, members of the Senate Appropriations Committee, one of the objectives autonomous agriculture has is the use of technology in helping to solve “pain points” in agriculture. As in any industry, working smarter is an objective for North Dakota agriculture especially with the challenges it faces such as increased input costs, a shortage of skilled labor, and weather issues to name just a few. One of these autonomous projects, Grand Farm, along with its outreach to technology providers, is looking for technology solutions to help address these issues and more.

However, just as any beginning business, infrastructure aid is a vital component for the project’s success. Grand Farm, and projects like it, are in critical need of aid in the funding of a new facility as well as for workforce development. Help in these two areas will assist in pushing autonomous initiatives forward in their mission to capitalize on the region’s potential in the agriculture and technology industries.

"You Raise; We Represent"

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Chairman Holmberg, members of the Senate Appropriations Committee, SB 2345, Section 1, subsection 37, is an investment in the technology advancement of North Dakota's leading industry, North Dakota agriculture. The \$10 million contained in the proposal is an investment in technology that will benefit North Dakota now and in the future. Therefore the North Dakota Grain Growers Association respectfully requests the Senate Appropriations Committee give its favorable recommendation to SB 2345, Section 1, subsection 37, and would urge the full Senate to concur.



Testimony of Brenda Elmer

Executive Director, North Dakota Corn Growers Association

Senate Appropriations Committee

November 9, 2021

Chairman Holmberg and members of the Senate Appropriations Committee,

The North Dakota Corn Growers Association (NDCGA) asks for your support of Senate Bill 2345, specifically as it relates to appropriating \$21 million of the American Rescue Plan Act (ARPA) funding for a fuel production facility loan forgiveness program (Section 1, subsection 34). This funding will enable the repayment of loans issued to the state's ethanol plants in 2020 through the Ethanol Recovery Program.

The Ethanol Recovery Program was created to keep North Dakota's ethanol plants going through the Covid-19 pandemic, which idled many ethanol plants across the United States. Coming off the pandemic and into a year of extreme drought across the state significantly impacted the production of corn as well as other feedstocks used in ethanol production.

North Dakota's corn yield is projected to be down considerably this year from 139 bushels per acre in 2020 to 108 bushels per acre for the 2021 crop year. In 2021, the industry was starting to rebound from the pandemic, however the drought and resulting 2021 crop loss has inhibited a full recovery. This has caused ethanol plants to look to sources outside of North Dakota's corn production.

North Dakota ethanol industry contributes \$624 million annually to the state's economy. The plants utilize 160-180 million bushels of corn annually to produce more than 500 million gallons of ethanol. This funding is essential to the continuation of the state's ethanol industry and corn producers.

On behalf of the more than 13,000 corn growers across the state, we ask for your favorable consideration of ARPA funds to support North Dakota's ethanol plants.

4852 Rocking Horse Circle S. Fargo, ND 58104

Phone: 701.566.9322 web: www.ndcorn.org



Senate Appropriations Committee
IN SUPPORT – SB 2345 – State Fiscal Recovery Appropriations
November 8, 2021
Janelle Moos, AARP North Dakota
jmoos@aarp.org
(701) 355-3641

Chairman Holmberg and members of the Senate Appropriations Committee, I am Janelle Moos, Associate State Director of Advocacy at AARP North Dakota. I'm offering testimony in favor of SB 2345.

AARP North Dakota, on behalf of our 83,000 members, would like to thank you for your efforts and leadership throughout the COVID-19 pandemic. We recognize that while the worst of this unprecedented time may be behind us, many issues which disproportionately impact older North Dakotans have surfaced during the pandemic that require continued action from our state. As you prepare to budget and appropriate funds from the American Rescue Plan Act, AARP North Dakota encourages you to address these challenges by strengthening North Dakota's long-term care services and supports and housing.

Long-Term Care Services and Supports

On May 13, 2021, the Centers for Medicare & Medicaid Services issued [guidance](#) to states on the temporary enhanced funding for Medicaid Home and Community Based Services (HCBS) under the American Rescue Plan Act. The State Medicaid Director Letter ([SMDL #21-003](#)) provides guidance to states regarding the implementation of the temporary increase to North Dakota's federal medical assistance percentage (FMAP) of 10 percentage points for certain Medicaid HCBS expenditures under the ARP Act.

This temporary FMAP increase is available to states beginning April 1, 2021 through March 31, 2022, and the guidance provides that state funds freed up (i.e., state funds equivalent to the amount of federal funds attributable to the increased FMAP) can be used through March 31, 2024 to improve HCBS in the state (specifically to enhance, expand, or strengthen HCBS). Examples include increasing access to HCBS for Medicaid beneficiaries, protecting the HCBS workforce, safeguarding the financial stability for HCBS providers, and accelerating meaningful reform of long-term services and supports.

Given a vast majority of North Dakota want to live independently in their homes and communities, AARP urges North Dakota to take advantage of this unique opportunity to use this increased funding to supplement existing state HCBS efforts.

We would like to thank you again for your service to our state and for your leadership during these challenging times. AARP North Dakota is committed to working with you to make these critical improvements in our state. If you have questions or wish to discuss these items further, please contact me at jmoos@aarp.org or 701.355.3641.

Thank you.



**Testimony
Senate Appropriations Committee
Senate Bill 2345**

November 9, 2021

Chairman Holmberg and members of the Senate Appropriations Committee. The Valley Prosperity Partnership (VPP) is an initiative led by business executives, joined by economic development and higher education leaders, to advance and advocate for shared strategic economic development opportunities for the Red River Valley region and for North Dakota.

The business executives that comprise the VPP desire to strengthen and diversify our economy. They feel that one of the best means of doing so is by investing state dollars into the research, development, and commercialization enterprise of the state and into entrepreneurial companies in emerging, technology-driven industries.

The LIFT program has already impacted North Dakota's economy by investing meaningful resources into many innovative companies with exciting ideas and high potential. Adding additional resources to the legacy innovation fund to support technology advancement makes a lot of sense and we wholeheartedly support this investment in research, development, and commercialization.

Thank you for your consideration, and please know that business leaders throughout the state support funding for research and development to strengthen and diversify our economy.

VALLEY PROSPERITY PARTNERSHIP STEERING COMMITTEE

Marshal Albright,
President & CEO,
Cass County Electric
Cooperative
VPP Committee Co-Chair

Steve Burian
President & CEO
Burian & Associates
VPP Committee Co-Chair

Judd Graham, CEO, Fargo
Region, Bremer Bank
VPP Committee Vice-Chair

Brian Johnson, CEO
Choice Financial Group
VPP Committee Vice Chair

Andrew Armacost
President, University of
North Dakota

Tom Astrup,
President & CEO,
American Crystal
Sugar

Dean Bresciani, President
North Dakota State
University

Dan Conrad, President &
CEO, Blue Cross Blue
Shield ND

Tim Curoe, CEO
RDO Equipment

Mylo Einarson, President
& CEO, Nodak Electric
Cooperative

Chad Flanagan, Partner
Eide Bailly

Shawn Gaddie
Director of Infrastructure
Management Services,
AE2S

Jim Galloway, Principal
JLG Architects

Tony Grindberg, North
Dakota Principal
Manager, Xcel Energy

Keith Lund, President &
CEO, Grand Forks Region
EDC

William C. Marcil,
Chairman, Forum
Communications Co.

Pat McAdaragh, President
& CEO, Midco

Jeff Melgaard, Vice
President, Construction
Engineers

Bryan Nermoe, President,
Sanford Medical Center
Fargo

Joe Raso, President & CEO
Greater Fargo Moorhead
EDC

John Richman, President
North Dakota State
College of Science

Jim Roers, President &
CEO, Roers Construction
& Development

Thomas Shorma,
President & CEO,
WCCO Belting, Inc.

Richard Solberg, Board
Chairman & CEO
Bell State Bank & Trust

Steve Swiontek, Executive
Chair, Gate City Bank

Steven Weiser, MD,
President
Altru Health System

David White, President
Border States Electric

Chris Wolf,
Northern Valley Market
President, Alerus

Delore Zimmerman
Executive Director



11924

North Dakota Township Officers Association

Promoting basic Grassroots Government!

Larry A Syverson, Executive Secretary
465-150th Ave NE
Mayville ND 58257-9011
(701)430-1735
larry.ndtoa@gmail.com

In Support of Section 2 of SB 2345

November 9, 2021

Chairman Holmberg
Members of the Senate Appropriations Committee

Good morning.

I am Larry Syverson the Executive Secretary of the North Dakota Township Officers Association and Chairman of the Roseville Township Board of Supervisors in Traill County.

The rural citizens of North Dakota are completely dependent on transportation, the system of roads and highways that carry our produce to market, our families to their destinations, and our earnings to town to purchase needed inputs. We would hope the roadway system will safely support those needs.

The North Dakota Township Officers Association fully supports the use of the American Rescue Plan ACT (ARPA) to fund the transportation needs of North Dakota. We only wish it were more for this use. We would appreciate your favorable consideration of Section 2 of SB 2345. Thank you, Chairman Holmberg and Committee Members.
Larry Syverson

NDTOA Executive Secretary

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2345 2 P.M.
11/9/2021
Senate Appropriations Committee

A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to provide for a report; and to provide an effective date.

Chairman Holmberg opened committee work at 2:40 p.m.

Senators present: Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.

Discussion Topics:

- Going through Amendments

Adam Mathiak, Legislative Council, gives brief update on the bill

Senator Mathern moves to include amendment from Dakota Natural Gas; testimony #11860
Senator Heckaman seconded the motion.

Motion Fails by voice vote

Pam Sagness, Department of Human Services, answered questions of the committee.

Senator Davison moves to fund the Missing Person Database
Senator Rust seconded the motion

Motion Passes by voice vote

Senator Davison moved to allow up to 3% of ARPA to be put in to Administrative Cost
Senator Wanzek seconded the motion

Motion Passes by voice vote

Senator Poolman to put \$350,000 towards Nurses at the State Hospital
Senator Dever seconded the motion

Motion Passes by voice vote

Senator Wanzek moves to remove section 2 of the bill
Senator Bekkedahl seconded the motion

Motion Passes by voice vote

Senator Mathern moved to add section about Food Accessibility
Senator Heckaman seconded

Senate Appropriations Committee

SB 2345

11/9/2021

Page 2

Motion Fails by voice vote

Senator Poolman moved to fix a technical correction

Senator Bekkedahl seconded the motion

Motion Passes by voice vote

Chairman Holmberg closed the meeting 3:34 p.m.

Skyler Strand, Committee Clerk

21.1123.02000

Sixty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2345

Introduced by

Legislative Management
(Appropriations Committee)

1 A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to
2 provide for a report; and to provide an effective date.

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

4 **SECTION 1. APPROPRIATION - TRANSFER - FEDERAL STATE FISCAL RECOVERY**
5 **FUND - ONE-TIME FUNDING - REPORT.**

6 1. There is appropriated from federal funds derived from the state fiscal recovery fund,
7 not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may
8 be necessary, to the industrial commission for the purpose of pipeline infrastructure
9 grants to allow for the transportation of natural gas from western to eastern North
10 Dakota and to provide natural gas infrastructure to serve communities within the state
11 that do not currently have natural gas service for the period beginning with the
12 effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this
13 subsection, at least \$10,000,000 must be used for the portion of the project to
14 transport natural gas to areas in Grand Forks County. Grant-funded infrastructure
15 investment shall not be included as utility investment for the purposes of determining
16 utility rates or property tax assessment; however, the remaining portion of the
17 infrastructure investment made by the utilities may be considered in determining rates
18 and property tax assessments.



DAKOTA NATURAL
GAS

11860

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Send us an email: dng@dakotanaturalgas.com

Senate Bill No. 2345
Testimony
Cody Chilson, President
Dakota Natural Gas, LLC
Senate Appropriations Committee
November 9, 2021

Chairman Holmberg and members of the Senate Appropriations Committee, my name is Cody Chilson, I am the president of Dakota Natural Gas, LLC, and I support Senate Bill 2345 and propose two friendly, complimentary additions to the current language to allow the discretion for the Industrial Commission to award grant funds to distribution systems which would help close an essential service gap and expand natural gas access within North Dakota.

I appreciate the opportunity to share the reasons for my support with you. Dakota Natural Gas is a relatively new natural gas distribution company here; however, its affiliate companies in Minnesota have been finding creative ways to provide natural gas solutions to rural areas for many years. We formed DNG to help bring a natural gas solution to unserved communities in North Dakota and, I am proud to say that in our first three years of operation, we have successfully done so and are now serving the Drayton, Hillsboro, and Mayville communities; and we have asked the Public Service Commission for approval to expand into Portland next year. Many more communities throughout the state have contacted DNG, asking us to help them get natural gas service – something a lot of people around the state have been seeking for decades to no avail. We have been conducting economic viability studies in several parts of the state; but unfortunately, the result is often the same – building out a system to them is just too expensive and there is no way to make such a project economic. Access is often a function of population density and distance from natural gas supply pipelines, which is why many rural and outlying communities don't have it. In many cases, that kind of gas line will never make economic sense because there will never be a way to fully recover the cost and generate a return, so regulatory requirements won't allow for the line to be built.

DNG recognizes that the primary focus of SB 2345 is to build a trans-Dakota pipeline and DNG is very supportive of that process, because DNG recognizes the need for that line. While it may have been borne out of concerns about capacity limits impacting oil production in the west and a desire to get North Dakota gas headed east, there is intrinsic value in having another natural gas supply line running through the state to ultimately make it easier for unserved communities to gain access to natural gas at reasonable rates.

The North Dakota legislature can take a dramatic step to help bring safe, reliable, and affordable gas to communities throughout the state; but, limiting the proposed grant funding to infrastructure to transport gas from western North Dakota will still not solve the problem of getting gas to unserved communities for several – if not many – years. Moreover, if the funds are solely designated for a trans-Dakota pipeline but they are not sought within the next 20 months (the Bill's timeline), then those funds could, unfortunately, be stranded money. Adding language that provides the Industrial Commission with the discretion for grant funds to be awarded for the purpose of distribution systems to serve currently unserved areas does not undermine the trans-Dakota

pipeline; rather, it complements it. Such language would not necessarily divert funds from a trans-Dakota pipeline; however, it would provide discretion for funds to be awarded to worthy distribution projects, whether that be the result of delayed pipeline construction or to provide natural gas access to communities in the immediate future. Therefore, DNG respectfully proposes that the bill be amended to read: “. . . . for the purpose of pipeline infrastructure grants to allow for the transportation of natural gas from western to eastern North Dakota and to provide natural gas infrastructure to serve communities within the state that do not currently have natural gas service . . .”.

DNG is already working with several unserved communities to assess their market needs and design systems; and, as a result, it has projects to serve new communities that could have construction begin in 2022 to provide natural gas service before the winter of 2023, if funding is available; but, those projects cannot happen without grant funding. While early projects like these would be supplied by existing supply pipelines, a similar model could be used to extend gas off of a trans-Dakota pipeline once it is ultimately finished. In the meantime, however, there are many deserving communities that could be moving toward natural gas service. Moreover, using a model that allows grant funding to be used for distribution systems could also potentially result in having distribution systems built in tandem with the trans-Dakota pipeline construction such that there would be immediately available pipeline customers.

We are not asking for the state to fund the entire construction investment for distribution systems. Instead, we ask you to consider the positive impact of establishing a contributory grant program that complements private investment. By offsetting a substantial part of the buildout costs for distribution infrastructure, grants will mitigate the chilling effect that heavy construction costs have on natural gas expansion. Without it, the service gap may never be closed. We believe that this model could work in all parts of the state that are still unserved and that it could be utilized by any qualified natural gas distribution company, so it isn't limited to just DNG or DNG's prospective service areas. A grant program can make these projects economically viable. Moreover, the impact of the grant funds will be felt well beyond the initial communities served with them, because the extension of natural gas builds on itself by making subsequent extensions more economic. For example, DNG's proposed extension to Portland would have never been economically feasible but for the fact that DNG is already serving Hillsboro and Mayville. Similarly, the communities that will initially be served with assistance from grant funding are not the only communities that will benefit from the grant, because other nearby communities may also have subsequent opportunities to be served for years to come. The initial extension of natural gas to one area makes it much less expensive to expand distribution to additional facilities and communities in the future.

Additionally, once new gas systems are constructed, the state will reap tax benefits from the infrastructure that would not otherwise have been built; and, economic development will be bolstered throughout the State, which helps both residents and communities and enhances the tax base even more. Historically, in areas where our companies have extended natural gas service, it helped attract housing and businesses within the communities, as well as increasing agricultural sector economic development. Similarly, natural gas has helped educational, health care, and other public institutions save money on energy costs and that money gets directed toward other things.

Several critical areas should be addressed by natural gas grant legislation, including the following:

- First, there should be the discretion to award funds to distribution projects for unserved areas.
- Second, funds should be made available to pay for all construction costs and materials related to infrastructure necessary for natural gas distribution systems for unserved areas of the state. As part of those costs, payment should be allowed to be made directly to the applicant and also to be made directly to a supply pipeline on the applicant's behalf as a contribution in aid of construction to be applied toward the applicant's interconnection fee.
- Third, available funds should exceed a 1:1 match, as 1:1 funding is not sufficient to make construction economic. A grant program should allow for up to 2/3 of project funding to come from grant funds and should be paid to the applicant during the year of construction rather than utilizing a reimbursement structure.
- Fourth, the program should include language specifically clarifying that the portion of the infrastructure investment funded by a grant award will not be included in the natural gas distribution company's investment calculation for purposes of determining rates or property tax assessments, such as amending the bill to add the following language:
"Grant-funded infrastructure investment shall not be included as utility investment for the purposes of determining utility rates or property tax assessment; however, the remaining portion of the infrastructure investment made by the utilities may be considered in determining rates and property tax assessments."
- Finally, income tax on the grant funds significantly undermines the beneficial impact of a grant. While the state cannot address federal income tax treatment, it could exclude a grant award for state income tax purposes, thereby increasing effectiveness of the grant funds.

I am confident that you will agree that a natural gas construction grant program is in the best interest of the people of North Dakota, and I respectfully request that you support it and include it in final appropriations legislation, incorporating provisions for distribution systems to help close the service gap. Chairman Holmberg and Committee members, thank you for the chance to be heard on this very important matter.

21.1123.02000

Sixty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2345

Introduced by

Legislative Management
(Appropriations Committee)

1 A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to
2 provide for a report; and to provide an effective date.

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

4 **SECTION 1. APPROPRIATION - TRANSFER - FEDERAL STATE FISCAL RECOVERY**
5 **FUND - ONE-TIME FUNDING - REPORT.**

6 1. There is appropriated from federal funds derived from the state fiscal recovery fund,
7 not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may
8 be necessary, to the industrial commission for the purpose of pipeline infrastructure
9 grants to allow for the transportation of natural gas from western to eastern North
10 Dakota and to provide natural gas infrastructure to serve communities within the state
11 that do not currently have natural gas service for the period beginning with the
12 effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this
13 subsection, at least \$10,000,000 must be used for the portion of the project to
14 transport natural gas to areas in Grand Forks County. Grant-funded infrastructure
15 investment shall not be included as utility investment for the purposes of determining
16 utility rates or property tax assessment; however, the remaining portion of the
17 infrastructure investment made by the utilities may be considered in determining rates
18 and property tax assessments.

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2345 6 P.M.

11/9/2021

Senate Appropriations Committee

A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to provide for a report; and to provide an effective date.

Chairman Holmberg opened the meeting at 5:41 p.m.

Senators present: Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.

Discussion Topics:

- Amendments

Chairman Holmberg goes through the amendments; testimony #12177

Adam Mathiak, Legislative Council, answers questions of the committee

Senator Sorvaag moved to adopt amendment 21.1123.02003

Vice-Chair Wanzek seconded the motion.

Motion Carried by Voice Vote

Vice-Chair Wanzek moved DO PASS AS AMENDED

Vice-Chair Kresbach seconded the motion.

Senators			Senators	
<i>Senator Holmberg</i>	Y		<i>Senator Hogue</i>	Y
<i>Senator Krebsbach</i>	Y		<i>Senator Oehlke</i>	Y
<i>Senator Wanzek</i>	Y		<i>Senator Poolman</i>	Y
<i>Senator Bekkedahl</i>	Y		<i>Senator Rust</i>	Y
<i>Senator Davison</i>	Y		<i>Senator Sorvaag</i>	Y
<i>Senator Dever</i>	Y		<i>Senator Heckaman</i>	Y
<i>Senator Erbele</i>	Y		<i>Senator Mathern</i>	Y

Motion Passed 14-0-0

Chairman Holmberg will carry the bill

Chairman Holmberg closed the hearing at 5:50 p.m.

Skyler Strand, Committee Clerk

PROPOSED AMENDMENTS TO SENATE BILL NO. 2345

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 27-20.4 of the North Dakota Century Code, relating to records and cooperative agreements to provide services to juveniles adjudicated in tribal court; to amend and reenact section 27-20.2-21 of the North Dakota Century Code, relating to the inspection of juvenile court files;"

Page 1, line 1, after "transfer" insert "; to provide for a legislative management study"

Page 1, line 2, replace "and" with "to provide a limitation; to provide an exemption;"

Page 1, line 2, after "date" insert "; and to provide an expiration date"

Page 1, line 5, after "**REPORT**" insert "- **EXEMPTION**"

Page 1, line 9, remove "from western"

Page 1, line 12, replace "the portion of the" with "a"

Page 1, line 22, after the period insert "The state water commission shall expend moneys from the state fiscal recovery fund before moneys from the resources trust fund. The funding provided under this subsection may be used for water projects related to flood control, water supply, and economic development."

Page 2, line 9, remove "outdoor"

Page 2, line 12, replace "\$1,500,000" with "\$1,000,000"

Page 3, line 14, after the period insert "The office of management and budget may transfer appropriation authority under this subsection to eligible state agencies for deferred maintenance of state-owned buildings."

Page 4, line 29, replace "\$75,000" with "\$300,000"

Page 6, line 10, replace "grants" with "financial assistance"

Page 6, line 13, after the first period insert "The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds."

Page 6, line 15, replace "\$25,000,000" with "\$25,750,000"

Page 6, line 16, replace "grants" with "financial assistance"

Page 6, line 17, after "facilities" insert "and the state hospital"

Page 6, line 18, replace "grants" with "financial assistance"

Page 6, line 19, replace "grants" with "financial assistance"

Page 6, line 19, remove "and"

Page 6, line 20, replace "grants" with "financial assistance"

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Page 6, line 20, after "facilities" insert ", \$350,000 is for nursing staff retention payments at the state hospital, and up to \$400,000 is for administrative expenses to the department relating to providing financial assistance to long-term care facilities"

Page 6, line 20, after the period insert "The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds."

Page 6, line 23, after "projects" insert ", financial assistance"

Page 6, line 25, replace "expand" with "provide community-based"

Page 6, line 25, remove "in western"

Page 6, line 26, remove "North Dakota"

Page 6, line 28, after the period insert "Notwithstanding subsection 3 of section 50-11.1-14.1, the department may provide financial assistance to beneficiaries related to child care services. Notwithstanding subsection 2 of section 50-06-42.1, the department may award up to four grants rather than two grants for substance use disorder treatment voucher system grants. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds."

Page 6, line 31, remove "grants to"

Page 7, line 1, remove "organizations that provide"

Page 7, line 3, remove "awarded to organizations that do not provide or promote"

Page 7, line 4, replace "abortion services" with "used for the current and any future alternative-to-abortion services. The requirements of chapter 54-44.4 do not apply to the current alternative-to-abortion services agreement"

Page 7, line 23, replace "department of commerce" with "Bank of North Dakota"

Page 7, line 25, replace "department" with "Bank of North Dakota"

Page 7, line 30, replace "innovation technology loan fund" with "North Dakota development fund under chapter 10-30.5"

Page 8, line 3, replace "department of commerce" with "industrial commission"

Page 8, line 4, after "grants" insert ", as approved by the clean sustainable energy authority,"

Page 8, line 14, replace "establishing" with "adding or expanding"

Page 8, line 21, replace "establishing" with "adding or expanding"

Page 9, line 3, after "42." insert "There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the attorney general for the purpose of information technology costs related to the implementation of charitable gaming tax changes for the period beginning with the effective date of this Act, and ending June 30, 2023.

43."

Page 9, replace lines 4 through 14 with:

"SECTION 2. AMENDMENT. Section 27-20.2-21 of the North Dakota Century Code is amended and reenacted as follows:

27-20.2-21. Inspection of court files and records - Penalty. (Effective through August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.

- k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.
- 2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
 - a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the extent necessary to enforce the rules and regulations of the North Dakota high school activities association.
- 3. In a proceeding under this chapter, if the juvenile court finds a child committed a delinquent act that constitutes a violation of a law or local ordinance governing the operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide caused by the child's operation of a motor vehicle, the juvenile court shall report the finding to the director of the department of transportation within ten days.
- 4. Following an adjudication of delinquency for an offense that would be a felony if committed by an adult, the child's school principal, chief administrative officer, or designated school guidance counselor, if requested, must be allowed access to the disposition order. Any other juvenile court files and records of a child may be disclosed to a superintendent or principal of the school in which the child is currently enrolled or in which the child wishes to enroll if the child's documented behavior appears to present a danger to self or to the students or staff of the school.
- 5. Following an adjudication of delinquency for an offense that results in the prohibitions included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement officer must be allowed access to the disposition order.
- 6. The juvenile court may notify a referring agency of the disposition of a case.
- 7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.
- 8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.

9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

Inspection of court files and records - Penalty. (Effective after August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of health and human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of health and human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.

- j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.
2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
 - a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the extent necessary to enforce the rules and regulations of the North Dakota high school activities association.
 3. In a proceeding under this chapter, if the juvenile court finds a child committed a delinquent act that constitutes a violation of a law or local ordinance governing the operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide caused by the child's operation of a motor vehicle, the juvenile court shall report the finding to the director of the department of transportation within ten days.
 4. Following an adjudication of delinquency for an offense that would be a felony if committed by an adult, the child's school principal, chief administrative officer, or designated school guidance counselor, if requested, must be allowed access to the disposition order. Any other juvenile court files and records of a child may be disclosed to a superintendent or principal of the school in which the child is currently enrolled or in which the child wishes to enroll if the child's documented behavior appears to present a danger to self or to the students or staff of the school.
 5. Following an adjudication of delinquency for an offense that results in the prohibitions included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement officer must be allowed access to the disposition order.
 6. The juvenile court may notify a referring agency of the disposition of a case.
 7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.

8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.
9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

SECTION 3. A new section to chapter 27-20.4 of the North Dakota Century Code is created and enacted as follows:

Tribal juvenile services cooperative agreement - Report to legislative management.

1. The department of corrections and rehabilitation, through the division of juvenile services; the supreme court, through the office of the state court administrator; and the Indian affairs commission may negotiate and enter a memorandum of understanding with the tribal government of a federally recognized Indian tribe in the state for the purpose of accepting and providing for, in accordance with this chapter, the treatment and rehabilitation of tribal juveniles who have been adjudicated in tribal court under tribal or federal laws. Under the pilot program and terms of a memorandum of understanding:
 - a. The tribal government, the department of corrections and rehabilitation, and the juvenile court may exchange information relevant to the treatment and rehabilitation needs of a tribal juvenile and the juvenile's family, including tribal court orders, medical and psychiatric reports, law enforcement reports, and other information pertinent to the referral;
 - b. The juvenile court and the department of corrections and rehabilitation shall provide services based on the individualized need of each tribal juvenile referred to and accepted by the tribal court, juvenile court, and department of corrections and rehabilitation;
 - c. The juvenile court and the department of corrections and rehabilitation shall maintain regular contact with the tribe regarding each tribal juvenile who has been placed in the supervision of the respective agency; and
 - d. The juvenile court and the department of corrections and rehabilitation may limit the number of tribal juveniles accepted based on criteria developed by the juvenile court and the availability of state resources and services.
2. Before July first of each even-numbered year, the department of corrections and rehabilitation, the juvenile court, and the Indian affairs commission shall report and make recommendations to the legislative management on the status, effectiveness, performance, and sustainability of a memorandum of understanding established under this section.

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SECTION 4. DEPARTMENT OF HUMAN SERVICES - FEDERAL FUNDING APPEAL LIMITATION. A person may not appeal a denial, revocation, reduction in services or payment, or the termination of a program or service by the department of human services due to the unavailability of federal coronavirus funding received under federal law resulting from the federal coronavirus pandemic emergency declaration for the period beginning with the effective date of this Act and ending June 30, 2023.

SECTION 5. LEGISLATIVE MANAGEMENT STUDY - WATER PROJECT STABILIZATION FUND. During the 2021-22 interim, the legislative management shall study the feasibility and desirability of establishing a water project stabilization fund to provide more consistent levels of funding for water projects from the resources trust fund in the times of revenue volatility. The study must include consideration of other stabilization funds, the timing of resources trust fund revenues and water project expenditures, and reporting requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Page 9, after line 15, insert:

"SECTION 7. EXPIRATION DATE. Section 3 of this Act is effective through July 31, 2023, and after that date is ineffective."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment includes the following changes to Section 1:

- Subsection 1 - Clarifies the funding for natural gas pipeline projects.
- Subsection 3 - Clarifies the use of funding for water projects.
- Subsection 5 - Removes the requirement for grants to park districts to be used for outdoor facilities and decreases the maximum grant amount per recipient by \$500,000, from \$1.5 million to \$1 million.
- Subsection 10 - Provides authorization for the Office of Management and Budget to transfer funding to other state agencies.
- Subsection 19 - Increases the appropriation by \$225,000, from \$75,000 to \$300,000 for a missing persons database.
- Subsections 27, 28, and 29 - Clarifies the method of distributing payments to developmental disabilities services providers; long-term care facilities; and child care services, community-based behavioral health services, and substance use disorder treatment voucher system grants.
- Subsection 28 - Adds \$350,000 for nursing staff retention payments at the State Hospital and up to \$400,000 for administrative costs of the Department of Human Services for providing financial assistance to long-term care facilities.
- Subsection 29 - Allows the Department of Human Services to provide financial assistance for child care services and allows the department to provide up to four grants, rather than two grants, to licensed substance abuse treatment programs.
- Subsection 30 - Clarifies the use of funding for alternative to abortion services.
- Subsection 34 - Changes the appropriation for fuel production incentive grants from the Department of Commerce to the Bank of North Dakota.
- Subsection 35 - Transfers funding to the North Dakota Development Fund rather than the innovation technology loan fund.
- Subsection 36 - Appropriates the funding for hydrogen development grants to the Industrial Commission for approval by the Clean Sustainable Energy Authority rather than appropriating the funding to the Department of Commerce.
- Subsections 38 and 39 - Clarifies the use of the local workforce development incentive grants.
- Subsection 42 - Appropriates \$50,000 to the Attorney General for information technology costs to implement changes related to charitable gaming tax changes in House Bill No. 1509.

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This amendment also:

- Removes a section to provide additional funding to the Department of Transportation.
- Adds two new sections related to tribal juvenile services cooperative agreements and court records.
- Adds a section to limit appeals for reductions in services by the Department of Human Services due to lack of federal coronavirus funding.
- Adds a section to provide for a Legislative Management study of a water project stabilization fund.

REPORT OF STANDING COMMITTEE

SB 2345: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2345 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 27-20.4 of the North Dakota Century Code, relating to records and cooperative agreements to provide services to juveniles adjudicated in tribal court; to amend and reenact section 27-20.2-21 of the North Dakota Century Code, relating to the inspection of juvenile court files;"

Page 1, line 1, after "transfer" insert "; to provide for a legislative management study"

Page 1, line 2, replace "and" with "to provide a limitation; to provide an exemption;"

Page 1, line 2, after "date" insert "; and to provide an expiration date"

Page 1, line 5, after "**REPORT**" insert "- **EXEMPTION**"

Page 1, line 9, remove "from western"

Page 1, line 12, replace "the portion of the" with "a"

Page 1, line 22, after the period insert "The state water commission shall expend moneys from the state fiscal recovery fund before moneys from the resources trust fund. The funding provided under this subsection may be used for water projects related to flood control, water supply, and economic development."

Page 2, line 9, remove "outdoor"

Page 2, line 12, replace "\$1,500,000" with "\$1,000,000"

Page 3, line 14, after the period insert "The office of management and budget may transfer appropriation authority under this subsection to eligible state agencies for deferred maintenance of state-owned buildings."

Page 4, line 29, replace "\$75,000" with "\$300,000"

Page 6, line 10, replace "grants" with "financial assistance"

Page 6, line 13, after the first period insert "The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds."

Page 6, line 15, replace "\$25,000,000" with "\$25,750,000"

Page 6, line 16, replace "grants" with "financial assistance"

Page 6, line 17, after "facilities" insert "and the state hospital"

Page 6, line 18, replace "grants" with "financial assistance"

Page 6, line 19, replace "grants" with "financial assistance"

Page 6, line 19, remove "and"

Page 6, line 20, replace "grants" with "financial assistance"

Page 6, line 20, after "facilities" insert ", \$350,000 is for nursing staff retention payments at the state hospital, and up to \$400,000 is for administrative expenses to the department relating to providing financial assistance to long-term care facilities"

Page 6, line 20, after the period insert "The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds."

Page 6, line 23, after "projects" insert ", financial assistance"

Page 6, line 25, replace "expand" with "provide community-based"

Page 6, line 25, remove "in western"

Page 6, line 26, remove "North Dakota"

Page 6, line 28, after the period insert "Notwithstanding subsection 3 of section 50-11.1-14.1, the department may provide financial assistance to beneficiaries related to child care services. Notwithstanding subsection 2 of section 50-06-42.1, the department may award up to four grants rather than two grants for substance use disorder treatment voucher system grants. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds."

Page 6, line 31, remove "grants to"

Page 7, line 1, remove "organizations that provide"

Page 7, line 3, remove "awarded to organizations that do not provide or promote"

Page 7, line 4, replace "abortion services" with "used for the current and any future alternative-to-abortion services. The requirements of chapter 54-44.4 do not apply to the current alternative-to-abortion services agreement"

Page 7, line 23, replace "department of commerce" with "Bank of North Dakota"

Page 7, line 25, replace "department" with "Bank of North Dakota"

Page 7, line 30, replace "innovation technology loan fund" with "North Dakota development fund under chapter 10-30.5"

Page 8, line 3, replace "department of commerce" with "industrial commission"

Page 8, line 4, after "grants" insert ", as approved by the clean sustainable energy authority,"

Page 8, line 14, replace "establishing" with "adding or expanding"

Page 8, line 21, replace "establishing" with "adding or expanding"

Page 9, line 3, after "42." insert "There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the attorney general for the purpose of information technology costs related to the implementation of charitable gaming tax changes for the period beginning with the effective date of this Act, and ending June 30, 2023."

43."

Page 9, replace lines 4 through 14 with:

"SECTION 2. AMENDMENT. Section 27-20.2-21 of the North Dakota Century Code is amended and reenacted as follows:

27-20.2-21. Inspection of court files and records - Penalty. (Effective through August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.

2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
 - a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the extent necessary to enforce the rules and regulations of the North Dakota high school activities association.
3. In a proceeding under this chapter, if the juvenile court finds a child committed a delinquent act that constitutes a violation of a law or local ordinance governing the operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide caused by the child's operation of a motor vehicle, the juvenile court shall report the finding to the director of the department of transportation within ten days.
4. Following an adjudication of delinquency for an offense that would be a felony if committed by an adult, the child's school principal, chief administrative officer, or designated school guidance counselor, if requested, must be allowed access to the disposition order. Any other juvenile court files and records of a child may be disclosed to a superintendent or principal of the school in which the child is currently enrolled or in which the child wishes to enroll if the child's documented behavior appears to present a danger to self or to the students or staff of the school.
5. Following an adjudication of delinquency for an offense that results in the prohibitions included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement officer must be allowed access to the disposition order.
6. The juvenile court may notify a referring agency of the disposition of a case.
7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.
8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.
9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

Inspection of court files and records - Penalty. (Effective after August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of health and human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of health and human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.

2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
 - a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the extent necessary to enforce the rules and regulations of the North Dakota high school activities association.
3. In a proceeding under this chapter, if the juvenile court finds a child committed a delinquent act that constitutes a violation of a law or local ordinance governing the operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide caused by the child's operation of a motor vehicle, the juvenile court shall report the finding to the director of the department of transportation within ten days.
4. Following an adjudication of delinquency for an offense that would be a felony if committed by an adult, the child's school principal, chief administrative officer, or designated school guidance counselor, if requested, must be allowed access to the disposition order. Any other juvenile court files and records of a child may be disclosed to a superintendent or principal of the school in which the child is currently enrolled or in which the child wishes to enroll if the child's documented behavior appears to present a danger to self or to the students or staff of the school.
5. Following an adjudication of delinquency for an offense that results in the prohibitions included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement officer must be allowed access to the disposition order.
6. The juvenile court may notify a referring agency of the disposition of a case.
7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.
8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.
9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

SECTION 3. A new section to chapter 27-20.4 of the North Dakota Century Code is created and enacted as follows:

Tribal juvenile services cooperative agreement - Report to legislative management.

1. The department of corrections and rehabilitation, through the division of juvenile services; the supreme court, through the office of the state court administrator; and the Indian affairs commission may negotiate and enter a memorandum of understanding with the tribal government of a federally recognized Indian tribe in the state for the purpose of accepting and providing for, in accordance with this chapter, the treatment and rehabilitation of tribal juveniles who have been adjudicated in tribal court under tribal or federal laws. Under the pilot program and terms of a memorandum of understanding:
 - a. The tribal government, the department of corrections and rehabilitation, and the juvenile court may exchange information relevant to the treatment and rehabilitation needs of a tribal juvenile and the juvenile's family, including tribal court orders, medical and psychiatric reports, law enforcement reports, and other information pertinent to the referral;
 - b. The juvenile court and the department of corrections and rehabilitation shall provide services based on the individualized need of each tribal juvenile referred to and accepted by the tribal court, juvenile court, and department of corrections and rehabilitation;
 - c. The juvenile court and the department of corrections and rehabilitation shall maintain regular contact with the tribe regarding each tribal juvenile who has been placed in the supervision of the respective agency; and
 - d. The juvenile court and the department of corrections and rehabilitation may limit the number of tribal juveniles accepted based on criteria developed by the juvenile court and the availability of state resources and services.
2. Before July first of each even-numbered year, the department of corrections and rehabilitation, the juvenile court, and the Indian affairs commission shall report and make recommendations to the legislative management on the status, effectiveness, performance, and sustainability of a memorandum of understanding established under this section.

SECTION 4. DEPARTMENT OF HUMAN SERVICES - FEDERAL FUNDING APPEAL LIMITATION. A person may not appeal a denial, revocation, reduction in services or payment, or the termination of a program or service by the department of human services due to the unavailability of federal coronavirus funding received under federal law resulting from the federal coronavirus pandemic emergency declaration for the period beginning with the effective date of this Act and ending June 30, 2023.

SECTION 5. LEGISLATIVE MANAGEMENT STUDY - WATER PROJECT STABILIZATION FUND. During the 2021-22 interim, the legislative management shall study the feasibility and desirability of establishing a water project stabilization fund to provide more consistent levels of funding for water projects from the resources trust fund in the times of revenue volatility. The study must include consideration of other stabilization funds, the timing of resources trust fund revenues and water project expenditures, and reporting requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Page 9, after line 15, insert:

"SECTION 7. EXPIRATION DATE. Section 3 of this Act is effective through July 31, 2023, and after that date is ineffective."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment includes the following changes to Section 1:

- Subsection 1 - Clarifies the funding for natural gas pipeline projects.
- Subsection 3 - Clarifies the use of funding for water projects.
- Subsection 5 - Removes the requirement for grants to park districts to be used for outdoor facilities and decreases the maximum grant amount per recipient by \$500,000, from \$1.5 million to \$1 million.
- Subsection 10 - Provides authorization for the Office of Management and Budget to transfer funding to other state agencies.
- Subsection 19 - Increases the appropriation by \$225,000, from \$75,000 to \$300,000 for a missing persons database.
- Subsections 27, 28, and 29 - Clarifies the method of distributing payments to developmental disabilities services providers; long-term care facilities; and child care services, community-based behavioral health services, and substance use disorder treatment voucher system grants.
- Subsection 28 - Adds \$350,000 for nursing staff retention payments at the State Hospital and up to \$400,000 for administrative costs of the Department of Human Services for providing financial assistance to long-term care facilities.
- Subsection 29 - Allows the Department of Human Services to provide financial assistance for child care services and allows the department to provide up to four grants, rather than two grants, to licensed substance abuse treatment programs.
- Subsection 30 - Clarifies the use of funding for alternative to abortion services.
- Subsection 34 - Changes the appropriation for fuel production incentive grants from the Department of Commerce to the Bank of North Dakota.
- Subsection 35 - Transfers funding to the North Dakota Development Fund rather than the innovation technology loan fund.
- Subsection 36 - Appropriates the funding for hydrogen development grants to the Industrial Commission for approval by the Clean Sustainable Energy Authority rather than appropriating the funding to the Department of Commerce.
- Subsections 38 and 39 - Clarifies the use of the local workforce development incentive grants.
- Subsection 42 - Appropriates \$50,000 to the Attorney General for information technology costs to implement changes related to charitable gaming tax changes in House Bill No. 1509.

This amendment also:

- Removes a section to provide additional funding to the Department of Transportation.
- Adds two new sections related to tribal juvenile services cooperative agreements and court records.
- Adds a section to limit appeals for reductions in services by the Department of Human Services due to lack of federal coronavirus funding.
- Adds a section to provide for a Legislative Management study of a water project stabilization fund.

21.1123.02003

Sixty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2345

Introduced by

Legislative Management

(Appropriations Committee)

A BILL for an Act to create and enact a new section to chapter 27-20.4 of the North Dakota Century Code, relating to records and cooperative agreements to provide services to juveniles adjudicated in tribal court; to amend and reenact section 27-20.2-21 of the North Dakota Century Code, relating to the inspection of juvenile court files; to provide appropriations to various state agencies; to provide for a transfer; to provide for a legislative management study; to provide for a report; ~~and~~ to provide a limitation; to provide an exemption; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1. APPROPRIATION - TRANSFER - FEDERAL STATE FISCAL RECOVERY
FUND - ONE-TIME FUNDING - REPORT - EXEMPTION.**

1. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may be necessary, to the industrial commission for the purpose of pipeline infrastructure grants to allow for the transportation of natural gas ~~from western~~ to eastern North Dakota for the period beginning with the effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this subsection, at least \$10,000,000 must be used for ~~the portion of the~~ a project to transport natural gas to areas in Grand Forks County.
2. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$3,200,000, or so much of the sum as may be necessary, to the industrial commission for the purpose of an abandoned oil well conversion to water supply grant program for the period beginning with the effective date of this Act, and ending June 30, 2023.
3. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$75,000,000, or so much of the sum as may be

necessary, to the department of water resources for the purpose of water infrastructure projects for the period beginning with the effective date of this Act, and ending June 30, 2023. The state water commission shall expend moneys from the state fiscal recovery fund before moneys from the resources trust fund. The funding provided under this subsection may be used for water projects related to flood control, water supply, and economic development.

4. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$4,800,000, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for the purpose of providing stipends to county jails for costs to house inmates sentenced to the department of corrections and rehabilitation but deferred admission due to the pandemic for the period beginning with the effective date of this Act, and ending June 30, 2023.
5. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of grants to local park districts to renovate and upgrade existing ~~outdoor~~ facilities for the period beginning with the effective date of this Act, and ending June 30, 2023. Local park districts must provide \$1 of local matching funds for each \$1 received under this subsection. A local park district may not receive more than ~~\$1,500,000~~ \$1,000,000 under this subsection.
6. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$8,029,000, or so much of the sum as may be necessary, to the North Dakota state university main research center the purpose of one-time projects, including \$446,000 for projects at the Carrington research center, \$1,963,000 for projects at the central grasslands research center, \$2,200,000 for projects at the Dickinson research center, and \$3,420,000 for projects at the Hettinger research center for the period beginning with the effective date of this Act, and ending June 30, 2023.
7. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be

necessary, to the state department of health for the purpose of a public health laboratory capital project for the period beginning with the effective date of this Act, and ending June 30, 2023. The state department of health shall report to the appropriations committees of the sixty-eighth legislative assembly regarding its plan for the project.

8. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,995,200, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for the purpose of the free through recovery program for the period beginning with the effective date of this Act, and ending June 30, 2023.

9. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of deferred maintenance and capital projects for the period beginning with the effective date of this Act, and ending June 30, 2023. Of the funding appropriated in this subsection, the parks and recreation department shall spend at least \$100,000 on projects or deferred maintenance at each state park.

10. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of critical maintenance projects for the period beginning with the effective date of this Act, and ending June 30, 2023. The office of management and budget may transfer appropriation authority under this subsection to eligible state agencies for deferred maintenance of state-owned buildings.

11. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$7,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of improvements to the heating, ventilation, and air conditioning systems of the legislative chambers and the Brynhild Haugland room for the period beginning with the effective date of this Act, and ending June 30, 2023.

- 1 12. There is appropriated from federal funds derived from the state fiscal recovery fund,
2 not otherwise appropriated, the sum of \$950,000, or so much of the sum as may be
3 necessary, to the state historical society for the purpose of essential infrastructure at
4 historic sites for the period beginning with the effective date of this Act, and ending
5 June 30, 2023.
- 6 13. There is appropriated from federal funds derived from the state fiscal recovery fund,
7 not otherwise appropriated, the sum of \$2,200,000, or so much of the sum as may be
8 necessary, to North Dakota state university for the purpose of high-performance
9 computing for the period beginning with the effective date of this Act, and ending
10 June 30, 2023.
- 11 14. There is appropriated from federal funds derived from the state fiscal recovery fund,
12 not otherwise appropriated, the sum of \$50,000,000, or so much of the sum as may be
13 necessary, to the university of North Dakota for the purpose of a Merrifield hall
14 renovation project for the period beginning with the effective date of this Act, and
15 ending June 30, 2023.
- 16 15. There is appropriated from federal funds derived from the state fiscal recovery fund,
17 not otherwise appropriated, the sum of \$38,000,000, or so much of the sum as may be
18 necessary, to Bismarck state college for the purpose of constructing a polytechnic
19 building and related startup costs for the period beginning with the effective date of
20 this Act, and ending June 30, 2023. Of the funds appropriated in this subsection, not
21 more than \$3,000,000 may be used for startup costs.
- 22 16. There is appropriated from federal funds derived from the state fiscal recovery fund,
23 not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be
24 necessary, to Minot state university for the purpose of a Hartnett hall renovation
25 project for the period beginning with the effective date of this Act, and ending June 30,
26 2023.
- 27 17. There is appropriated from federal funds derived from the state fiscal recovery fund,
28 not otherwise appropriated, the sum of \$2,104,121, or so much of the sum as may be
29 necessary, to the university of North Dakota school of medicine and health sciences
30 for the purpose of purchasing equipment and hiring personnel to provide hyperbaric

1 oxygen therapy for the period beginning with the effective date of this Act, and ending
2 June 30, 2023.

3 18. There is appropriated from federal funds derived from the state fiscal recovery fund,
4 not otherwise appropriated, the sum of \$475,000, or so much of the sum as may be
5 necessary, to the state board of higher education for the purpose of providing for the
6 Dakota digital academy for the period beginning with the effective date of this Act, and
7 ending June 30, 2023.

8 19. There is appropriated from federal funds derived from the state fiscal recovery fund,
9 not otherwise appropriated, the sum of ~~\$75,000~~\$300,000, or so much of the sum as
10 may be necessary, to the attorney general for the purpose of establishing a missing
11 persons database for the period beginning with the effective date of this Act, and
12 ending June 30, 2023.

13 20. There is appropriated from federal funds derived from the state fiscal recovery fund,
14 not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be
15 necessary, to the attorney general for the purpose of replacing the prosecuting case
16 management system for the period beginning with the effective date of this Act, and
17 ending June 30, 2023.

18 21. There is appropriated from federal funds derived from the state fiscal recovery fund,
19 not otherwise appropriated, the sum of \$2,612,000, or so much of the sum as may be
20 necessary, to the highway patrol for the purpose of purchasing radios compatible with
21 the statewide interoperable radio network for the period beginning with the effective
22 date of this Act, and ending June 30, 2023.

23 22. There is appropriated from federal funds derived from the state fiscal recovery fund,
24 not otherwise appropriated, the sum of \$2,057,384, or so much of the sum as may be
25 necessary, to the department of corrections and rehabilitation for the purpose of
26 purchasing radios compatible with the statewide interoperable radio network for the
27 period beginning with the effective date of this Act, and ending June 30, 2023.

28 23. There is appropriated from federal funds derived from the state fiscal recovery fund,
29 not otherwise appropriated, the sum of \$401,000, or so much of the sum as may be
30 necessary, to the information technology department for the purpose of providing a
31 grant to the North Dakota stockmen's association for conversion of a paper-based

brand inspection program to an electronic system for the period beginning with the effective date of this Act, and ending June 30, 2023.

24. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$450,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of replacing the state active-duty software for the period beginning with the effective date of this Act, and ending June 30, 2023.

25. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,020,000, or so much of the sum as may be necessary, to the judicial branch for the purpose of replacing the supreme court docket system for the period beginning with the effective date of this Act, and ending June 30, 2023.

26. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$20,000, or so much of the sum as may be necessary, to the office of administrative hearings for the purpose of developing a web-based document management system for the period beginning with the effective date of this Act, and ending June 30, 2023.

27. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing ~~grants~~financial assistance to developmental disabilities services providers to provide retention bonuses for direct services professionals serving clients with intellectual or developmental disabilities for the period beginning with the effective date of this Act, and ending June 30, 2023. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds.

28. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of ~~\$25,000,000~~\$25,750,000, or so much of the sum as may be necessary, to the department of human services for the purpose of ~~grants~~financial assistance to long-term care facilities and the state hospital for the period beginning with the effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this subsection, \$20,800,000 is for ~~grants~~financial assistance to

nursing facilities, \$2,950,000 is for ~~grants~~financial assistance to basic care facilities, ~~and~~ \$1,250,000 is for ~~grants~~financial assistance to assisted living facilities, \$350,000 is for nursing staff retention payments at the state hospital, and up to \$400,000 is for administrative expenses of the department relating to providing financial assistance to long-term care facilities. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds.

29. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$29,000,000, or so much of the sum as may be necessary, to the department of human services the purpose of projects, financial assistance, grants, and services, including \$5,000,000 for Medicaid eligibility system upgrades, \$17,000,000 for child care services, \$4,000,000 to ~~expand~~provide community-based behavioral health services ~~in western North Dakota~~, and \$3,000,000 for substance use disorder treatment voucher system grants for the period beginning with the effective date of this Act, and ending June 30, 2023. Notwithstanding subsection 3 of section 50-11.1-14.1, the department may provide financial assistance to beneficiaries related to child care services. Notwithstanding subsection 2 of section 50-06-42.1, the department may award up to four grants rather than two grants for substance use disorder treatment voucher system grants. The requirements of chapter 54-44.4 do not apply to this subsection, including the selection of recipients and the disbursement of funds.

30. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$1,500,000, or so much of the sum as may be necessary, to the department of human services for the purpose of ~~grants to organizations that provide~~ alternatives-to-abortion services for the period beginning with the effective date of this Act, and ending June 30, 2023. The funding provided in this subsection may only be ~~awarded to organizations that do not provide or promote abortion services~~used for the current and any future alternative-to-abortion services. The requirements of chapter 54-44.4 do not apply to the current alternative-to-abortion services agreement.

31. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be

necessary, to the adjutant general for the purpose of enhancing housing at camp Grafton for the period beginning with the effective date of this Act, and ending June 30, 2023.

32. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the purpose of providing a grant to assist in the construction of the Fisher house at the Fargo veterans' affairs medical center for the period beginning with the effective date of this Act, and ending June 30, 2023.

33. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$147,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the purpose of improving and expanding veterans' medical transportation for the period beginning with the effective date of this Act, and ending June 30, 2023.

34. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$21,000,000, or so much of the sum as may be necessary, to the ~~department of commerce~~Bank of North Dakota for the purpose of a fuel production facility incentive program for the period beginning with the effective date of this Act, and ending June 30, 2023. The ~~department~~Bank of North Dakota shall award grants under the program to eligible fuel production facilities based on a formula that considers the facility's outstanding fuel production facility loan guarantee at the Bank of North Dakota.

35. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$5,000,000, which the office of management and budget shall transfer to the ~~innovation technology loan fund~~North Dakota development fund under chapter 10-30.5 during the period beginning with the effective date of this Act, and ending June 30, 2023.

36. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$20,000,000, or so much of the sum as may be necessary, to the ~~department of commerce~~industrial commission for the purpose of providing hydrogen development grants, as approved by the clean sustainable energy

1 authority for the period beginning with the effective date of this Act, and ending
2 June 30, 2023.

3 37. There is appropriated from federal funds derived from the state fiscal recovery fund,
4 not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be
5 necessary, to the department of commerce for the purpose of providing autonomous
6 agriculture matching grants for the period beginning with the effective date of this Act,
7 and ending June 30, 2023. A grant recipient must provide one dollar of matching funds
8 for every one dollar of grant funding received under this subsection.

9 38. There is appropriated from federal funds derived from the state fiscal recovery fund,
10 not otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be
11 necessary, to the department of commerce for the purpose of ~~establishing~~adding or
12 expanding a local workforce development incentive grant program to support efforts to
13 recruit, retain, and retrain workers for the period beginning with the effective date of
14 this Act, and ending June 30, 2023. The grant recipient must provide \$1 of local
15 matching funds for every \$4 received under this subsection.

16 39. There is appropriated from federal funds derived from the state fiscal recovery fund,
17 not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be
18 necessary, to the department of commerce for the purpose of ~~establishing~~adding or
19 expanding a technical skills training grant program and a workforce innovation grant
20 program for the period beginning with the effective date of this Act, and ending June
21 30, 2023.

22 40. There is appropriated from federal funds derived from the state fiscal recovery fund,
23 not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be
24 necessary, to the university of North Dakota for the purpose of a space education and
25 research initiative for the period beginning with the effective date of this Act, and
26 ending June 30, 2023.

27 41. There is appropriated from federal funds derived from the state fiscal recovery fund,
28 not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be
29 necessary, to the aeronautics commission for the purpose of airport grants for the
30 period beginning with the effective date of this Act, and ending June 30, 2023.

42. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the attorney general for the purpose of information technology costs related to the implementation of charitable gaming tax changes for the period beginning with the effective date of this Act, and ending June 30, 2023.

43. The funding provided under this section is considered a one-time funding item.

~~**SECTION 2. APPROPRIATION -- FEDERAL FUNDS -- DEPARTMENT OF TRANSPORTATION -- ONE-TIME FUNDING.** There is appropriated out of any moneys derived from federal funds in excess of the regular federal funding amounts included in the department of transportation's 2021-23 biennium budget, not otherwise appropriated, the sum of \$100,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of defraying the expenses of road and bridge construction projects, for the period beginning with the effective date of this Act, and ending June 30, 2023. The funds appropriated in this section are not considered part of the department's 2021-23 biennium budget for purposes of section 13 of House Bill No. 1015 and section 10 of House Bill No. 1431, as approved by the sixty-seventh legislative assembly, relating to excess federal funding requirements. The funding provided under this section is considered a one-time funding item.~~

SECTION 2. AMENDMENT. Section 27-20.2-21 of the North Dakota Century Code is amended and reenacted as follows:

27-20.2-21. Inspection of court files and records - Penalty. (Effective through August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978

1 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the
2 child shall serve the appropriate Indian Child Welfare Act service agent, tribe or
3 tribal designee, or an Indian Child Welfare Act qualified expert witness with the
4 findings and order of disposition.

- 5 d. Any court and the court's probation and other officials or professional staff and
6 the attorney for the defendant for use in preparing a presentence report in a
7 criminal case in which the defendant is convicted and who, before the criminal
8 case, had been a party to the proceeding in juvenile court.
- 9 e. The professional staff of the uniform crime victims compensation program if
10 necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
- 11 f. A staff member of the division of children and family services of the department of
12 human services or a law enforcement officer if necessary for the performance of
13 that staff member's duties under section 50-11.1-06.2 or the federal National
14 Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119
15 et seq.].
- 16 g. An employee or agent of the department of human services if necessary for
17 performance of that individual's duty under chapter 50-11 or 50-11.1 to
18 investigate the background of an individual living or working in the facility, home,
19 or residence for which licensure is sought.
- 20 h. A criminal justice agency if the juvenile is required to register under section
21 12.1-32-15.
- 22 i. The staff of a children's advocacy center if the juvenile or a victim of the child has
23 been referred for or has received services at the children's advocacy center.
- 24 j. A victim of the delinquent child or the victim's guardian. All records including
25 medical, educational, and school information must be redacted before inspection.
26 For purposes of this subdivision, only records pertaining to the specific offense
27 between the victim and the delinquent child may be inspected.
- 28 k. The information technology department to the extent authorized by the supreme
29 court for use in the statewide longitudinal data system.

- 1 2. Juvenile court files and records are also open to inspection with written leave of a
2 juvenile court judge or judicial referee to whom juvenile court matters have been
3 referred:
 - 4 a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of
5 the juvenile court, but only to the extent necessary to respond to the legitimate
6 interest; and
 - 7 b. By the principal of any public or private school that is a member of the North
8 Dakota high school activities association, or the superintendent of any school
9 district that has one or more schools involved in the association, but only to the
10 extent necessary to enforce the rules and regulations of the North Dakota high
11 school activities association.
- 12 3. In a proceeding under this chapter, if the juvenile court finds a child committed a
13 delinquent act that constitutes a violation of a law or local ordinance governing the
14 operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide
15 caused by the child's operation of a motor vehicle, the juvenile court shall report the
16 finding to the director of the department of transportation within ten days.
- 17 4. Following an adjudication of delinquency for an offense that would be a felony if
18 committed by an adult, the child's school principal, chief administrative officer, or
19 designated school guidance counselor, if requested, must be allowed access to the
20 disposition order. Any other juvenile court files and records of a child may be disclosed
21 to a superintendent or principal of the school in which the child is currently enrolled or
22 in which the child wishes to enroll if the child's documented behavior appears to
23 present a danger to self or to the students or staff of the school.
- 24 5. Following an adjudication of delinquency for an offense that results in the prohibitions
25 included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement
26 officer must be allowed access to the disposition order.
- 27 6. The juvenile court may notify a referring agency of the disposition of a case.
- 28 7. Notwithstanding that juvenile court records are closed to the public, nothing in this
29 section may be construed to limit the release upon request of general information not
30 identifying the identity of any juvenile, witness, or victim in any proceeding under this

chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.

8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.

9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

Inspection of court files and records - Penalty. (Effective after August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.

- e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of health and human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
 - g. An employee or agent of the department of health and human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
 - h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
 - i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
 - j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection. For purposes of this subdivision, only records pertaining to the specific offense between the victim and the delinquent child may be inspected.
 - k. The information technology department to the extent authorized by the supreme court for use in the statewide longitudinal data system.
2. Juvenile court files and records are also open to inspection with written leave of a juvenile court judge or judicial referee to whom juvenile court matters have been referred:
 - a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of the juvenile court, but only to the extent necessary to respond to the legitimate interest; and
 - b. By the principal of any public or private school that is a member of the North Dakota high school activities association, or the superintendent of any school district that has one or more schools involved in the association, but only to the

1 extent necessary to enforce the rules and regulations of the North Dakota high
2 school activities association.

- 3 3. In a proceeding under this chapter, if the juvenile court finds a child committed a
4 delinquent act that constitutes a violation of a law or local ordinance governing the
5 operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide
6 caused by the child's operation of a motor vehicle, the juvenile court shall report the
7 finding to the director of the department of transportation within ten days.
- 8 4. Following an adjudication of delinquency for an offense that would be a felony if
9 committed by an adult, the child's school principal, chief administrative officer, or
10 designated school guidance counselor, if requested, must be allowed access to the
11 disposition order. Any other juvenile court files and records of a child may be disclosed
12 to a superintendent or principal of the school in which the child is currently enrolled or
13 in which the child wishes to enroll if the child's documented behavior appears to
14 present a danger to self or to the students or staff of the school.
- 15 5. Following an adjudication of delinquency for an offense that results in the prohibitions
16 included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement
17 officer must be allowed access to the disposition order.
- 18 6. The juvenile court may notify a referring agency of the disposition of a case.
- 19 7. Notwithstanding that juvenile court records are closed to the public, nothing in this
20 section may be construed to limit the release upon request of general information not
21 identifying the identity of any juvenile, witness, or victim in any proceeding under this
22 chapter. Files in the clerk of court's office are open to public inspection if the related
23 hearing was open to the public under section 27-20.3-13.
- 24 8. To the extent necessary to provide victim services or benefits under chapter 12.1-41,
25 the judge and staff of the juvenile court may disclose information to refer a child, who
26 may be a victim of human trafficking, to a program for runaway and homeless children
27 located in the state and approved by the juvenile court of jurisdiction. Information
28 disclosed under this subsection must remain confidential.
- 29 9. An individual with access or authorization to inspect juvenile court files and records
30 under this section may not share the information contained in the files and records

1 with any other person not authorized by law. An individual who violates this subsection
2 is guilty of a class B misdemeanor.

3 **SECTION 3.** A new section to chapter 27-20.4 of the North Dakota Century Code is created
4 and enacted as follows:

5 **Tribal juvenile services cooperative agreement - Report to legislative management.**

6 1. The department of corrections and rehabilitation, through the division of juvenile
7 services; the supreme court, through the office of the state court administrator; and the
8 Indian affairs commission may negotiate and enter a memorandum of understanding
9 with the tribal government of a federally recognized Indian tribe in the state for the
10 purpose of accepting and providing for, in accordance with this chapter, the treatment
11 and rehabilitation of tribal juveniles who have been adjudicated in tribal court under
12 tribal or federal laws. Under the pilot program and terms of a memorandum of
13 understanding:

14 a. The tribal government, the department of corrections and rehabilitation, and the
15 juvenile court may exchange information relevant to the treatment and
16 rehabilitation needs of a tribal juvenile and the juvenile's family, including tribal
17 court orders, medical and psychiatric reports, law enforcement reports, and other
18 information pertinent to the referral;

19 b. The juvenile court and the department of corrections and rehabilitation shall
20 provide services based on the individualized need of each tribal juvenile referred
21 to and accepted by the tribal court, juvenile court, and department of corrections
22 and rehabilitation;

23 c. The juvenile court and the department of corrections and rehabilitation shall
24 maintain regular contact with the tribe regarding each tribal juvenile who has
25 been placed in the supervision of the respective agency; and

26 d. The juvenile court and the department of corrections and rehabilitation may limit
27 the number of tribal juveniles accepted based on criteria developed by the
28 juvenile court and the availability of state resources and services.

29 2. Before July first of each even-numbered year, the department of corrections and
30 rehabilitation, the juvenile court, and the Indian affairs commission shall report and
31 make recommendations to the legislative management on the status, effectiveness,

performance, and sustainability of a memorandum of understanding established under
this section.

SECTION 4. DEPARTMENT OF HUMAN SERVICES - FEDERAL FUNDING APPEAL

LIMITATION. A person may not appeal a denial, revocation, reduction in services or payment, or the termination of a program or service by the department of human services due to the unavailability of federal coronavirus funding received under federal law resulting from the federal coronavirus pandemic emergency declaration for the period beginning with the effective date of this Act and ending June 30, 2023.

SECTION 5. LEGISLATIVE MANAGEMENT STUDY - WATER PROJECT

STABILIZATION FUND. During the 2021-22 interim, the legislative management shall studying the feasibility and desirability of establishing a water project stabilization fund to provide more consistent levels of funding for water projects from the resources trust fund in the times of revenue volatility. The study must include consideration of other stabilization funds, the timing of resources trust fund revenues and water project expenditures, and reporting requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 6. EFFECTIVE DATE. This Act becomes effective on December 1, 2021.

SECTION 7. EXPIRATION DATE. Section 3 of this Act is effective through July 31, 2023, and after that date is ineffective.

2021 HOUSE APPROPRIATIONS

SB 2345

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

SB 2345
11/10/2021

Relating to records and cooperative agreements to provide services to juveniles adjudicated in tribal court; to amend and reenact section 27-20.2-21 of the North Dakota Century Code, relating to the inspection of juvenile court files; to provide appropriations to various state agencies; to provide for a transfer; to provide for a legislative management study; to provide for a report; to provide a limitation; to provide an exemption; to provide an effective date; and to provide an expiration date.

2:17 Chairman Delzer Calls the meeting to order; roll call was taken;

Attendance	P/A
Representative Jeff Delzer	P
Representative Keith Kempenich	P
Representative Bert Anderson	P
Representative Larry Bellew	P
Representative Tracy Boe	P
Representative Mike Brandenburg	P
Representative Michael Howe	P
Representative Gary Kreidt	P
Representative Bob Martinson	P
Representative Lisa Meier	P
Representative Alisa Mitskog	P
Representative Corey Mock	P
Representative David Monson	P
Representative Mike Nathe	P
Representative Jon O. Nelson	P
Representative Mark Sanford	P
Representative Mike Schatz	P
Representative Jim Schmidt	P
Representative Randy A. Schobinger	P
Representative Michelle Strinden	P
Representative Don Vigesaa	P

Discussion Topics:

- Senate Changes to the bill
- Juvenile Court Files
- Recreation and Park Association
- Pipeline
- Department of Health

2:20 Chairman Delzer Opens by reviewing the bill and the changes that the senate has made.

2:54 Chairman Delzer Opens the public hearing for SB 2345

2:55 Sally Holewa- North Dakota Supreme Court System

Shannon Schutt- ND Recreation and Park Association- Executive Director – Testifies in favor of SB 2345 (Testimony # 12152)

3:03 Blair Thoreson- Dakota Natural Gas Testifies in favor of Section 1 of SB 2345 (Testimony #12207)

3:07 Jonathan Alm – ND Department of Health- Explains department needs in the bill

Committee discussion

Additional written testimony: # 12159, # 12158, #12157, #12155, # 12156, #12151, #12145, #12134, #12124, #12115, #12092, #12107, #12073, #12067, #12027, #11998, #11991, #11975, #12200, #12199, #12198, #12192, #12188, #12154, #12194, #12193,

3:40 Chairman Delzer Closes the meeting for SB 2345

Risa Berube, House Appropriations Committee Clerk

**Testimony of Shannon Schutt
North Dakota Recreation & Park Association
To House Appropriations Committee
In Support of SB 2345
Tuesday, November 9, 2021**

Chairman Delzer and Members of the Committee, my name is Shannon Schutt, and I am the executive director of the North Dakota Recreation & Park Association (NDRPA). We represent more than 900 members, primarily park districts, and work to advance parks, recreation and conservation for an enhanced quality of life in North Dakota. We are in support of SB 2345.

Section 1, subsection 5 of the bill provides \$5 million in matching grant funds to local park districts to renovate and upgrade existing outdoor facilities. The grant program will help with various park district infrastructure needs.

Park districts are separate political subdivisions and separate taxing entities from cities, like counties and school districts. Approximately 50% of their revenue is generated from programs and fees. The remaining portion comes from property taxes and state aid. They use those funding mechanisms for infrastructure projects. ARPA funds awarded to cities and counties from the federal government has not included park districts.

We are aware some revisions to the proposed grant program have been made. We'd like to express our support in removing the word "outdoor" from the bill language as well as revising the amount each park district could receive from \$1.5 million to \$1 million to allow more park districts to apply and receive the funding. We would also like to offer our assistance in determining the funding criteria for the grant program.

Parks and recreation are essential public services and a valuable part of community infrastructure. Providing safe, affordable and accessible recreation opportunities for citizens and visitors is essential to maintaining a high quality of life in North Dakota that attracts and retains workforce and engages tourists.

We appreciate the legislature's consideration for funding for park district infrastructure needs. Thank you for the opportunity to express our support for this bill.

Senate Bill No. 2345

#12207

Testimony**Cody Chilson, President
Dakota Natural Gas, LLC
House Appropriations Committee**

Chairman Delzer and members of the House Appropriations Committee, my name is Cody Chilson, I am the president of Dakota Natural Gas, LLC, and I support Senate Bill 2345 and propose two friendly, complimentary additions to the current language to allow the discretion for the Industrial Commission to award grant funds to distribution systems which would help close an essential service gap and expand natural gas access within North Dakota.

I appreciate the opportunity to share the reasons for my support with you. Dakota Natural Gas is a relatively new natural gas distribution company here; however, its affiliate companies in Minnesota have been finding creative ways to provide natural gas solutions to rural areas for many years. We formed DNG to help bring a natural gas solution to unserved communities in North Dakota and, I am proud to say that in our first three years of operation, we have successfully done so and are now serving the Drayton, Hillsboro, and Mayville communities; and we have asked the Public Service Commission for approval to expand into Portland next year. Many more communities throughout the state have contacted DNG, asking us to help them get natural gas service – something a lot of people around the state have been seeking for decades to no avail. We have been conducting economic viability studies in several parts of the state; but unfortunately, the result is often the same – building out a system to them is just too expensive and there is no way to make such a project economic. Access is often a function of population density and distance from natural gas supply pipelines, which is why many rural and outlying communities don't have it. In many cases, that kind of gas line will never make economic sense because there will never be a way to fully recover the cost and generate a return, so regulatory requirements won't allow for the line to be built.

DNG recognizes that the primary focus of SB 2345 is to build a trans-Dakota pipeline and DNG is very supportive of that process, because DNG recognizes the need for that line. While it may have been borne out of concerns about capacity limits impacting oil production in the west and a desire to get North Dakota gas headed east, there is intrinsic value in having another natural gas supply line running through the state to ultimately make it easier for unserved communities to gain access to natural gas at reasonable rates.

The North Dakota legislature can take a dramatic step to help bring safe, reliable, and affordable gas to communities throughout the state; but, limiting the proposed grant funding to infrastructure to transport gas from western North Dakota will still not solve the problem of getting gas to unserved communities for several – if not many – years. Moreover, if the funds are solely designated for a trans-Dakota pipeline but they are ultimately not utilized (or not utilized soon enough) then those funds could, unfortunately, be stranded money. Adding language that provides the Industrial Commission with the discretion for grant funds to be awarded for the purpose of distribution systems to serve currently unserved areas does not undermine the trans-Dakota

pipeline; rather, it complements it. Such language would not necessarily divert funds from a trans-Dakota pipeline; however, it would provide discretion for funds to be awarded to worthy distribution projects, whether that be the result of delayed pipeline construction or to provide natural gas access to communities in the immediate future. Therefore, DNG respectfully proposes that the bill be amended to read: “. . . . for the purpose of pipeline infrastructure grants to allow for the transportation of natural gas from western to eastern North Dakota and to provide natural gas infrastructure to serve communities within the state that do not currently have natural gas service”.

DNG is already working with several unserved communities to assess their market needs and design systems; and, as a result, it has projects to serve new communities that could have construction begin in 2022 to provide natural gas service before the winter of 2023, if funding is available; but, those projects cannot happen without grant funding. While early projects like these would be supplied by existing supply pipelines, a similar model could be used to extend gas off of a trans-Dakota pipeline once it is ultimately finished. In the meantime, however, there are many deserving communities that could be moving toward natural gas service. Moreover, using a model that allows grant funding to be used for distribution systems could also potentially result in having distribution systems built in tandem with the trans-Dakota pipeline construction such that there would be immediately available pipeline customers.

We are not asking for the state to fund the entire construction investment for distribution systems. Instead, we ask you to consider the positive impact of establishing a contributory grant program that complements private investment. By offsetting a substantial part of the buildout costs for distribution infrastructure, grants will mitigate the chilling effect that heavy construction costs have on natural gas expansion. Without it, the service gap may never be closed. We believe that this model could work in all parts of the state that are still unserved and that it could be utilized by any qualified natural gas distribution company, so it isn't limited to just DNG or DNG's prospective service areas. A grant program can make these projects economically viable. Moreover, the impact of the grant funds will be felt well beyond the initial communities served with them, because the extension of natural gas builds on itself by making subsequent extensions more economic. For example, DNG's proposed extension to Portland would have never been economically feasible but for the fact that DNG is already serving Hillsboro and Mayville. Similarly, the communities that will initially be served with assistance from grant funding are not the only communities that will benefit from the grant, because other nearby communities may also have subsequent opportunities to be served for years to come. The initial extension of natural gas to one area makes it much less expensive to expand distribution to additional facilities and communities in the future.

Additionally, once new gas systems are constructed, the state will reap tax benefits from the infrastructure that would not otherwise have been built; and, economic development will be bolstered throughout the State, which helps both residents and communities and enhances the tax base even more. Historically, in areas where our companies have extended natural gas service, it helped attract housing and businesses within the communities, as well as increasing agricultural sector economic development. Similarly, natural gas has helped educational, health care, and other public institutions save money on energy costs and that money gets directed toward other things.

Several critical areas should be addressed by natural gas grant legislation, including the following:

- First, there should be the discretion to award funds to distribution projects for unserved areas.
- Second, funds should be made available to pay for all construction costs and materials related to infrastructure necessary for natural gas distribution systems for unserved areas of the state. As part of those costs, payment should be allowed to be made directly to the applicant and also to be made directly to a supply pipeline on the applicant's behalf as a contribution in aid of construction to be applied toward the applicant's interconnection fee.
- Third, available funds should exceed a 1:1 match, as 1:1 funding is not sufficient to make construction economic. A grant program should allow for up to 2/3 of project funding to come from grant funds and should be paid to the applicant during the year of construction rather than utilizing a reimbursement structure.
- Fourth, the program should include language specifically clarifying that the portion of the infrastructure investment funded by a grant award will not be included in the natural gas distribution company's investment calculation for purposes of determining rates or property tax assessments, such as amending the bill to add the following language: "Grant-funded infrastructure investment shall not be included as utility investment for the purposes of determining utility rates or property tax assessment; however, the remaining portion of the infrastructure investment made by the utilities may be considered in determining rates and property tax assessments."
- Finally, income tax on the grant funds significantly undermines the beneficial impact of a grant. While the state cannot address federal income tax treatment, it could exclude a grant award for state income tax purposes, thereby increasing effectiveness of the grant funds.

I am confident that you will agree that a natural gas construction grant program is in the best interest of the people of North Dakota, and I respectfully request that you support it and include it in final appropriations legislation, incorporating provisions for distribution systems to help close the service gap. Chairman Delzer and Committee members, thank you for the chance to be heard on this very important matter.

21.1123.02000

Sixty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2345

Introduced by

Legislative Management
(Appropriations Committee)

1 A BILL for an Act to provide appropriations to various state agencies; to provide for a transfer; to
2 provide for a report; and to provide an effective date.

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

4 **SECTION 1. APPROPRIATION - TRANSFER - FEDERAL STATE FISCAL RECOVERY**
5 **FUND - ONE-TIME FUNDING - REPORT.**

6 1. There is appropriated from federal funds derived from the state fiscal recovery fund,
7 not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may
8 be necessary, to the industrial commission for the purpose of pipeline infrastructure
9 grants to allow for the transportation of natural gas from western to eastern North
10 Dakota and to provide natural gas infrastructure to serve communities within the state
11 that do not currently have natural gas service for the period beginning with the
12 effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this
13 subsection, at least \$10,000,000 must be used for the portion of the project to
14 transport natural gas to areas in Grand Forks County. Grant-funded infrastructure
15 investment shall not be included as utility investment for the purposes of determining
16 utility rates or property tax assessment; however, the remaining portion of the
17 infrastructure investment made by the utilities may be considered in determining rates
18 and property tax assessments.

**Testimony of Grand Forks Mayor Brandon Bochenski
House Appropriations Committee
Bismarck, North Dakota – November 9, 2021**

Chairman Delzer and House Appropriation Committee Members, thank you for allowing me the opportunity to testify before you about natural gas.

The State of North Dakota has tremendous energy, water, and agriculture resources within its borders that are dispersed throughout various geographic areas of our State. Billions of dollars of economic development projects wait in the wings for the right combination of these important resources to strategically come together. We have an opportunity to diversify a fast-growing economy not only regionally, but statewide for many cities and counties as well. Our state is only as strong as the sum of its parts.

A natural gas trunk line bringing low-cost and high-quality Bakken natural gas from western to eastern North Dakota, is one of several game-changing investments that can unlock boundless industrial potential while also serving the residents of many communities along the way. Increasing natural gas usage within the state will also allow for increased oil production to reach 1.5 million barrels a day and beyond. The proposed \$150 million in appropriated funds from the State Fiscal Recovery Fund for natural gas pipeline infrastructure will give the private sector the leverage it needs to invest in this legacy project.

Industrial growth for Grand Forks has been historically hampered because of the limited natural gas capacity and supply creating a difficult environment to seize the maximum value of the region's rich agricultural land of the Red River Valley. This limitation provides a significant competitive disadvantage and obstacle in drawing industrial development to Grand Forks and other areas of the state while other communities in ag-rich states that do not have this limitation have grown industry, populations, and added new jobs.

A large publicly traded company, Fufeng Group Ltd., has chosen Grand Forks for the location of its first U.S. based wet-corn mill manufacturing facility. The site chosen for the phase 1 of the project is a 370-acre parcel in Grand Forks' agri-business park and the project is projected to be the region's largest ever private investment. The national siting competition included 25

locations with Fufeng Group Ltd. selecting Grand Forks as the primary site of the facility and the community where it wants to operate its historic industrial facility.

The development is contingent on our ability to serve the project with 32 million cubic feet per day peak in natural gas. The development timeline is one where the facility is scheduled to become operational several years before the proposed Bakken Trunk Line would reach the facility. Postponing the development until the Bakken Trunk line reaches the facility would result in losing this extraordinary development and the economic impact such a facility will have on Grand Forks and the surrounding area. Therefore, the City of Grand Forks is requesting that along with the funding for the Bakken Trunk Line, the appropriations bill also includes a \$10.5 million grant that would be used to offset the costs of pipeline infrastructure improvements to serve the Grand Forks' agri-business park from the Viking line 13 miles to our east with a 12" lateral line. This 13-mile pipeline infrastructure would provide an interim solution for the natural gas capacity and supply need for this industrial development in Grand Forks and importantly allows this project to continue with an intended groundbreaking in the spring of 2022. The benefits of this 13-mile pipeline infrastructure is three-fold: (1) it secures significant gas user standing ready to be served by the new Bakken Trunk Line when ready and that will be fully operational several years before the Bakken Trunk Line is completed, (2) a redundant access to natural gas is created, and (3) an ability to connect this lateral line is created to the Bakken Trunk Line for interstate distribution of Bakken natural gas into the future. The capacity from the Viking pipeline line is not a long-term solution in Grand Forks as the capacity cannot support other future users that likely include the following: American Crystal Sugar, JR Simplot Co., Red River Bio Refinery expansion, Phase 2 of Fufeng's wet corn mill, residential growth, and most notably Northern Plains Nitrogen. All told additional consumption of another 150-200 MMCF/day could be online within the next 5-10 years.

These current projects and many others in the queue highlight the importance of the Bakken Trunk Line from western to eastern North Dakota.

In summary, the Bakken Trunk Line will solidify the long-term competitive advantage to Grand Forks and the State of North Dakota for further development and the future economic growth for our community, region, and state. The \$10.5 million in funding to install 13-mile pipeline

infrastructure improvements provide an immediate impact of allowing an extraordinary development to move forward and will serve the long-term impact and purpose of the Bakken Trunk Line by creating a connecting point for the distribution of Bakken natural gas.

Thank you for your time and consideration,

Brandon Bochenski

Mayor of Grand Forks

**Testimony from the Mayor Tom Erdmann, City of Carrington
House Appropriations Committee
Bismarck, North Dakota – November 9, 2021**

The City of Carrington is a small water user in central North Dakota supporting the Red River Valley Water Supply Project. I am Mayor Tom Erdmann, testifying in support of a request for \$50 million in ARPA funds to continue the forward progression of the Red River Valley Water Supply Project. In addition, I support the recently amended version of the Senate bill, which includes legislative intent to dedicate ARPA funding to water supply, economic development and flood control.

The Red River Valley Water Supply Project is a long-term emergency water supply and an economic development initiative that will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. The project will provide a reliable water source across central and eastern North Dakota, which is critical to future economic development opportunities for our communities.

It's vital to plan for our future water supply, as there have already been missed industrial opportunities in central and eastern North Dakota due to insufficient water supplies. The Red River Valley Water Supply Project will provide economic development opportunities by making water available to industry. The Project has a future outlook to 2075 and will serve over 30 water systems across central and eastern North Dakota for more than 50 years.

A key factor to small users' participation in the Project is maintaining affordability. While we agree the Project is a critical investment for our communities, we are concerned about our local share to participate. ARPA funds would make this project more affordable for us as small users, as the additional funding could reduce the Project's timeline; therefore, reducing the overall cost of the Project.

Project construction is already underway; however, additional funding is critical for continued progress, which brings us to our request for \$50 million in ARPA funds. Accessing ARPA funds will enable key areas of the project to be completed in a timelier manner, making a significant difference in the affordability of this Project to us small users.

A more affordable buy-in to the Red River Valley Water Supply Project will secure a reliable water supply for our future, allowing smaller water users the ability to pursue and capitalize on potential economic development opportunities which will provide long-term benefits to our communities. Please consider appropriating \$50 million to the Red River Valley Water Supply Project for the economic future of North Dakota.

Respectfully,

Mayor Tom Erdmann, City of Carrington

**Testimony of Rural Water Systems
House Appropriations Committee
Bismarck, North Dakota – November 9, 2021**

Thank you for this opportunity to testify in support of ARPA funding for the Red River Valley Water Supply Project. The Cass Rural Water District, Northeast Regional Water District, Southeast Water Users and Walsh Rural Water District represent the rural water systems that will benefit from the Project.

The Red River Valley Water Supply Project is drought mitigation infrastructure that will safeguard water for North Dakota rural water systems and communities in times of moderate and severe droughts. The Project will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline. Construction of the pipeline began over the summer and our warm fall has allowed construction crews to continue to make excellent progress into November.

Garrison Diversion Conservancy District (Garrison Diversion) and Lake Agassiz Water Authority (Lake Agassiz) are the cosponsors of the Project. There is currently \$200 million of shovel ready construction which could move forward immediately if granted ARPA funding from the legislature.

We support the support the recently amended version of the Senate bill, including the legislative intent to put the ARPA funding towards water supply, economic development, and flood control. The Red River Valley Water Supply Project is a water supply project that will also provide economic development opportunities by making water available to industry.

Please approve the \$50 million request from North Dakota's ARPA funding so the Red River Valley Water Supply Project can be completed more quickly. The rural areas of North Dakota and our water systems were particularly impacted by this year's drought conditions, when the entire state of North Dakota experienced moderate to severe drought. Rural water systems need access to the supplemental and emergency supply of Project water as soon as

possible. \$50 million from the State's ARPA funds can fast track the construction of this crucial Project.

In addition, by approving the \$50 million request to buy down the Red River Valley Water Supply Project's costs, the Project will be more affordable for rural water systems and small communities to participate. Affordability is an ongoing concern for many of the rural communities and water systems. Participation in the Red River Valley Water Supply Project comes at an additional cost to end users' operating and maintenance costs for our existing infrastructure.

Investing now in this Project makes good fiscal sense for the end users as well as the State of North Dakota. A decade-long drought similar to what we experienced in the 1930s would have a \$32 billion impact on North Dakota's economy, while a moderate drought similar to the 1980s would have more than a billion-dollar impact. The economic impact of a drought will negatively affect the entire State's economy. Likewise, the Project's economic benefits related to attracting new industries will benefit the entire State.

Please grant the request for \$50 million from North Dakota's ARPA funding so the Red River Valley Water Supply Project can be completed sooner. The benefits of the Project will have a positive impact on more than 30 rural water systems and communities, as well as providing the State of North Dakota with climate and economic resiliency.

Thank you, Chairman Delzer and members of the House Appropriations Committee, for accepting our testimony.

Jerry Blomeke, Cass Rural Water District

Jeremy Schuler, Northeast Regional Water District

Jay Anderson, Southeast Water Users District

Keith Nilson, Walsh Rural Water District

**Testimony of Dr. Timothy Mahoney, Chairman of Lake Agassiz Water Authority
House Appropriations Committee
Bismarck, North Dakota – November 9, 2021**

My name is Dr. Tim Mahoney, and I am the Chairman for the Lake Agassiz Water Authority (Lake Agassiz) and the Mayor of Fargo. Lake Agassiz and the Garrison Diversion Conservancy District (Garrison Diversion) are cosponsors of the Red River Valley Water Supply Project. I am testifying in support of our request for \$50 million in ARPA funds to complete shovel ready portions of the project, and to support the recently amended version of the Senate bill providing intent to direct ARPA funds to water supply, flood control and economic development. Project construction is steadily progressing and with the approval by the State Water Commission on October 14th; only \$1.9 million remain of the funds appropriated by the state legislature.

The Red River Valley Water Supply Project is a drought mitigation project that will deliver water from the Missouri River to central and eastern North Dakota via a buried pipeline, which will benefit over 30 water systems across central and eastern North Dakota. Lake Agassiz represents the local users in the Red River Valley Water Supply Project.

The statewide drought experienced in North Dakota this year reinforces the need to safeguard the water supply for nearly half of North Dakota's population. The State's economy would suffer a \$32 billion negative impact if a decade-long drought, such as the one experienced in the 1930s, would occur.

The project's continued progression is dependent on funding, which brings me to our request for \$50 million in ARPA funds. The \$50 million could be used immediately, as we have \$200 million of shovel-ready portions all set for construction. These funds would allow for additional pipeline construction.

Maintaining affordability is a key factor for participating water systems and cities. As users we agree that this project is critical, but are still concerned about our local share to participate. ARPA funds could make this project more affordable for participants, as ARPA funding can reduce the project's timeline and minimize inflation risks that threaten to price out small communities. Please consider appropriating \$50 million to the Red River Valley Water Supply Project.

Thank you, Chairman Delzer and members of the House Appropriations Committee, for the opportunity to provide testimony.



PO Box 2254 • Bismarck, ND 58502-2254

House Appropriations Committee

Hearing Nov. 9, 2021

Testimony of Dave Lang, North Dakota Water Users Association

Good afternoon, Chairman Delzer and members of the House Appropriations Committee. I am Dave Lang and I serve as the President of the North Dakota Water Users Association. Thank you for your hard work over the last month developing SB 2345. The North Dakota Water Users Association supports the appropriation of \$75 million of American Rescue Plan Act (ARPA) funds for water projects through SB 2345. We also support the clarifying language offered by the Senate regarding use of these dollars.

The Water Users Association was organized in 1959 to protect, develop, and manage North Dakota's water resources. It is currently comprised of over 300 local, statewide and regional organizations in North Dakota who have an active interest in water. We work closely with many North Dakota water organizations regarding funding needs and priorities. Collaboration is essential in meeting the water resource management needs of North Dakota.

Despite the generosity of the legislature this spring in funding water projects, there are still unmet needs. Whether for water supply, flood control, irrigation, or other water needs, there are projects across the state that could and will put ARPA funding to work. Projects under construction or close to construction have been especially hard hit by increased prices and supply chain challenges. ARPA funding, above the Resources Trust Fund dollars previously allocated, will help projects pay for price increases due to inflation and save the state dollars in the long run by moving up the timeframe for project completion.

The North Dakota Water Users appreciates the conversation regarding water funding and the Resources Trust Fund that has accompanied the committee's work on ARPA funding. Water projects across the state were adversely impacted by the funding issues created by the COVID-19 pandemic. The situation highlighted areas for possible improvement with the current system for funding water projects. We appreciate the language added to the bill by the Senate Appropriations committee directing a study of this important issue. We would ask that you would support the language added by the Senate and stand ready to work with the Water Topics committee in advance of the 2023 session.

Thank you.



November 9, 2021

FMWF Chamber Support for SB 2345

Chairman Delzer and members of the House Appropriations Committee,

For the record, my name is Katherine Grindberg and I serve as the Vice President of Public Policy for the Fargo Moorhead West Fargo (FMWF) Chamber of Commerce. The Chamber's mission is to be a catalyst for economic growth and prosperity for businesses, members, and the greater community. Today, on behalf of our over 1,900 members, I offer testimony in support of Senate Bill 2345.

Workforce is the number one issue hindering our regional, state and national economies from exponential growth and prosperity. Our Chamber remains committed to the exploration of innovative and effective strategies to address the local workforce shortage. For example, on October 12th, 2021 the FMWF Chamber launched Ignite FMWF, a new workforce strategy designed to drive continued success for our region through the combination of an intentional relationship development strategy and a robust technology platform to meaningfully engage businesses with the current and future talent pipelines. We are grateful to have already garnered public and private support for this initiative, however our region desperately needs more resources dedicated to creative solutions like this workforce infrastructure initiative.

We are extremely concerned to have learned that preexisting private investment and other existing workforce programs like Ignite FMWF may not be eligible to receive the \$1 to \$4 match illustrated in Section 1, subsection 38 of the bill. We are aware ND Commerce is further looking into this concern regarding state law of matching funds, however we fear this unclear interpretation may cause the disqualification of existing workforce programs, eroding the success of pre-emptive solutions to addressing North Dakota's biggest issue. We don't want communities like ours that are already working on creative solutions and garnering local resource support to be penalized. Today, I respectfully ask this committee to consider possible amendments that could ensure the state's approval for existing dollars.



We are grateful that workforce initiatives are a funding priority for these ARPA dollars as it continues to be the top concern we hear from all of our businesses. Workforce funding for career workforce academies as well as local matching grants are vital to the success of not only the Fargo Moorhead West Fargo metro but the entire state.

Following a possible amendment addressing the matching grants' use of preexisting funds, we ask the committee to give SB 2345 a DO PASS recommendation.

Thank you for your time and consideration. I will now stand for any questions from the committee.

Respectfully,

Katherine Grindberg

Vice President of Public Policy

FMWF Chamber of Commerce

kgrindberg@fmwfchamber.com | 701.516.2114



November 9, 2021
House Appropriations
SB 2345

Katie Ralston, Director of Workforce Division, ND Department of Commerce

Hello, Chairman Delzer and members of the House Appropriations Committee. My name is Katie Ralston, and I serve as the director of the workforce division at the North Dakota Department of Commerce. In my role, I also have the pleasure of serving as the director of the industry-led Workforce Development Council. I'm here in support of the workforce proposals included in SB 2345, Section 1, subsections 38 and 39.

I would like to thank you for including such a generous funding level for workforce in this bill. Although my time with Commerce has been relatively brief, I have not seen dollars like this attached to dedicated workforce development projects or programs outside of education in my time with the State. With this funding, I am confident we will take a big step forward in meeting the workforce needs of North Dakota businesses, communities, and citizens.

Lack of available workforce is arguably one of North Dakota's greatest challenges and it's one that looks different in each part of the state, so a "one size fits all" solution is neither realistic nor feasible for meeting the workforce needs of employers across North Dakota. With a low unemployment rate and a high labor participation rate, businesses statewide are having a difficult time finding workers who have the skills necessary to fill their vacancies. We see businesses limiting their hours, changing the ways in which they operate, or closing their doors altogether, because they simply do not have the staff they need to maintain their operations. We have also seen North Dakota businesses choose to grow in other states rather than here at home for the same reason. In the last year, nine thousand North Dakota workers left the workforce due to retirements, lack of affordable childcare, individuals going back to school, or moving out-of-state. This number also includes the people who worked multiple jobs prior to the pandemic, who have since dropped to working just one, which further exacerbates the problem for employers, especially those in the hospitality industry.

Many problems are best solved at the local level and this one is no different; however, we don't currently have a mechanism to support the initiatives that communities and regions want to implement to address their workforce needs. By creating a one-time funding model to support regional workforce initiatives, we give local and regional leaders the opportunity to articulate their needs and the funding to address them.

All proposals for what we are calling the *Regional Workforce Impact Program* must be sustainable, innovative solutions to help businesses find workers, and help workers and jobseekers prepare for and connect to better, higher-quality and more family-sustaining careers.

Some examples of investments for which these funds might be used, include but are not limited to:

- Upskilling and/or reskilling initiatives for in-demand jobs, including educational classes and on-the-job training.
- Investments in childcare or related supportive services to assist employees in accessing new training opportunities and/or expanding and supporting their participation in the labor force.
- Providing career counseling or coaching services that aid employees in pursuing new training and employment opportunities.
- Capital investments, capital purchases or leases for new or renovated space to support the applicant's proposed program.
- Programs for recruiting and retaining workers may also be eligible as long as these proposals comply with ARPA regulations.

We support the funding amount of \$15 million as stated in the bill; however, a larger allocation of \$20 million for this program would be ideal as it will allow us to increase the funding we award to local projects. We believe the four to one match identified in the bill will demonstrate local commitment without creating major barriers to accessing the grant, as we know resources vary by community. To ensure equitable access to these grant dollars, we plan to reserve a portion of funds based on population of the eight planning regions, with each region having access to a minimum of \$1,000,000. Increasing the overall award for this program will in turn increase the minimum funding amount for each region and help create a balance of funding for both the rural areas of each region and the urban centers.

The eight planning regions will also be used to define the geographic lines of a 'region', although the impact of some projects may extend beyond those boundaries. This program will require coordination of multiple partners and resources, with eligible applicants including economic development organizations, cities, chambers of commerce, regional councils, and others.

To administer this program, Commerce is requesting to use \$318,643 of the program award through the 2023-2025 biennium.

The next program we will administer with a \$5,000,000 allocation is the Technical Skills Training Grant which we developed with Coronavirus Relief Funds (CRF). This program was initially designed to support the launch or expansion of accelerated skilled workforce training programs to help displaced workers develop the skills needed to pursue jobs in new fields. Although this program continues to successfully meet this need by supporting nearly 20 programs to date, many employers have asked about the ability to use this program to establish internal training programs which is not included in the intent of the Technical Skills Training Grant as it's currently written under CRF guidelines. The use of ARPA dollars will give us the ability to support incumbent worker training, in addition to creating more comprehensive onboarding programs,

and enhanced safety training, which is a need that was emphasized by the pandemic. We plan to use \$3,000,000 to support these training programs in addition to the type of new and accelerated re-skilling programs we've been funding throughout the last year. The Technical Skills Training grant will increase skilled workforce throughout North Dakota, create a pipeline for internal advancement in businesses, offset the cost of training new and existing workers, and enhance workplace safety. Each company or training provider will be eligible for up to \$50,000 with a 1:1 match.

Senate Bill 2345 identifies the option to use a portion of these funds for a workforce innovation program. We plan to use the remaining \$2 million in this allocation to ramp up our talent attraction efforts by taking a skills-based recruitment approach while targeting specific regions of North America to ensure we're recruiting workers who possess skills that match the needs of our employers; however, to make a more meaningful impact in recruiting individuals to the state, we could use an additional \$2 million in this program. These funds may be used to increase marketing in the top cities in which North Dakota graduates live or to hire contractors to help us expand our reach.

Thank you for your consideration of these dedicated workforce initiatives. I appreciate the opportunity to share our vision for how we will use these dollars to address North Dakota's workforce challenges and set our state up for success as we move into the future. I am happy to answer any questions you may have.

Chairman Delzer and members of the committee, my name is Shawn Kessel and I proudly serve as the COO/Deputy Commerce Commissioner for the State of ND.

You have been provided the testimony that Commerce shared during the interim session just a week ago. I would like to highlight sections 34, 36 and 37 today and follow Commissioner Leiman's philosophy of "Be brief, be bold, be gone." If I may, I would like to also provide testimony on the proposed Rural Workforce Housing program and then I would like to yield the floor to WF Director Katie Ralston to discuss sections 38 and 39.

I would like to start with section 34 – Fuel production facility incentive program. This \$21m is intended to help the ethanol producers in the state who have experienced exceptionally high corn prices. We have talked this grant program over with the Bank of ND and when this proposal was made research was going on regarding how the funds could be distributed. Now that research is complete and BND can administer this program directly, without assistance from Commerce. We are happy to have the Bank of ND take lead on this program if that is the desire of the legislative body.

Section 36 – hydrogen development grants in the amount of \$20m. To advance and accelerate the newly established hydrogen industry in North Dakota, Commerce will provide \$20 million in 1:1 matching grants to private industry. These grants can be utilized to accelerate investment into the new industry, build out needed infrastructure necessary to redevelop facilities, and/or retain and grow jobs. Put simply, hydrogen is among several major transformative energy investments that will grow the economy while ensuring that existing industry grows simultaneously. Competition – gas plays Pennsylvania & Texas

Section 37 – autonomous agriculture matching grant \$10m. With the vision of creating the first fully autonomous farm in the world, the Grand Farm Initiative is accelerating research and innovation to develop technologies for the farm of the future. Grand Farm is the nexus point for industry, producers, higher education, and government to collaborate on autonomy and advanced agriculture technology. The

resulting projects are testing innovations, providing demonstrations, and showcasing integrations that amplify the technologies in North Dakota and attract businesses from around the world.

The proposed \$10 million match grant will leverage federal American Rescue Plan Act funds with private investments to establish a permanent, world-class destination innovation facility in North Dakota for advanced agricultural technology. It would enable robust project management capabilities for the building and operations of the facilities, ecosystem, and farm projects. It will make possible expanded workforce development offerings beyond the existing software development bootcamp into cyber security, embedded software, and more.

This funding would be directed towards:

- Grand Farm Innovation Facility planning and development.
- Project management.
- Workforce development in advanced technology in agriculture.

Innovators who use the space will be able to immediately test their products in the fields that surround this hub, empowering the creators to investigate their product performance in a highly capable, real-world environment. The proximity of the facility to the testing area, small businesses, corporations, and startups, as well as larger farm equipment companies, will allow the participating entities to quickly transform their ideas into viable and commercializable products.

Funding for project management will be spent on the work done to build-up to the launch of the innovation facility. Each element will supplement the phases of facility construction. These elements include:

1. Construction management
2. Legal work and permit acquisition
3. Project development
4. Stakeholder input gathering
5. Contract development

Project funding will also be used for critical workforce development through the expansion of the Emerging Digital Academy and the diversification of the offerings.

To raise the matching funds for this project, Grand Farm will develop and launch a capital campaign. This capital campaign will bring in investments from individuals, philanthropic organizations, and corporations from a global setting – many of

which have already expressed their interest in supporting the development of this facility

Chairman Holmberg – do we have time for me to provide an overview of the \$21m Rural Workforce Housing program and the \$10m?

As we visit with rural community leaders across the state there are consistent hurdles that these communities are desperately trying to overcome and one of them is workforce housing. As you are aware the workforce challenge across the state and nation is significant and is impairing our businesses and communities from growing. The challenge is so great for some businesses that they have had to close their doors. The rural workforce housing program was conceived to provide workforce housing, eliminate blight, address the “appraisal gap”, and increase city coffers without raising taxes in communities with a population of 5,000 or less. This is all accomplished by asking the local leaders to identify the type of housing needed to address the workforce in a community (so its targeted) and to identify blighted properties in a community. The program provides a small grant to conduct the housing review and matching funds to acquire, demolish or rehab blighted properties and a requirement that the bare ground be sold for a \$1 to a willing builder. The builder then builds the workforce housing identified by the local leaders without any land cost and the infrastructure (water, sewer, roads, etc.) is already in place so there should be no need for special assessments. Once the new home is completed and sold it raises the property value from something nominal to over \$225,000. The secondary benefits of work for the skilled trades, sales tax collections for all the purchases made to build and occupy the home and the community pride from removing blighted properties are all tangible. We would like to work with almost 100 communities across the state and in each community, we would like to identify up to seven different properties in each community to transform. The average ROI for this investment is calculated at 7x! A big reason is the impact on property values such as the following general example...

Blighted property value - \$2,000 x 1% property tax = \$20 x 7 = \$140

New construction value - \$225,000 x 1% = \$2,250 x 7 = \$15,750 or \$15,610 annually

Thank you for your time and consideration. I will gladly stand for any questions. I would like to yield the floor to WF Director Katie Ralston to go over sections 38 and 39.

Chair Delzer and members of the House Appropriations committee, my name is Granville Brinkman. I am the Economic Development Director for the City of Beulah and the president of Mercer County Economic Development. Economic Development for Mercer County and Beulah involves enticing new businesses to move to the area and create much needed jobs. While natural gas is the main heating fuel for most businesses and homes in the United States, part of North Dakota, including Mercer County, remain underserved or have no service. Mercer County has valuable resources; enough coal to provide electricity to nine states, sand and gravel, and an abundant water supply from Lake Sakakawea. New industries often come to Beulah or Hazen in search of a location to build their business but then leave due to our lack of natural gas service. Natural Gas service for Mercer County has been a priority goal since the early 2000's, preceding my time as Economic Development Director. Since we understand the value of natural gas service in economic development, Mercer County Economic Development supports passage of SB 2345 and an appropriation of \$150 million to the East-to-West natural gas pipeline. Mercer County wants to be part of the natural gas solution for the State of North Dakota. Therefore, we stand in support of the appropriations mentioned in SB 2345 to the North Dakota Department of Commerce, specifically \$21 million for a fuel production facility incentive

program, \$20 million for hydrogen development grants and \$15 million for workforce recruitment, retention and retraining. These are all programs that may in the end benefit Mercer County and its citizens as we search for the correct economic development opportunities.

Mercer County currently has opportunities in front of us including a glass manufacturing operation that is particularly attracted to Mercer County due to the felspar content of the sand associated with sand mining. The sand not required to produce glass could be used for hydraulic fracturing activities, as well as well pad construction in western North Dakota. Another opportunity is a plastics recycling plant. A third is a petrochemical plant. There are also more local needs for natural gas such as: a meat packing plant, a petroleum products plant, the local grocery store, hardware stores, churches, the industrial park and our schools. They would all benefit from natural gas service. As long as natural gas prices are less than \$20 per 1,000 feet, natural gas is a less expensive alternative that can save large facilities thousands of dollars per month in heating costs. Bronson's Market Place, in Beulah for example, estimated a savings of \$30,000/annum. We understand that switching from propane to natural gas is not easy or without expense and not all homeowners will elect to make the change. Beulah has a divided city, south of 7th street has propane service and north of 7th

street is mostly electric heating. Those with electric heating may be more inclined to switch to a lower cost heating supply. That said, in order to grow Mercer County, entice new businesses and new jobs, natural gas service is a top priority and a top necessity.

Mercer County Economic Development (MCED) is currently pursuing an Economic Assistance Grant from the Economic Development Administration for \$5 million. This money, if awarded, will provide the internal natural gas infrastructure for the cities of Beulah and Hazen. Mercer County is looking at several alternatives for natural gas trunk lines to service this infrastructure. The closest current trunk line is located near Glen Ullin, more than thirty miles from Beulah, and has a cost of approximately \$25 million to service Beulah and Hazen. Mercer County Economic Development continues to discuss possibilities for natural gas service with Bakken Energy to see if a closer and less expensive alternative might be possible. After infrastructure is built and while trunk line service is in construction phase, Mercer County plans to contract liquid natural gas service to feed infrastructure necessary to serve those most in need: new businesses, churches, the hardware and grocery stores- those who most benefit.

MCED has also submitted a grant application to EDA for \$250,000 to develop the Great Plains Technology & Jobs Incubator. The GPTJI would provide programs from BSC and UMary for training or retraining of citizens from the counties of Mercer, Dunn, Oliver and McLean via distance learning or classroom with trained educators. Mercer County cannot afford to lose more of our workforce to parts of this state or other states, so we are dedicated to the concept of enticing new industry and retraining our workforce for new types of opportunities. Mr. Chairman and members of the committee, thank you for time this morning. I am happy to stand for questions.

**Testimony of Mayor Brandon Bochenski
Lake Agassiz Water Authority Member & Grand Forks Mayor
House Appropriations Committee
Bismarck, North Dakota – November 9, 2021**

My name is Brandon Bochenski, and I am the Mayor of Grand Forks and a member of the Lake Agassiz Water Authority (Lake Agassiz). Lake Agassiz and the Garrison Diversion Conservancy District (Garrison Diversion) are cosponsors of the Red River Valley Water Supply Project.

The State of North Dakota has an incredible opportunity to safeguard our future against devastating droughts, which have impacted the region's industry and human use several times during the last century. With an investment of \$50 million in ARPA funds, the Red River Valley Water Supply Project will continue its construction progress. With over \$200 million in shovel ready construction, the project can make significant progress in a shorter amount of time, saving overall costs and reducing inflation risk.

Drought Resiliency Solution

The City of Grand Forks, along with 30+ water systems across central and eastern North Dakota, watched anxiously this summer as drought took a hold of our region. The Red River flow in Grand Forks was so low this summer many items in the river from the 1930s were uncovered and parts of the river stagnated.

Climatologist Daryl Richardson presented a historic look at droughts at a recent water conference. He noted that what we saw this summer wasn't even considered a moderate drought in terms of comparing it to the 1980s let alone the 1930s. We know that something

much more damaging to our economy and our citizens will eventually return and we have to be ready for it.

It is absolutely critical that we invest in the Red River Valley Water Supply Project now. It benefits not only Grand Forks, but nearly half of the population of North Dakota. A decade-long drought such as what the State experienced in the 1930's would have a \$32 billion impact on the **entire** State of North Dakota, while a moderate drought similar to the 1980's would have more than a billion-dollar impact. Both scenarios would be devastating to the state's economy not to mention the real human concern of not having enough drinking water for our communities.

Affordability and Long-Term Cost Savings

ARPA funding was intended for projects exactly like this – an opportunity for state and local governments to make strategic investments in long-lived assets. More importantly, by making this investment now, we can buy down the project cost and make it affordable for small and large systems alike.

Additionally, with the ability to access ARPA funds, key areas of the project can be completed. We truly have a great opportunity to not only shorten the project timeline, but also minimize inflation risks that threatened to price out smaller communities. Please consider appropriating \$50 million to the Red River Valley Water Supply Project.

Thank you, Chairman Delzer and members of the House Appropriations Committee for the opportunity to provide testimony.



**Testimony on APRA Funding for the Red River Valley Water Supply Project
Presented to the House Appropriations Committee
Prepared by Bernie Dardis, West Fargo City Commission President
Tuesday, Nov. 9, 2021**

1 Chairman Delzer and members of the House Appropriations Committee, thank you
2 for opportunity to testify in support of ARPA funding for the Red River Valley Water
3 Supply Project, specifically, in support of the recently amended Senate version to
4 designate \$75 million for water infrastructure and to study a stabilization fund.

5 My name is Bernie Dardis, and I am the President of the West Fargo City
6 Commission. The recent census showed the City of West Fargo grew by nearly 50% over
7 the last decade and that is why, as a participant in the Red River Valley Water Supply
8 Project, it is critical that we invest as a state in this Project to ensure the long-term
9 economic vitality and resiliency of our growing and vibrant community in West Fargo.

10 During this year's drought, West Fargo issued water restrictions similar to those
11 implemented by cities across North Dakota. We are part of a regionalized water system
12 that draws from the Red and Sheyenne Rivers. The Sheyenne River, which runs through
13 West Fargo, was alarmingly low during the peak of this year's extremely dry weather.

14 As one of the largest cities in North Dakota with close to 40,000 residents and the
15 second largest school district in the state, we cannot rely upon water restrictions to
16 ensure our residents have enough water.

17 In order for our community and the State to thrive, we need access to a
18 supplemental water supply to attract and retain more industries. Cargill is one of the
19 largest water users in West Fargo. Between the plants in West Fargo and Wahpeton,
20 Cargill employs more than 230 people in the State. The plants represent an investment
21 of more than \$260 million. If we are to continue to draw new industry to North Dakota,
22 West Fargo and the other cities involved in the Red River Valley Water Supply we need
23 the supplemental water supply provided by the project. It is crucial for North Dakota's
24 economic diversification.

25 As a Killdeer boy, I understand the discussion that goes on about the needs of the
26 east and those of the west in our State. Together though, we share in the opportunity
27 made possible by access to one of our greatest natural resource, the Missouri River,
28 which already supplies water through the successful Southwest Pipeline Project, the
29 Western Area Water Supply, and now possible through the Northwest Area Water
30 Supply. The Red River Valley Water Supply Project is an opportunity for the State to
31 complete the vision put forward by its newly created Department of Water Resources,
32 which says, "Missouri River water will be put to beneficial use through its distribution
33 across the state to meet the ever-increasing water supply and quality needs."

34 The Red River Valley Water Supply Project is not a project for one city; it is a
35 transformational project for the State that will benefit nearly half the population of North
36 Dakota when complete. In July, construction crews began work on the buried pipeline
37 that will deliver Missouri River water to large and small communities and rural water
38 systems from central North Dakota all the way to the Red River Valley. The Project will
39 not just provide an emergency water supply during moderate to severe droughts, it will



also serve as a catalyst for half the state to have access to a supplemental water supply that will yield economic development opportunities to all the Project's participants for which the entire State will see benefit.

With \$200 million of shovel-ready construction ready to proceed, the Red River Valley Water Supply Project is asking for \$50 million in ARPA funding be put toward accelerating construction so that Grand Forks, Valley City, Fargo, West Fargo, and all the rural water systems can realize the benefits sooner. There are specialized construction crews already in place working on the pipeline right now as I provide this testimony.

As we learned from the drought this year, now is not the time to be putting money in the bank for a rainy day because those have been too few and far between lately. Putting \$50 million in ARPA funds toward this Project will provide for an immediate return on investment and should be utilized to make the Project more affordable for not just the State, but for all the community partners involved.

Thank you, Chairman Delzer and members of the House Appropriations Committee, for your time and consideration of the needs of my community of West Fargo.



Eric Volk, Executive Director

ND Rural Water Systems Association

House Appropriations Committee

In Support of Senate Bill 2345

November 9, 2021

Chairman Delzer and members of the House Appropriations Committee, my name is Eric Volk. I am the executive director of the North Dakota Rural Water Systems Association (NDRWSA). Our vision is to ensure all of North Dakota has access to affordable, ample, and quality water. NDRWSA is committed to completing and maintaining North Dakota's drinking water infrastructure for economic growth and to improve the quality of life of our residents. Today, I am submitting testimony in support the \$75M in Water Funding (Section 1: subsection 3) that is included in SB 2345.

Rural/Regional Additional Funding Need:

The Rural/Regional Water (RW) industry has seen a significant rise in material and construction costs. This might be the new normal for the near future. The Rural Water bucket for the 21-23 biennium is at about \$60M. As things stand today, that budgeted amount will not be enough to complete the projects we presented during the 21-23 session. (List/Map of 2021-23 Projects is Attached).

If drought conditions persist, our RW Systems will play an ever-increasing roll in our state. Whether it is to replace a failing home well, to assist a city supply issue or to make sure our livestock/crop industry has an ample supply of water; we need to be ready to seamlessly fulfill these needs.

The RW Group worked with the Department of Water Resources and came up with a 10-year need for Rural Water that totaled \$230M in state funding. This is a combination of individual hook-ups, serving cities (Map of Cities Not Served is Attached) and upgrading facilities to provide adequate pressure & flow. Funding these projects now will protect the state and local customers from rising costs and inflation. (Estimated 10-year Water Project Funding Needs, 2021-2031 & Revenue Comparisons is Attached).

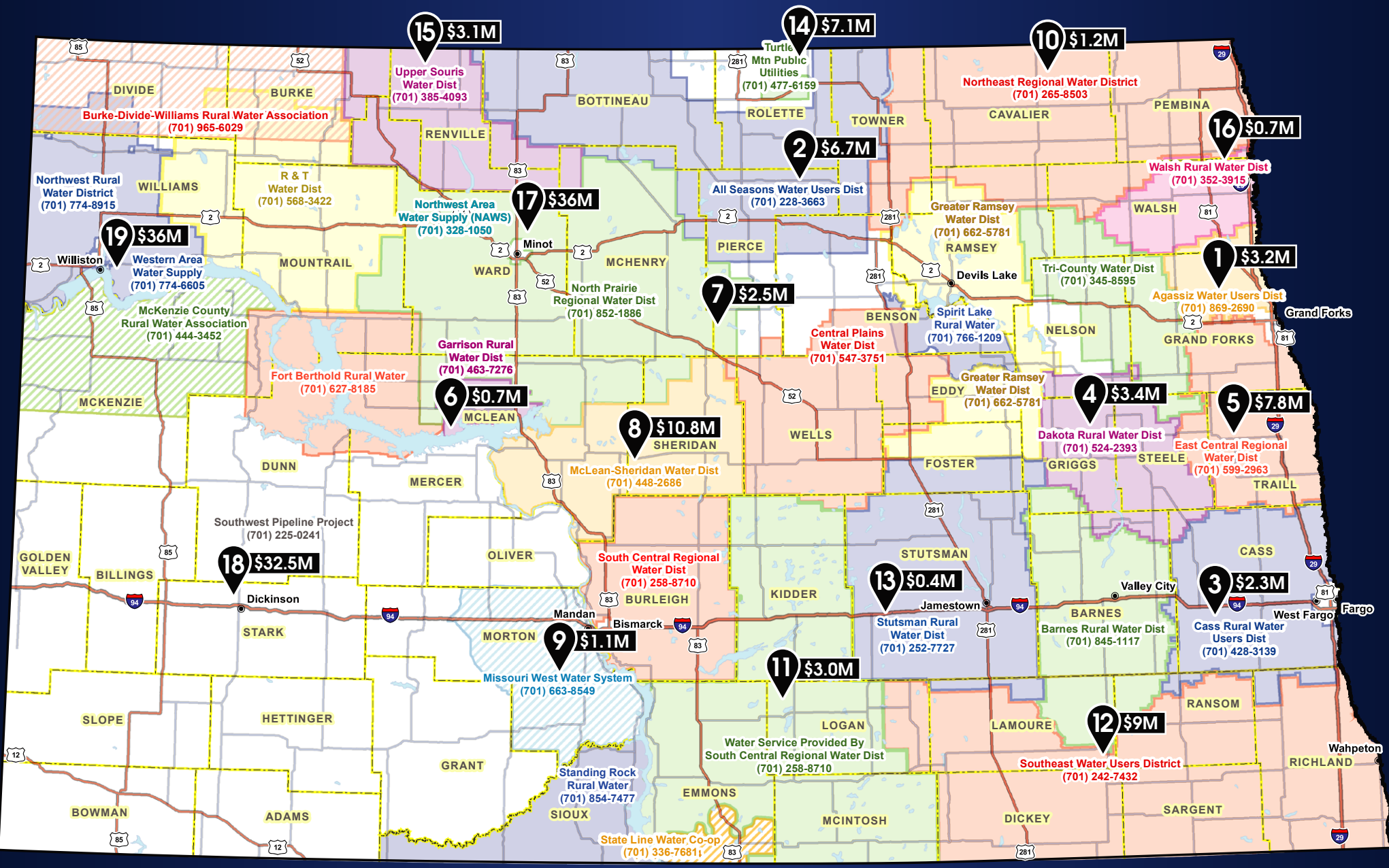
Looking at the “BIG WATER” picture, if funds were allocated to larger water projects (Billion Dollar Projects), such as the Mouse River Flood Control, this would have a similar affect as the bonding bill did this last session. It will take pressure off of the Resources Trust Fund (RTF) and allow for other important projects to be funded.

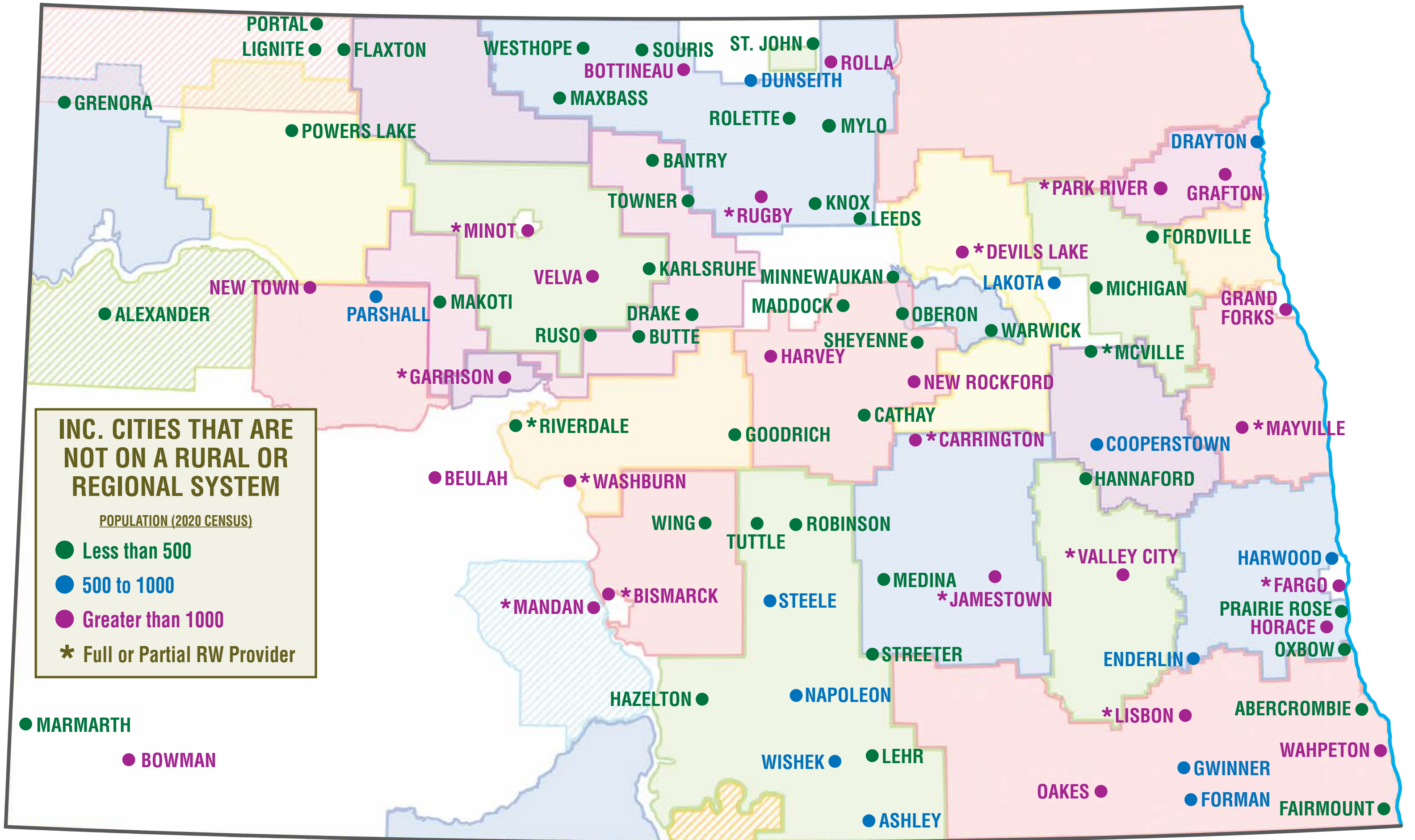
RTF Stabilization Fund

All water projects would love to receive additional funding now, but the long-term sustainability of the Resources Trust Fund must also be discussed, maybe not today, but someday. The State Water Commission (SWC) currently funds water projects with “projected” budget numbers. In 2020, when oil prices went negative and production dropped, the SWC (with consultation of the Water Topics Interim Committee) scaled back the funding of projects to almost zero. In essence, an entire construction season was lost for a significant number of projects. Material and construction prices were very attractive in 2020. The 2021 construction season was just the opposite. Funds were available, but materials and construction prices skyrocketed. If the SWC had the cash on hand, we would not have lost a construction season in 2020. Saving the end users and the state millions of dollars.

If a stabilization fund was created (moving from budget projections to funding with cash on hand), the Legislature/SWC would know exactly what dollar amount could be spent in the biennium. Whatever funds were generated during the biennium would be allocated to the next and so forth. This would also give assurance for projects receiving funding. Every cost-share contract states, *this approval is contingent on available funding for the 2021-2023 biennium*. Funding could be discontinued midstream if we ran into another situation like 2020 (negative/low oil prices or lack of production). Like I stated above, all projects would like to have additional funding now, but the overall sustainability of the Resources Trust Fund should be heavily considered at some point in time.

Thank you for your time and effort. It is greatly appreciated. Please contact me, Eric Volk, Executive Director, ND Rural Water with any Water questions. 701-391-5080 or ericvolk@ndrw.org .





INC. CITIES THAT ARE NOT ON A RURAL OR REGIONAL SYSTEM

POPULATION (2020 CENSUS)

● Less than 500

● 500 to 1000

● Greater than 1000

* Full or Partial RW Provider

● MARMARTH

● BOWMAN

ESTIMATED 10-YEAR WATER PROJECT FUNDING NEEDS (2021-2031) & REVENUE COMPARISONS				
PROJECT	STATE	LOCAL	FEDERAL	TOTAL 10-YEAR COST
Agency Operations	\$320,000,000	\$-	\$-	\$320,000,000
Water Supply	\$2,029,100,000	\$781,800,000	\$30,000,000	\$2,840,900,000
Southwest Pipeline Project	\$206,000,000	\$-	\$-	\$206,000,000
Red River Valley Water Supply Project	\$892,000,000	\$298,000,000	\$-	\$1,190,000,000
Western Area Water Supply	\$93,000,000	\$38,000,000	\$-	\$131,000,000
Northwest Area Water Supply*	\$69,200,000	\$9,300,000	\$82,000,000	\$160,500,000
Municipal Water	\$537,400,000	\$358,200,000	\$-	\$895,600,000
Rural Water	\$229,700,000	\$76,600,000	\$-	\$306,300,000
Flood Control	\$952,400,000	\$929,000,000	\$737,000,000	\$2,618,400,000
Mouse River Enhanced Flood Protection	\$418,000,000	\$216,400,000	\$40,000,000	\$674,400,000
Valley City	\$66,400,000	\$16,900,000	\$-	\$83,300,000
Fargo-Moorhead Area Diversion Project	\$435,500,000	\$687,000,000	\$697,000,000	\$1,819,500,000
Lower Heart (Mandan) Flood Risk Reduction	\$13,000,000	\$8,700,000	\$-	\$21,700,000
Other Flood Control & Conveyance	\$98,300,000	\$121,800,000	\$8,000,000	\$228,100,000
General Water	\$50,000,000	\$35,000,000	\$74,000,000	\$159,000,000
TOTAL	\$3,428,500,000	\$1,865,900,000	\$901,000,000	\$6,195,400,000

At \$200 Million Per Biennium		At \$300 Million Per Biennium		At \$400 Million Per Biennium	
Resources Trust Fund	\$1,000,000,000	Resources Trust Fund	\$1,500,000,000	Resources Trust Fund	\$2,000,000,000
STATE SHORTFALL	\$2,428,500,000	STATE SHORTFALL	\$1,928,500,000	STATE SHORTFALL	\$1,428,500,000



Testimony of Brenda Elmer

Executive Director, North Dakota Corn Growers Association

House Appropriations Committee

November 9, 2021

Chairman Delzer and members of the House Appropriations Committee,

The North Dakota Corn Growers Association (NDCGA) asks for your support of House Bill 2345, specifically as it relates to appropriating \$21 million of the American Rescue Plan Act (ARPA) funding for a fuel production facility loan forgiveness program (Section 1, subsection 34). This funding will enable the repayment of loans issued to the state's ethanol plants in 2020 through the Ethanol Recovery Program.

The Ethanol Recovery Program was created to keep North Dakota's ethanol plants going through the Covid-19 pandemic, which idled many ethanol plants across the United States. Coming off the pandemic and into a year of extreme drought across the state significantly impacted the production of corn as well as other feedstocks used in ethanol production.

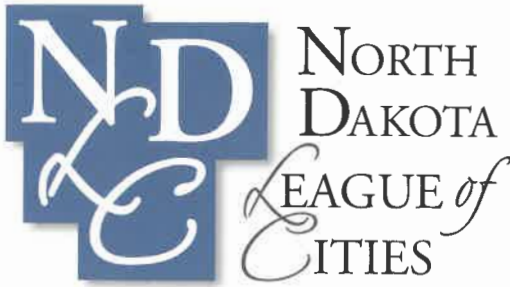
North Dakota's corn yield is projected to be down considerably this year from 139 bushels per acre in 2020 to 108 bushels per acre for the 2021 crop year. In 2021, the industry was starting to rebound from the pandemic, however the drought and resulting 2021 crop loss has inhibited a full recovery. This has caused ethanol plants to look to sources outside of North Dakota's corn production.

North Dakota ethanol industry contributes \$624 million annually to the state's economy. The plants utilize 160-180 million bushels of corn annually to produce more than 500 million gallons of ethanol. This funding is essential to the continuation of the states ethanol industry and corn producers.

On behalf of the more than 13,000 corn growers across the state, we ask for your favorable consideration of ARPA funds to support North Dakota's ethanol plants.

4852 Rocking Horse Circle S. Fargo, ND 58104

Phone: 701.566.9322 web: www.ndcorn.org



House Appropriations (Special Session)
Rep. Delzer, Chairperson
Senate Bill 2345

Chairman Delzer and members of the House Appropriations Committee. For the record, Blake Crosby, Executive Director of the North Dakota League of Cities.

I am in support of HB 2345, amended as per 21.1123.02006, which includes language for an interim study of establishing a water project stabilization fund and also support the \$75M in water funding as requested.

During the current biennium the State experienced a precipitous drop in oil extraction taxes which support the Resources Trust Fund (RTF). This caused the State Water Commission (SWC) to hold off on funding submitted water proposals for a number of months, likely added to the cost of projects and delayed some projects to the next construction year.

The establishment of a water project stabilization fund, moving the RTF to a cash basis from one biennium to the next, would protect the RTF from revenue drops/shortfalls experienced this biennium. Knowing what is available in the RTF gives the SWC and the Department of Water Resources (DWR) the ability to create a better water development plan prior to each biennium.

Using American Rescue Plan Act (ARPA) funds to address flood control, water supply and economic development is a wise use of those funds and will help address the increased costs of supplies, materials, and labor we are now experiencing.

Thank you for your time and consideration. If you have questions, please contact me at blake@ndlc.org.

SB 2345

**North Dakota Stockmen's Association
Testimony to the House Appropriations Committee
Tuesday, Nov. 9, 2021**

Good morning, Chairman Delzer and House Appropriations Committee members. My name is Julie Ellingson and I represent the North Dakota Stockmen's Association. Amongst its work, the association administers the state's brand inspection and recording programs, which protect livestock owners against loss and theft.

This has been a foundational objective of the NDSA since the organization was christened in 1929. In the 1940s, the North Dakota Legislature statutorily tapped the NDSA to head up the brand inspection program, and it has provided that service for livestock producers ever since.

The integrity of the program lies in the careful observations and documentation of the men and women we employ as brand inspectors. They are responsible for analyzing the cattle, horses and mules and generating the various documents that become the title to the animals. While this is precise and important work that protects the value of the livestock, it is done the old-fashioned way – on paper. On average, we inspect about 1.2 million head each year, so that means many, many pieces of paper. The information collected on those papers then must be converted into computerized records.

To become more efficient and minimize the chance for errors, we are proposing that we modernize the system by capturing the data electronically from the get-go and that, in a nutshell, is the project before you. It was also recommended as part of the executive proposal.

The goal is to improve efficiencies and accuracy of the information, while maintaining the tried-and-true structure of the existing program.

Our intention is to work with the same local software developer that wrote the brand recording program, so the systems dovetail together and work from a central database.

The estimated software and hardware costs associated with the project total up to **\$401,000**. That is comprised of up to **\$146,000** in hardware and mobile platform costs, **\$5,000** in mobile management solutions and up to **\$250,000** in mobile application development. We estimate that approximately an additional **\$100,000** will be needed for the training of the nearly 200 inspectors across the state.

The brand inspection program is self-sustaining, paid for by inspection fees of \$1.50 per head. The NDSA is also authorized to use estray funds unclaimed after 72 months to administer the brand programs. A grant from the State Fiscal Recovery Fund, established through the American Rescue Plan Act of 2021, would allow us to modernize the system and administer the program without having to raise fees in order to make that upgrade.

This project meets the guidelines the North Dakota Legislature spelled out for ARPA projects: 1) Besides its significance for livestock ownership verification, the brand inspection program is a critical component of animal traceability, which impacts our nation's food safety and security; 2) The COVID-19 pandemic has had a demonstrated and severe impact on the livestock industry; and 3) This project will be a one-time expenditure for the state.

Our organization and the software developer would be ready to begin this project immediately if it is selected. As you sort through the many proposals before you, we would

appreciate your favorable consideration of this one. Thank you for the opportunity to testify today.

Bill Peterson
 Director and State Historic Preservation Officer
 State Historical Society of North Dakota
 ND Heritage Center and State Museum
 612 E Boulevard Ave
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 Assistant Director
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Internet at remote sites – Capital Improvements

- ✓ No new staff or FTEs,
- ✓ Little ongoing costs other than utilities
- ✓ Leverage private sector
- ✓ Lasting impact
- ✓ Does not increase size of government

Fifty-nine (59) historic sites and museums are owned by the State of North Dakota and are preserved, maintained, and interpreted by the State Historical Society of North Dakota. Some sites are well developed with interpreters, visitor centers with exhibits, furnished buildings, picnic areas, and other amenities. Others lie obscurely in pastures without a monument or fencepost to mark their existence. A few sites are currently closed to visitors because of lack of accessibility, concerns about preservation, or out of respect for American Indians who hold some of these places sacred.

Improving technology infrastructure at our sites ensures that the stories that these sites hold will continue to be preserved, studied, and shared. Improving technology infrastructure will allow us to:

- ✓ Enhance on site visitor experience through various educational mediums
- ✓ Allow for virtual visitor experience through our History Alive program
- ✓ Improve visitor safety
- ✓ Strengthen site preservation through improved security, intrusion, and fire protection systems.

Our developed, staffed sites all have some level of internet connectivity to at least the visitors center or main office. It is the desire to expand on internet connectivity by further distributing the internet connectivity across the sites as well as increasing the capacity at the site. This increased capacity at the sites will allow us to enhance the visitor experience, not only for those visitors who are able to travel to the site and experience the history firsthand but also for those visitors that can join us through our History Alive programs where an interpreter on site can host a live tour with groups and classrooms throughout North Dakota and the world.

Improvement requested at the sites include:

- ✓ Upgrading to fiber connectivity

- ✓ Providing more points of wired and wireless access across the site.
- ✓ Installing internet access at sites that currently do not have access.
- ✓ Installing or upgrading security and surveillance systems.

The pandemic and the necessity of moving to virtual and online platforms for work and program delivery laid bare critical shortcoming in internet connectivity at our historic site near Williston at the Missouri Yellowstone Confluence Interpretive Center. Due to the poor internet service at this location, staff can barely participate in remote meetings and calls, and the delivery of digital content is nearly impossible. The local internet service provider in that area, Nemont, estimates the most effective way to solve our connectivity issues would be to install fiber optic cables to the site, which is not currently in place. Funding for this would allow the agency to be able to effectively participate in the Microsoft Teams work environment and deliver digital content to school groups and other visitors as needed.

The Chateau de Mores in Medora needs to extend its internet connectivity from its Visitor Center to the actual Chateau as well as the Carriage House and Blacksmith Shop. Fort Abercrombie and the visitor experience would also benefit from improved internet capacity by being extended to the block houses. In addition to sites that are staffed, unstaffed sites, such as Double Ditch Indian Village near Bismarck, would benefit from technology installation by providing guest wireless access to reach additional resources telling the story of the site. The technology infrastructure upgrade would also allow for the installation of security cameras to help respond to or mitigate the effects of illegal vandalism and looting.

The State Historical Society also seeks funding to improve connectivity and productivity by installing WIFI capabilities in areas of the Heritage Center in Bismarck that do not currently have WIFI. The collection storage areas (archives, museums, archeology) need expanded wireless access to allow staff to manage the collections more efficiently. With improved wireless access staff can access the collections management software while working at the collection where it is stored instead of making trips between the collection area and where their computer may have an internet connection, reducing the number of times an object or collection may need to be handled.

In addition to improving connectivity, we wish to make our visitors and our sites more safe and secure by adding security measures to some of our remote locations.

The funding requested for technology infrastructure upgrade would allow the State Historical Society to look closely at each of its fifty-nine sites and make the improvements that otherwise would be left undone.

- ✓ Expected Outcome
 - This technology will allow staff to function more productively by allowing data input in collections areas.
 - We will be able to service the residents of North Dakota who participate in our programs, particularly our educational programs, at a higher level than before.
- ✓ Improved internet at our various locations does not require any additional FTEs or temporary employees.
- ✓ This program could be completed between now and 2025.

Project Cost \$750,000

Lewis and Clark Interpretive Center facilities improvement

Acquired in a transfer from the North Dakota State Parks and Recreation in the 2021 Legislative Session, the Lewis and Clark Interpretive Center is a destination in North Dakota and a key attraction. There are capital improvement and deferred maintenance projects at the Lewis and Clark Interpretive Center that did not get funded with the transfer. These projects include a new heat pump, the changing of two furnaces and one boiler from electric to gas heating, and the replacement of one air conditioning unit and one water softener unit.

Project Cost \$200,000

House Appropriations Committee
SB 2345
November 9, 2021

Good afternoon Representative Delzer and members of House Appropriations Committee. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. I am here today to ask you for your continued support of SB 2345 and subsection 28 to help nursing facilities, basic care, and assisted living recover from the devastating impact from COVID-19.

We appreciate the support you gave last month in getting long term care a part of what we know now as SB 2345.

The American Rescue Plan Act provides eligibility to nursing facilities and other congregate care settings, (i.e. basic care and assisted living), for funding. COVID-19 has devastated the long term care community, with 57% continuing to operate at a loss today. Revenue losses have been tremendous. Occupancy has still not recovered, and staff have become scarce. In the most recent 30 days, 60% of nursing homes have stopped admissions.

You might expect when occupancy is down, that expenditures are also down. However, just the opposite has occurred. Facilities are spending more. The top expenditure is additional pay for staffing, overtime, hero pay, pay for working in COVID units, hiring contract staff at exorbitant prices and paying for personal protective equipment. Staff are still masking 24/7, just like we did in the beginning days of the pandemic. All of our measures to protect residents and staff have cost millions of

dollars beyond our rate structure. We are not asking for money to increase wages, we are asking for funding to help us cover the costs that we have already incurred as we had insufficient revenue to pay for them. We continue to incur significant losses due to declines in occupancy and increased expenditures related to staffing needs and PPE.

Federal support and funding to basic care and assisted living has been little to non-existent. Nursing facilities have received some provider relief funds, at the most covering about 3-5% of our revenue losses.

Nursing Facilities:

Nursing facilities have experienced severe impacts to cash flows due to the significant decline in occupancy based on the 2021 and 2020 Department of Human Services Nursing Facility Cost Report data. The Cost Reports show that 73 of 76 facilities saw occupancy declines, with a range of no impact to well over a 50% decline in occupancy. Using the occupancy data from the Cost Reports and the rates as set by the State for rate years 2020 and 2021, the decline in days multiplied by the applicable case mix adjusted average rate for each facility shows that resident related revenues have declined by an estimated \$62.2 million in the current year cost report period. During this time, facilities have noted that expenditures did not decline as they were required to maintain staffing levels to deal with significant sick leave and quarantine days, staff overtime, incur significant contracted nursing costs due to staffing shortages, and the increased infection control costs. Provider Relief Funds received have helped facilities deal with a portion of the loss, but these funds for most only covers 3-5% of the impact, facilities with over 5% declines are losing financial stability as operating cash funds are depleted. Cash flow losses will continue through December 31, 2021 for facilities that continue to have reduced occupancy and continue to face

severe staffing shortages. These reductions in cash flow are leading to issues at facilities which are leading to decisions to close, severely decreasing capacity for others, and financing operations using lines of credit. Subsection 28 provides \$20.8 million for nursing facilities.

Basic Care:

Basic Care Facilities have seen occupancy declines directly related to Covid-19. Of the 39 facilities that provided occupancy data, 27 of them saw declines in occupancy, 17 had declines over 5%, and 16 had declines over 10%. These declines in occupancy lead directly to reductions in revenues and cash flows as facilities are not able to adjust rates for Medicaid residents during any rate year. The reporting facilities lost an estimated revenue and cash flow of \$4.1 million. The impact to all 61 basic care facilities is estimated to be \$5.4 million. During this time, facilities are seeing expenditures remain consistent with prior years as they deal with limited available staff, quarantine leaves, and increased infection control expenditures. The lost revenues and decreased cash flow have resulted in facilities depleting operating cash to levels that are unsustainable and requiring the facilities to obtain lines of credit, consider closing, and delaying payments for services. Subsection 28 provides \$2.95 million for basic care facilities.

Assisted Living:

We surveyed assisted living facilities to estimate the impact to their business. Average unrecovered costs for the sample were \$31,200 per facility. Using this as a baseline, the total estimated impact for the 74 assisted living facilities in 2020 is \$2.3 million dollars. Subsection 28 provides \$1.25 million for assisted living facilities.

Summary: We ask for your support of \$25 million of one-time funding to basic care, assisted living and nursing facilities to help them recover. This funding will not impact future costs reports and is a one-time infusion of funds. Only those impacted will receive relief. Those without impact will not be eligible. Distribution would be through the Department of Human Services.

This concludes my testimony, and I would be happy to answer any questions you may have.

Shelly Peterson, President
North Dakota Long Term Care Association
1900 North 11th Street
Bismarck, ND 58501 (701) 222-0660

**North Dakota Department of Water Resources Testimony
Relative To Senate Bill 2345**

Presented To The Interim House Appropriations Committee

November 9, 2021

Chairman Delzer, and members of the Interim House Appropriations Committee, I am Andrea Travnicek, Director of the Department of Water Resources, and Secretary to the State Water Commission. I am here today to provide testimony in support of Senate Bill 2345, and the use of American Rescue Plan Act (ARPA) funds to advance the Governor's Accelerate ND plan for strategic water infrastructure projects.

During the 2021 assembly, the Legislature demonstrated tremendous support for water projects through the passage of House Bill 1020, the Department of Water Resources' (DWR) budget bill; and House Bill 1431, the infrastructure bonding bill. For both of those pieces of legislation, DWR and local water project sponsors from all areas of the state are grateful for your support of water projects during the current budget cycle.

As we look to the future, there are water development funding challenges that will take the collective efforts of all of us to address. But at the same time, support of water development through the use of ARPA funds, bonding, and the state's Resources Trust Fund, provide our state with unique, and promising opportunities. As you know, the Resources Trust Fund was created in large part to fund water projects within the state, and is derived from 20.5% of oil extraction taxes. The future development of oil and gas remains important to the development of water projects in North Dakota, and continued

efforts of DWR to work with water project sponsors to identify needs on a biennial basis are critical to planning for the wise use of Resource Trust Fund dollars. The agency's budgeting and planning efforts, however, do not always include those potential water projects that may materialize after the budget has been finalized. Often times, these projects are economic development investors looking to locate somewhere in the state based on incentives and water availability. Just in my past three months in this role, the Department has been approached by various communities statewide looking to understand the availability of potential funds, and water, for economic development needs.

With all of this in mind, I would like to briefly outline some key take-aways that we have learned through DWR's most recent 2021 water development planning efforts, which involves extensive grassroots input from our state's many local water project sponsors. Within the 2021 Water Development Plan, the Department of Water Resources inventoried about \$646 million in state-supported water project funding needs during the 2021-2023 biennium. The approximately \$402 million in new project funding in HB 1020, combined with the \$510 million of cost-share in HB 1431 through bonding (of which \$435.5 million is for the Fargo Diversion Project and \$74.5 million is for Mouse River Enhanced Flood Protection) greatly help to address a large portion of those needs identified in the next two-year timeframe. However, as you are all aware, North Dakota's largest water projects require longer-term planning and continued commitment to reach completion. The amount of dollars in the Resources Trust Fund and the

buckets the dollars are divided among dictates which projects can be funded with limited flexibility.

To address a longer-term planning horizon, we developed estimates for 10-year water project funding needs, as outlined in the attached bar chart. In addition, we have presented those needs by purpose, with a range of potential revenue streams from the Resources Trust Fund. As you can see, the estimated unfunded water project funding needs from the state over the course of the next ten years is about \$2.5 billion. Those needs compared with Resources Trust Fund revenues of \$200 million, \$300 million, and \$400 million per biennium, yields estimated funding shortfalls from the state of \$1.4 billion, \$984 million, and \$484 million, respectively. I would like to also point out that these estimated shortfalls do already take into consideration the 2021-2023 biennium funding commitments provided for water in HB 1020 and HB 1431 during the 2021 Legislative Assembly.

As previously discussed, in addition to the traditional water infrastructure needs we've identified across the state that could currently use additional funds, we are also learning more about emerging economic development opportunities that will be seeking state cost-share (see attached). Examples include petrochemical manufacturing that will rely on a \$25 million expansion at the Williston Water Treatment Plant; \$14 million for a water supply line from Washburn to the Blue Flint Ethanol Plant; and \$16 million for a water service project from the Grand Forks Water Treatment Plant to their new industrial agriculture park.

On a broader scale, as outlined in recent months by North Dakota's Department of Commerce, Economic Development and Finance Division, they are working on \$25 billion in various projects throughout the state. Of those projects, we know that in some cases water will undoubtedly be a critical factor – particularly for project types like those identified in the attached handout. We are also aware that emerging economic development opportunities can advance more rapidly and are not always easily planned for years in advance. With that in mind, flexibility in the state's ability to support those types of projects might be the difference between their success in North Dakota, versus elsewhere.

By directing dollars toward strategic water investments like value-added agriculture and energy projects today, we can solidify economic development growth opportunities here in North Dakota. The Department of Water Resources is a key partner when formalizing cost-share packages for economic recruitment and investments. The Department does not want to be the limiting factor to potential statewide opportunities not realized during the 21-23 budget planning process. The use of ARPA funds in strategic water investments today can lead to economic diversification initiatives statewide and to accelerated traditional project completions, which can bring quicker returns on investments.

Therefore, in consideration of the large, and important traditional water development needs throughout our state, and emerging economic development opportunities, I

respectfully request your support of the Governor's proposal to invest \$50 million of the state's ARPA funds in strategic water infrastructure projects.

Mr. Chairman, members of the committee, this concludes my testimony, and I will be happy to answer questions that you might have.

2021-2023 WATER-RELATED FUNDING

HB 1020: Water Resources Budget Bill

\$1.1M

Basin-Wide Plan

\$59.6M

Rural Water Supply

\$6.0M

Discretionary Funding

\$63.9M

Salaries & Operating

\$14.2M

General Water

\$125M

Water Supply

\$48M

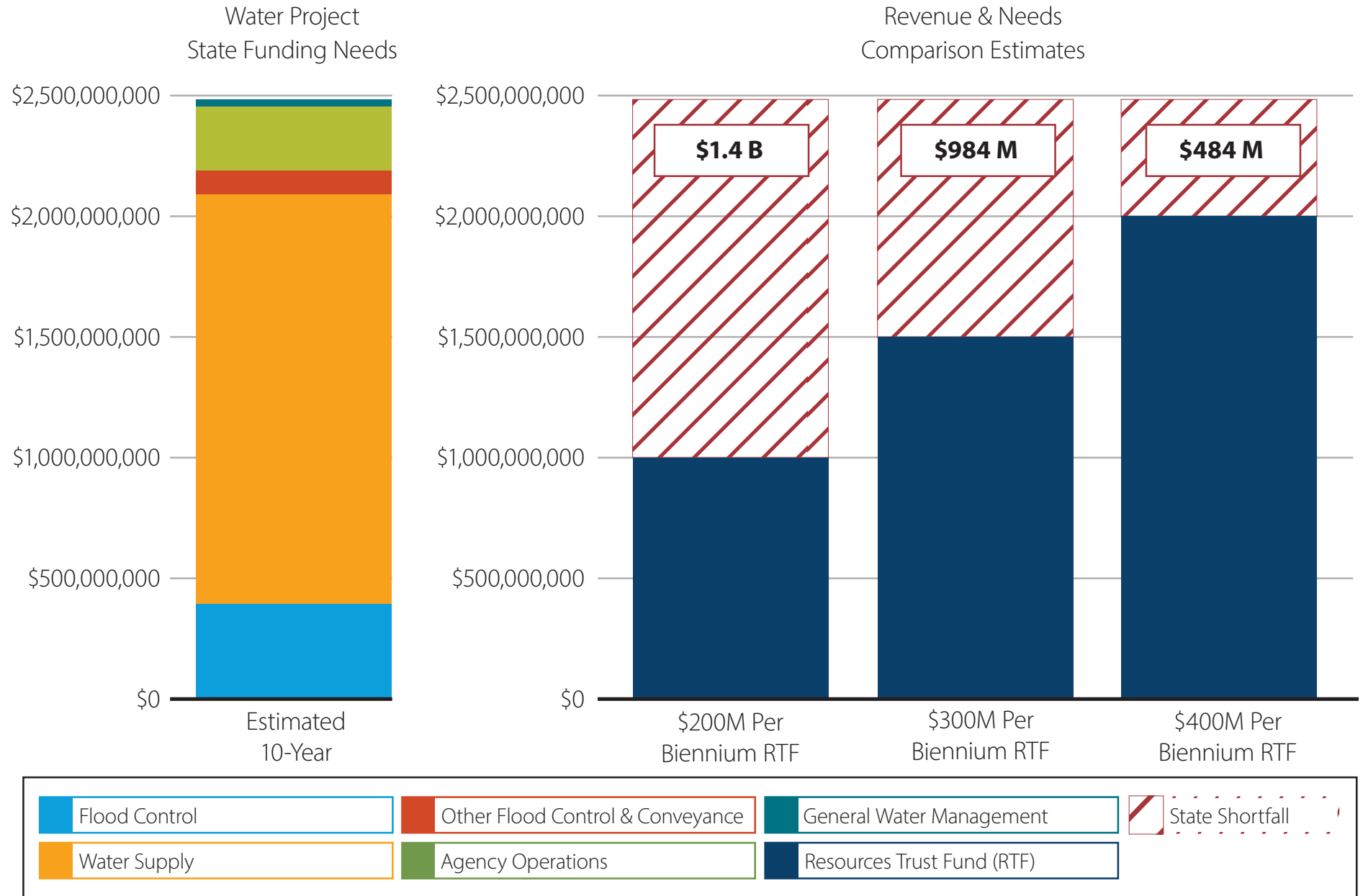
Flood Control

\$148.5M

Capital Assets

- HB 1020: Largely Funded With Resource Trust Fund Revenue – From 20.5% Of Oil Extraction Tax
- HB 1431: Bonding Bill Supporting Water Infrastructure (\$50M IRLF, \$74.5M Mouse River Flood Protection, \$435.5 FM Flood Control)

10-YEAR WATER PROJECT FUNDING NEEDS & REVENUE COMPARISONS



EMERGING ECONOMIC DEVELOPMENT OPPORTUNITIES

WATER INFRASTRUCTURE
WILL BE A KEY FACTOR



- Department Of Commerce Renewed Approach To Economic Development – Working on \$25B in Projects Statewide

Testimony of Gerald Bachmeier

12200

Red Trail Energy, CEO

North Dakota Ethanol Producers Association, President

To the House Appropriations Committee

In Support of Senate Bill 2345

November 10, 2021

Chairman Delzer and members of the House Appropriations Committee:

I am Gerald Bachmeier, and I am the CEO of Red Trail Energy located in Richardton. I also serve as the president of the North Dakota Ethanol Producers Association (NDEPA), which represents North Dakota's six ethanol plants, industry stakeholders and associated businesses. NDEPA is here today to indicate support for Senate Bill 2345, specifically section 1, subsection 34 of the bill which includes \$21 million of North Dakota's American Rescue Plan Act (ARPA) funds to repay loans issued to five of the state's ethanol plants in 2020 through the Ethanol Recovery Program.

North Dakota's ethanol industry contributes \$624 million annually to the state's economy and provides more than 10,000 direct and indirect jobs. The plants utilize 160-180 million bushels of corn annually to produce more than 500 million gallons of ethanol. In addition, 1.3 million tons of distiller's grains are produced and utilized in livestock feeding operations.

The Ethanol Recovery Program is a loan guarantee and interest buydown program for North Dakota ethanol plants established in 2020 from the existing state Biofuels PACE program and value-added loan guarantee program. It provided ethanol producers up to \$15 million in low-interest (1%) loans. Loans were provided by commercial banks but backed by the State Improvement and Investment Fund (SIIF) and the interest lowered by the Bank of North Dakota (BND). Our industry is grateful for the program as it helped our state's plants weather the economic challenges related to the COVID-19 pandemic.

The program, approved by the North Dakota Industrial Committee and implemented by BND, was effective in helping the industry, which is essential to farmers and rural communities, through an unprecedented time where fuel prices plummeted, and fuel demand was cut in half due to the COVID-19 pandemic. As biofuel plants across the country closed during this crisis, the Ethanol Recovery

Program offered support to sustain North Dakota's ethanol plants during this time of extreme industry challenges.

Coming off COVID-19 disruptions, the state was hit with a year of extreme drought, which significantly impacted the production of corn and other ethanol feedstocks. According to the U.S. Drought Monitor, 2021 is the seventh driest year to date over the past 127 years. In addition, all 53 counties in North Dakota have USDA disaster designations. North Dakota's corn yield is projected to be down considerably this year from 139 bushels per acre in 2020 to 108 bushels per acre for the 2021 crop year. While the industry was starting to rebound, the drought and resulting 2021 crop loss has inhibited a full recovery by driving up the cost basis for corn as much as 75 cents.

The drought has and will continue to affect rancher ability to feed their livestock. Each bushel of corn processed by North Dakota ethanol plants produces 18 pounds of livestock feed (distillers grains), which are a cost-efficient, high-quality feed to supplement livestock during times of drought when forages are poor quality.

We thank you for your support of the state's ethanol industry in the past and urge your favorable consideration of SB 2345, which will assist with sustaining an industry important to the state's economy and ag producers. Below is a list of additional organizations that have indicated support of the loan forgiveness program.

Supporting Organizations

North Dakota Corn Growers Association

North Dakota Farmers Union

North Dakota Grain Growers Association

North Dakota Association of Rural Electric Cooperatives

TESTIMONY OF
MAJOR GENERAL ALAN S. DOHRMANN
NORTH DAKOTA NATIONAL GUARD
BEFORE THE
SPECIAL SESSION HOUSE APPROPRIATIONS COMMITTEE
10 NOVEMBER 2021
NORTH DAKOTA NATIONAL GUARD ARPA REQUEST

Good afternoon Chairman Delzer and members of the committee, I am Major General Alan Dohrmann, the Adjutant General for the North Dakota National Guard (NDNG). I am here today to testify in support of American Rescue Plan Act funding requests as supported in the Governor's proposal. Our request includes two projects with a total cost of \$2,450,000.

1. Dorm Lodging = \$2,000,000 – A two story building of 32 rooms are for single occupancy with bathrooms. We are utilizing and meeting federal building allowances that will allow us to use federal sustainment funds.
 - Project justification:
 - Camp Grafton Training Center (CGTC) has a shortage in current lodging requirements for a Tier 3 Training Center. The minimum required beds is 1,041 beds. Our current available beds at CGTC is 961. Equaling a gap of 80 beds.
 - This project closes the gap and fulfills the sustainment requirement for military, law enforcement, and Bureau of Indian Affairs (BIA) Advanced Law Enforcement Training Academy courses at CGTC.
 - Supports planned growth at Camp Grafton for military and civilian law enforcement training and military engineer training.
2. Emergency Response System Upgrade = \$450,000 - The Office of the Adjutant General currently has a state active duty system (IEOMS – Integrated Emergency Operation Management System) used during emergencies for managing state missions personnel pay and equipment reimbursement. The current system is running on outdated software that will no longer be supported starting April 2022 and will be considered a cybersecurity risk. After working with NDIIT to identify potential solutions for our current product, one was identified that overcomes current limitations by running in a secure government cloud, allowing the collaboration of users from multiple agencies.
 - Project justification:
 - NDNG operational tempo over last several years – flooding, wildfire, civil unrest, and pandemic – require a fully supported SAD management system.
 - The current system does not incur monthly maintenance costs, but we budget \$20,000 per biennium for any changes that may be necessary.
 - No additional FTEs are required.

- Estimated \$225,000 for implementation, training, first year licensing, and hosting. Annual licensing and hosting costs of \$50,000 are anticipated thereafter.

Mr. Chairman that completes our testimony. I would like to leave you with these final thoughts. This is a pivotal time for the North Dakota National Guard as we evolve to meet the demands of a continuously changing landscape of our state, nation, and world. Our investment in readiness, increased capacity, and future capabilities must keep pace if we are to remain relevant today and able to meet the mission requirements of tomorrow.

I ask for your favorable support of the executive recommendation and am pleased to stand for questions. Thank you.



#12198

Camp Grafton Training Center Dormitory

❑ Cost Estimate: \$2,000,000

❑ State Sustainment: \$0

- 32 room dormitory with single occupancy rooms with bathrooms.
- Closes 80 bed shortfall to ensure federal funding at Tier 3 Level.
- Ensures we have adequate rooms for support the BIA Law Enforcement Advance Training Academy.
- Supports planned growth at Camp Grafton for military and civilian law enforcement training and military engineer training





Integrated Emergency Operation Management System

- ❑ **Cost: \$450,000 (implementation, training & operations through 2026)**
- ❑ **State Sustainment: \$50,000/annual (Starting in 2027)**

- Replaces IEOMS system that will time-out in April of 2022.
- Large cyber and operations threat if system is not replaced.
- Tracks all personnel and logistics used in a state disaster or emergency; pay system for State Active duty mission.
- NDNG operational tempo over last several years – flooding, wildfire, civil unrest and pandemic – require a fully supported SAD management system.





**Senate Bill 2345
(Section 1, Subsection 1)**

Testimony of Ron Ness

House Appropriations Committee

November 10, 2021

Chairman Delzer and members of the Appropriations Committee, my name is Ron Ness, president of the North Dakota Petroleum Council. The North Dakota Petroleum Council represents nearly 600 companies in all aspects of the oil and gas industry, including oil and gas production, refining, pipeline, transportation, mineral leasing, consulting, legal work, and oilfield service activities in North Dakota. I appear before you today in support of Senate Bill 2345 and, specifically, Section 1, Subsection 1 of the bill.

North Dakota has a unique opportunity to partner with Bakken producers and midstream companies interested in finding new markets and transportation options for Bakken natural gas. A major transmission line linking the west to the east will provide countless dividends back to the state, including moving high value, North Dakota-produced natural gas at competitive rates to underserved market areas of the state. By expanding processed Bakken natural gas takeaway capacity with the addition of such a major trunk line, North Dakota's oil industry can also increase oil production while advancing the state's goal of producing clean, sustainable, reliable, and affordable energy to the nation and the world.

Instead of being reliant on natural gas sourced from Canada, North Dakota is in the unique position of being able to invest in a major piece of infrastructure that serves and benefits the entire state. Central and eastern North Dakota are largely starved for the level of natural gas supply required for those regions to grow their economic portfolios. Supporting a FERC-regulated common carrier natural gas trunk line to areas of central and eastern North Dakota will allow third parties to compete to deliver Bakken natural gas to local communities and anchor economic development projects. This is a "win-win-win" project for the state.

We therefore urge a **Do Pass** on Section 1, Subsection 1 of Senate Bill 2345. I would be happy to answer any questions.



House Appropriations Committee
IN SUPPORT – SB 2345 – State Fiscal Recovery Appropriations
November 11, 2021
Janelle Moos, AARP North Dakota
jmoos@aarp.org
(701) 355-3641

Chairman Delzer and members of the House Appropriations Committee, I am Janelle Moos, Associate State Director of Advocacy at AARP North Dakota. I'm offering testimony in favor of SB 2345.

AARP North Dakota, on behalf of our 83,000 members, would like to thank you for your efforts and leadership throughout the COVID-19 pandemic. We recognize that while the worst of this unprecedented time may be behind us, many issues which disproportionately impact older North Dakotans have surfaced during the pandemic that require continued action from our state. As you prepare to budget and appropriate funds from the American Rescue Plan Act, AARP North Dakota encourages you to address these challenges by strengthening North Dakota's long-term care services and supports and housing.

Long-Term Care Services and Supports

On May 13, 2021, the Centers for Medicare & Medicaid Services issued [guidance](#) to states on the temporary enhanced funding for Medicaid Home and Community Based Services (HCBS) under the American Rescue Plan Act. The State Medicaid Director Letter ([SMDL #21-003](#)) provides guidance to states regarding the implementation of the temporary increase to North Dakota's federal medical assistance percentage (FMAP) of 10 percentage points for certain Medicaid HCBS expenditures under the ARP Act.

This temporary FMAP increase is available to states beginning April 1, 2021 through March 31, 2022, and the guidance provides that state funds freed up (i.e., state funds equivalent to the amount of federal funds attributable to the increased FMAP) can be used through March 31, 2024 to improve HCBS in the state (specifically to enhance, expand, or strengthen HCBS). Examples include increasing access to HCBS for Medicaid beneficiaries, protecting the HCBS workforce, safeguarding the financial stability for HCBS providers, and accelerating meaningful reform of long-term services and supports.

Given a vast majority of North Dakota want to live independently in their homes and communities, AARP urges North Dakota to take advantage of this unique opportunity to use this increased funding to supplement existing state HCBS efforts.

We would like to thank you again for your service to our state and for your leadership during these challenging times. AARP North Dakota is committed to working with you to make these critical improvements in our state. If you have questions or wish to discuss these items further, please contact me at jmoos@aarp.org or 701.355.3641.

Thank you.



PO Box 1091 • Bismarck, ND 58502
701-355-4458 • www.ednd.org

**Testimony of Jennifer Greuel
Economic Development Association of North Dakota
In Support of SB 2345
Sections 1, 29, 38, 39
Nov. 9, 2021**

Chair Delzer and members of the House Appropriations Committee:

I am Jennifer Greuel, executive director of the Economic Development Association of North Dakota (EDND). I am here in support of several proposals to use American Rescue Plan Act (ARPA) funding to strengthen and diversify North Dakota's economy.

EDND represents more than 80 state economic development organizations and related businesses on the front line of economic development efforts throughout North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life.

As you're aware, there are many ideas in this bill which could serve to strengthen and diversify North Dakota's economy. Today EDND would like to focus on the proposals related to natural gas infrastructure and workforce needs.

Natural Gas to Meet Community Needs

The challenge of providing natural gas to unserved or underserved communities lies in financing the gap between the existing pipelines and the community. The included \$150 million recommendation (*Section 1, Subsection 1*) for natural gas infrastructure would help address this gap and provide additional communities with service, while making use of North Dakota produced natural gas.

EDND has been involved in conversations with utility companies, legislators, and the Public Service Commission (PSC) for many years about the topic of natural gas, most recently during the 2017 Legislative Session and the following interim. The availability of natural gas and the expansion of natural gas infrastructure play a key role in the continued growth and vitality of many businesses, communities and the state. Natural gas is a resource typically

required in order to attract any significant manufacturing opportunity. National site selectors have reported they won't consider a community for a manufacturing project if it does not have natural gas service. Therefore, communities with access to natural gas have an advantage over communities without it. More than 300 communities in the state do not have access to natural gas and many with service don't have enough to compete for large value-added projects.

Meeting ND's Workforce Needs

North Dakota's unemployment rate has quickly rebounded after the pandemic (3.5 percent in Sept. 2021), and workforce availability is a significant challenge facing North Dakota businesses, limiting the growth potential of the state's economy. EDND supports the development of workforce attraction, development and retention strategies that address the needs of the state's businesses and industries.

North Dakota does not have enough people, especially in highly-skilled fields, to fill its job openings, much less attract new businesses which would serve to diversify the economy and reduce the state's reliance on energy and agriculture. The \$15 million Local Workforce Development Incentive Program (*Section 38*) outlined in this bill would serve to attract non-resident workers to the state and give regions and businesses the tools and flexibility to attract the talent they need, and the \$5 million technical skills training grant program (*Section 39*) would help retrain our existing workforce.

Childcare availability and cost are major issues facing young families making up North Dakota's potential workforce pool. Childcare expenses can result in fewer workers, detracting from the state's productivity and ability to attract new talent into the state. The \$17 million in this bill to be provided to the Department of Human Services (*Section 29*) could begin to help address this need.

Thank you for the opportunity to express our support for these important proposals and for your continued commitment to keeping North Dakota globally competitive and diversifying the state's economy.



ACCELERATE ND – DOCR

Senate Bill No. 2345

Prepared for: House Appropriations Committee
Chairman: Representative Jeff Delzer
November 10, 2021

Dave Krabbenhoft, Director



Corrections and
Rehabilitation

Department of Corrections & Rehabilitation

- *Supporting the Mission & Vision of DOCR:*
 - *Transforming Lives, Influencing Change, Strengthening Community*
 - *Healthy and Productive Neighbors, a Safe North Dakota*

DEFERRED ADMISSION HOUSING

SB2345 Section 4 - Deferred Admission Housing: \$4,800,000

- DOCR coordinated with ND Dept of Health to establish the Vulnerable Population Plan (VP3). Protocols were established and shared with ND sheriffs and jail administrators. This established a mitigation plan to resume admissions to the DOCR, but also provided guidance to local administrators
- DOCR requested CARES Act funding in the 19-21 biennium to provide compensation to the local correctional facilities for housing DOCR sentence individuals during COVID mitigation protocols
- COVID19 outbreaks within close quarters prison housing, among a population with high rates of underlying health conditions, continue to be a daily threat to safety of resident populations and the DOCR staff who serve them

DEFERRED ADMISSION HOUSING

DOCR continues to take action to mitigate the spread of COVID19 to our incarcerated populations but has not yet deferred admissions during the current biennium

The resurgence of COVID19 variants has required the continued mitigation protocols by DOCR and its partners, ND Counties

This request would provide funding to reimburse ND county jails for offender housing attributable to pandemic delayed DOCR admission

Image to right: DOCR VP3 Plan, June 16 2021



June 16, 2021

Re: DOCR VP3 PLAN

Justice Involved Individuals who are detained or incarcerated represent vulnerable populations. Close quarters for eating and recreation are the rule, and congregate housing is typical. Transport between facilities most often involves groups of Justice Involved Individuals in vans. Social distancing cannot be maintained in such environments. Risk for COVID Infection is high, as is the rate of spread of the infection in these environments. Additionally, there are high rates of underlying health conditions among Justice Involved Individuals. Given these conditions, the ND DOCR in coordination with the ND Department of Health has established a process for accepting admissions from North Dakota county and regional correctional facilities.

1. Correctional facilities must have an established robust COVID-19 containment and mitigation plan in place prior to transferring Individuals to DOCR facilities. A robust plan includes these elements:
 - a) Protocols requiring unvaccinated staff to wear PPE, specifically masks throughout the facility.
 - b) Staff and detainee screening are performed upon arrival to the facility.
 - c) COVID positive staff members isolate at home and do not work at the correctional facility while infectious.
 - d) Staff close contacts as determined by the ND DoH guidelines of COVID positive individuals self-quarantine and do not work at the correctional facility during the quarantine period.
2. All incarcerated Individuals approved for admission to DOCR must first undergo one of the below listed testing procedures.
 - a) PCR testing procedure: Individuals who are candidates for transfer to DOCR will undergo COVID testing within 7 days of transfer. Once tested, these Individuals will be kept in quarantine only with others set to transfer to the ND DOCR at the correctional facility to minimize risk of cross-contamination prior to transfer. Documentation of negative result is required to obtain approval for transport.
 - b) BinexNOW testing procedure- Individuals who are candidates for transfer to DOCR will undergo COVID testing no more than one day before transfer. Once tested, these Individuals will be kept in quarantine only with others set to transfer to the ND DOCR at the correctional facility to minimize risk of cross-contamination prior to transfer. Documentation of negative result is required to obtain approval for transport.
 - c) Individuals who are verified as fully vaccinated and do not have symptoms of COVID-19 do not need to quarantine or be subject to one of the above testing procedures, prior to transfer to the ND DOCR. However, individuals who are fully vaccinated should continue to be tested prior to transfer to the ND DOCR following exposure



FREE THROUGH RECOVERY

Senate Bill 2345 Section 8 - Free Through Recovery: \$2,995,200

What is Free through Recovery?

- Improve healthcare outcomes and reduce recidivism by delivering high-quality community behavioral health services linked with effective community supervision
- Collaborative relationship between the DOCR, the Department of Human services, Probation and Parole and Community Care Coordination Agencies
- Participant eligibility includes those 18 years of age or older presenting with a behavioral health condition (mental health and/ or substance abuse), are involved in the criminal justice system, and present a risk for future criminal justice involvement

Senate Bill 2015 provided federal funding of \$3.3 million added to \$8 million from general funds for a total of \$11.3 million for the free through recovery program. The source was not specified for the \$3.3 million from federal funds.

This request would provide that source of federal dollars.

FREE THROUGH RECOVERY

Expected & Reported Outcomes

- Positive gains in housing, employment, recovery, and reduced criminal justice involvement
- Outcome reporting is completed by Care Coordinators and Parole & Probation on a monthly basis, overseen by Regional Administrators
- FTR has served 3,344 participants to date with a current census of 1,088
 - Overall positive outcome percentage of 68.3% (housing 76%, employment 65%, recovery 70%, law enforcement 72%)

Funding the appropriation authorized by SB2015 will:

- Expand the Free Through Recovery program, increasing overall capacity and providing necessary services to additional participants
- Provide the needed increase in services to address behavioral healthcare needs exacerbated by the pandemic
- Fulfill the funding appropriation appropriated by SB2015



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**Testimony of Darrell Oswald
Chair, North Dakota Ag Coalition
SB 2345
November 10, 2021**

Chairman Delzer and members of the Senate Appropriations Committee, my name is Darrell Oswald, and I am a rancher near Wing, North Dakota. I also serve as the chair of the North Dakota Ag Coalition. It is on behalf of the Ag Coalition that I voice support for SB 2345, specifically as it relates to Section 1; subsection 6 and funding the 2021-2023 SBARE priorities for the NDSU Extension and the North Dakota Agricultural Experiment Station, specifically the updated capital improvement requests.

The Ag Coalition has provided a unified voice for North Dakota agricultural interests for over 35 years. Today, we represent more than 40 statewide organizations and associations that represent specific commodities or have a direct interest in agriculture. Through the Ag Coalition, our members seek to enhance North Dakota's agriculture industry.

The Ag Coalition takes a position on a limited number of issues, brought to us by our members, that have significant impact on North Dakota's agriculture industry. The Ag Coalition supports use of American Rescue Plan Act (ARPA) funding for the capital improvement requests made by SBARE as ag research and extension continue to be one of the top priorities for North Dakota's crop and livestock producers. North Dakota producers rely on ag research and extension to make decisions to produce the highest quality product that is most economically feasible.

The livestock facilities for Carrington Research Extension Center, Central Grasslands Research Extension Center and Hettinger Research Extension Center will ensure North Dakota is well equipped to provide the research needed by the region's livestock producers.

We appreciate your past support and urge your continued support of research and extension as these programs provide valuable information, education and tools for the state's producers.

2021 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Brynhild Haugland Room, State Capitol

SB 2345
11/11/2021

A BILL for an Act to create and enact a new section to chapter 27-20.4 of the North Dakota Century Code, relating to records and cooperative agreements to provide services to juveniles adjudicated in tribal court; to amend and reenact section 27-20.2-21 of the North Dakota Century Code, relating to the inspection of juvenile court files; to provide appropriations to various state agencies; to provide for a transfer; to provide for a legislative management study; to provide for a report; to provide a limitation; to provide an exemption; to provide an effective date; and to provide an expiration date.

1:32 Chairman Delzer Calls the meeting to order; roll call was taken;

Attendance	P/A
Representative Jeff Delzer	P
Representative Keith Kempenich	P
Representative Bert Anderson	P
Representative Larry Bellew	P
Representative Tracy Boe	P
Representative Mike Brandenburg	P
Representative Michael Howe	P
Representative Gary Kreidt	P
Representative Bob Martinson	P
Representative Lisa Meier	P
Representative Alisa Mitskog	P
Representative Corey Mock	P
Representative David Monson	P
Representative Mike Nathe	P
Representative Jon O. Nelson	P
Representative Mark Sanford	P
Representative Mike Schatz	P
Representative Jim Schmidt	P
Representative Randy A. Schobinger	P
Representative Michelle Strinden	P
Representative Don Vigesaa	P

Discussion Topics:

- Amendment

1:33 Chairman Delzer Discusses amendment 21.1123.03004 (Testimony #12232)

1:42 Representative Mock Makes a motion to adopt the amendment

Representative Meier Seconds the motion

1:43 Voice Vote- Motion Carries

Representative Monson Makes a motion for a Do Pass as Amended

Representative Nathe Seconds the motion

1:44 Roll call vote was taken

Representatives	Vote
Representative Jeff Delzer	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Larry Bellew	Y
Representative Tracy Boe	Y
Representative Mike Brandenburg	Y
Representative Michael Howe	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	A
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	A
Representative Mark Sanford	Y
Representative Mike Schatz	A
Representative Jim Schmidt	Y
Representative Randy A. Schobinger	Y
Representative Michelle Strinden	Y
Representative Don Vigesaa	Y

Motion Carries 19-2-0

Additional written testimony: Testimony # 12231

Chairman Delzer Closes the meeting for SB 2345

Risa Berube, House Appropriations Committee Clerk

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2345

- Page 1, line 1, after "27-20.4" insert "and a new section to chapter 61-01"
- Page 1, line 3, after "court" insert "and the water projects stabilization fund"
- Page 1, line 3, after "reenact" insert "subsection 1 of section 21-10-06 and"
- Page 1, line 4, after "Code" insert " and section 3 of chapter 20 of the 2021 Session Laws"
- Page 1, line 4, after the first "to" insert "funds invested by the state investment board,"
- Page 1, line 4, after "files" insert ", and the appropriation of additional amounts to the state water commission"
- Page 1, line 5, remove "to provide for a legislative management study;"
- Page 1, line 6, after the second semicolon insert "to provide a statement of legislative intent;"
- Page 2, line 4, remove ". The funding"
- Page 2, remove line 5
- Page 2, line 6, replace "water supply, and economic development" with "for projects the department determines comply with federal guidance for the state fiscal recovery fund"
- Page 2, line 17, after "facilities" insert "with priority for outdoor facilities"
- Page 4, line 5, replace "\$2,200,000" with "\$1,600,000"
- Page 6, line 25, replace "\$25,750,000" with "\$25,350,000"
- Page 6, line 31, after the comma insert "and"
- Page 7, line 1, remove ", and up to \$400,000 is for administrative expenses of the"
- Page 7, line 2, remove "department relating to providing financial assistance to long-term care facilities"
- Page 7, line 24, after "current" insert "agreement"
- Page 7, line 24, after "services" insert "agreements"
- Page 9, line 31, after "43." insert "There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant for the construction of a new medical center located in the county seat of Pierce County for the period beginning with the effective date of this Act, and ending June 30, 2023.

44."

Page 9, after line 31, insert:

Dr 1/11/21
2 of 4

"SECTION 2. AMENDMENT. Subsection 1 of section 21-10-06 of the North Dakota Century Code is amended and reenacted as follows:

1. Subject to the provisions of section 21-10-02, the board shall invest the following funds:
 - a. State bonding fund.
 - b. Teachers' fund for retirement.
 - c. State fire and tornado fund.
 - d. Workforce safety and insurance fund.
 - e. Public employees retirement system.
 - f. Insurance regulatory trust fund.
 - g. State risk management fund.
 - h. Budget stabilization fund.
 - i. Water projects stabilization fund.
 - j. Health care trust fund.
 - ~~j-k.~~ Cultural endowment fund.
 - ~~k-l.~~ Petroleum tank release compensation fund.
 - ~~l-m.~~ Legacy fund.
 - ~~m-n.~~ Legacy earnings fund.
 - ~~n-o.~~ A fund under contract with the board pursuant to subsection 3."

Page 16, after line 11, insert:

"SECTION 5. A new section to chapter 61-01 of the North Dakota Century Code is created and enacted as follows:

Water projects stabilization fund.

The water projects stabilization fund is a special fund in the state treasury. The fund consists of all money transferred to the fund and all interest and earnings upon moneys in the fund. Moneys in the fund may be used for defraying planning and construction expenses of water-related projects.

SECTION 6. AMENDMENT. Section 3 of chapter 20 of the 2021 Session Laws is amended and reenacted as follows:

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - BUDGET SECTION APPROVAL. In addition to the amounts appropriated in section 1 of this Act, any additional amounts in the resources trust fund or the water projects stabilization fund which become available are appropriated, subject to budget section approval, to the state water commission for the purpose of defraying the expenses of that agency, for the period beginning with the effective date of this Act, and ending

June 30, 2023. Before approving any request, the budget section shall determine:

1. Approving additional appropriations will not negatively affect the sixty-seventh legislative assembly's ability to address water-related needs;
2. The proposed use of the additional income complies with legislative intent; and
3. The proposed use of the additional income will not result in future funding commitments.

SECTION 7. WATER PROJECTS STABILIZATION FUND - TRANSFERS.

1. The office of management and budget shall transfer the sum of \$1,000,000 from the resources trust fund to the water projects stabilization fund during the month of January 2022.
2. Notwithstanding subsections 1 and 2 of section 57-51.1-07, any oil extraction tax revenues deposited in the resources trust fund that exceed the amount included in the 2021 legislative forecast during the period beginning August 1, 2021, and ending February 28, 2023, must be transferred at least quarterly by the office of management and budget from the resources trust fund to the water projects stabilization fund for the period beginning with the effective date of this Act, and ending June 30, 2023."

Page 16, replace lines 18 through 25 with:

"SECTION 9. LEGISLATIVE INTENT - NATURAL GAS PIPELINE INFRASTRUCTURE. It is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly consider providing additional funding for continuing the development of high-pressure transmission pipeline infrastructure for the transportation and competitive selling of natural gas to eastern North Dakota."

Page 16, line 27, replace "3" with "4"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment includes the following changes to Section 1:

- Subsection 3 - Clarifies the use of water projects funding.
- Subsection 5 - Provides priority be given for outdoor local park facilities.
- Subsection 13 - Reduces the appropriation to North Dakota State University for high-performance computing from \$2.2 million to \$1.6 million.
- Subsection 28 - Removes \$400,000 added by the Senate for Department of Human Services administrative costs relating to providing financial assistance to long-term care facilities.
- Subsection 30 - Clarifies the use of alternatives-to-abortion services funding.

- Subsection 43 - Provides \$1 million to the Office of Management and Budget for a grant relating to a new medical center located in Pierce County.

This amendment also:

- Adds four new sections to establish a water projects stabilization fund to provide for transfers from the resources trust fund to the water projects stabilization fund, to provide for Budget Section approval, and to provide for the investment of money in the water projects stabilization fund.
- Adds a section of legislative intent related to the continued development of pipeline infrastructure for the transportation of natural gas to eastern North Dakota.
- Removes a section providing for a Legislative Management study related to a water projects stabilization fund.

REPORT OF STANDING COMMITTEE

SB 2345, as engrossed: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2345 was placed on the Sixth order on the calendar.

Page 1, line 1, after "27-20.4" insert "and a new section to chapter 61-01"

Page 1, line 3, after "court" insert "and the water projects stabilization fund"

Page 1, line 3, after "reenact" insert "subsection 1 of section 21-10-06 and"

Page 1, line 4, after "Code" insert " and section 3 of chapter 20 of the 2021 Session Laws"

Page 1, line 4, after the first "to" insert "funds invested by the state investment board,"

Page 1, line 4, after "files" insert ", and the appropriation of additional amounts to the state water commission"

Page 1, line 5, remove "to provide for a legislative management study,"

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Page 2, remove line 5

Page 2, line 6, replace "water supply, and economic development" with "for projects the department determines comply with federal guidance for the state fiscal recovery fund"

Page 2, line 17, after "facilities" insert "with priority for outdoor facilities"

Page 4, line 5, replace "\$2,200,000" with "\$1,600,000"

Page 6, line 25, replace "\$25,750,000" with "\$25,350,000"

Page 6, line 31, after the comma insert "and"

Page 7, line 1, remove ", and up to \$400,000 is for administrative expenses of the"

Page 7, line 2, remove "department relating to providing financial assistance to long-term care facilities"

Page 7, line 24, after "current" insert "agreement"

Page 7, line 24, after "services" insert "agreements"

Page 9, line 31, after "43." insert "There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant for the construction of a new medical center located in the county seat of Pierce County for the period beginning with the effective date of this Act, and ending June 30, 2023.

44."

Page 9, after line 31, insert:

"SECTION 2. AMENDMENT. Subsection 1 of section 21-10-06 of the North Dakota Century Code is amended and reenacted as follows:

1. Subject to the provisions of section 21-10-02, the board shall invest the following funds:
 - a. State bonding fund.
 - b. Teachers' fund for retirement.
 - c. State fire and tornado fund.
 - d. Workforce safety and insurance fund.
 - e. Public employees retirement system.
 - f. Insurance regulatory trust fund.
 - g. State risk management fund.
 - h. Budget stabilization fund.
 - i. Water projects stabilization fund.
 - j. Health care trust fund.
 - ~~j-k.~~ Cultural endowment fund.
 - ~~k-l.~~ Petroleum tank release compensation fund.
 - ~~l-m.~~ Legacy fund.
 - ~~m-n.~~ Legacy earnings fund.
 - ~~n-o.~~ A fund under contract with the board pursuant to subsection 3."

Page 16, after line 11, insert:

"SECTION 5. A new section to chapter 61-01 of the North Dakota Century Code is created and enacted as follows:

Water projects stabilization fund.

The water projects stabilization fund is a special fund in the state treasury. The fund consists of all money transferred to the fund and all interest and earnings upon moneys in the fund. Moneys in the fund may be used for defraying planning and construction expenses of water-related projects.

SECTION 6. AMENDMENT. Section 3 of chapter 20 of the 2021 Session Laws is amended and reenacted as follows:

**SECTION 3. ADDITIONAL INCOME - APPROPRIATION -
BUDGET SECTION APPROVAL.**

In addition to the amounts appropriated in section 1 of this Act, any additional amounts in the resources trust fund or the water projects stabilization fund which become available are appropriated, subject to budget section approval, to the state water commission for the purpose of defraying the expenses of that agency, for the period beginning with the effective date of this Act, and ending June 30, 2023. Before approving any request, the budget section shall determine:

1. Approving additional appropriations will not negatively affect the sixty-seventh legislative assembly's ability to address water-related needs;
2. The proposed use of the additional income complies with legislative intent; and
3. The proposed use of the additional income will not result in future funding commitments.

SECTION 7. WATER PROJECTS STABILIZATION FUND - TRANSFERS.

1. The office of management and budget shall transfer the sum of \$1,000,000 from the resources trust fund to the water projects stabilization fund during the month of January 2022.
2. Notwithstanding subsections 1 and 2 of section 57-51.1-07, any oil extraction tax revenues deposited in the resources trust fund that exceed the amount included in the 2021 legislative forecast during the period beginning August 1, 2021, and ending February 28, 2023, must be transferred at least quarterly by the office of management and budget from the resources trust fund to the water projects stabilization fund for the period beginning with the effective date of this Act, and ending June 30, 2023."

Page 16, replace lines 18 through 25 with:

"SECTION 9. LEGISLATIVE INTENT - NATURAL GAS PIPELINE INFRASTRUCTURE. It is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly consider providing additional funding for continuing the development of high-pressure transmission pipeline infrastructure for the transportation and competitive selling of natural gas to eastern North Dakota."

Page 16, line 27, replace "3" with "4"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment includes the following changes to Section 1:

- Subsection 3 - Clarifies the use of water projects funding.
- Subsection 5 - Provides priority be given for outdoor local park facilities.
- Subsection 13 - Reduces the appropriation to North Dakota State University for high-performance computing from \$2.2 million to \$1.6 million.
- Subsection 28 - Removes \$400,000 added by the Senate for Department of Human Services administrative costs relating to providing financial assistance to long-term care facilities.
- Subsection 30 - Clarifies the use of alternatives-to-abortion services funding.
- Subsection 43 - Provides \$1 million to the Office of Management and Budget for a grant relating to a new medical center located in Pierce County.

This amendment also:

- Adds four new sections to establish a water projects stabilization fund to provide for transfers from the resources trust fund to the water projects stabilization fund, to

provide for Budget Section approval, and to provide for the investment of money in the water projects stabilization fund.

- Adds a section of legislative intent related to the continued development of pipeline infrastructure for the transportation of natural gas to eastern North Dakota.
- Removes a section providing for a Legislative Management study related to a water projects stabilization fund.

21.1123.03004
Title.

Prepared by the Legislative Council staff for
Representative Delzer
November 11, 2021

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2345

Page 1, line 1, after "27-20.4" insert "and a new section to chapter 61-01"

Page 1, line 3, after "court" insert "and the water projects stabilization fund"

Page 1, line 3, after "reenact" insert "subsection 1 of section 21-10-06 and"

Page 1, line 4, after the first "to" insert "funds invested by the state investment board and"

Page 1, line 4, after the semicolon insert "to amend and reenact section 3 of chapter 20 of the 2021 Session Laws, relating to the appropriation of additional amounts to the state water commission;"

Page 1, line 5, remove "to provide for a legislative management study;"

Page 1, line 6, after the second semicolon insert "to provide a statement of legislative intent;"

Page 2, line 4, remove ". The funding"

Page 2, remove line 5

Page 2, line 6, replace "water supply, and economic development" with "for projects the department determines comply with federal guidance for the state fiscal recovery fund"

Page 2, line 17, after "facilities" insert "with priority for outdoor facilities"

Page 4, line 5, replace "\$2,200,000" with "\$1,600,000"

Page 6, line 25, replace "\$25,750,000" with "\$25,350,000"

Page 6, line 31, after the comma insert "and"

Page 7, line 1, remove ", and up to \$400,000 is for administrative expenses of the"

Page 7, line 2, remove "department relating to providing financial assistance to long-term care facilities"

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44."

Page 9, after line 31, insert:

"SECTION 2. AMENDMENT. Subsection 1 of section 21-10-06 of the North Dakota Century Code is amended and reenacted as follows:

1. Subject to the provisions of section 21-10-02, the board shall invest the following funds:
 - a. State bonding fund.
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 - c. State fire and tornado fund.
 - d. Workforce safety and insurance fund.
 - e. Public employees retirement system.
 - f. Insurance regulatory trust fund.
 - g. State risk management fund.
 - h. Budget stabilization fund.
 - i. Water projects stabilization fund.
 - j. Health care trust fund.
 - ~~j-k.~~ Cultural endowment fund.
 - ~~k-l.~~ Petroleum tank release compensation fund.
 - ~~l-m.~~ Legacy fund.
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 - ~~n-o.~~ A fund under contract with the board pursuant to subsection 3."

Page 16, after line 11, insert:

"SECTION 5. A new section to chapter 61-01 of the North Dakota Century Code is created and enacted as follows:

Water projects stabilization fund.

The water projects stabilization fund is a special fund in the state treasury. The fund consists of all money transferred to the fund and all interest and earnings upon moneys in the fund. Moneys in the fund may be used for defraying planning and construction expenses of water-related projects.

SECTION 6. AMENDMENT. Section 3 of chapter 20 of the 2021 Session Laws is amended and reenacted as follows:

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - BUDGET SECTION APPROVAL. In addition to the amounts appropriated in section 1 of this Act, any additional amounts in the resources trust fund or the water projects stabilization fund which become available are appropriated, subject to budget section approval, to the state water commission for the purpose of defraying the expenses of that agency, for the period beginning with the effective date of this Act, and ending June 30, 2023. Before approving any request, the budget section shall determine:

1. Approving additional appropriations will not negatively affect the sixty-seventh legislative assembly's ability to address water-related needs;
2. The proposed use of the additional income complies with legislative intent; and
3. The proposed use of the additional income will not result in future funding commitments.

SECTION 7. WATER PROJECTS STABILIZATION FUND - TRANSFERS.

1. The office of management and budget shall transfer the sum of \$1,000,000 from the resources trust fund to the water projects stabilization fund during the month of January 2022.
2. Notwithstanding subsections 1 and 2 of section 57-51.1-07, any oil extraction tax revenues deposited in the resources trust fund that exceed the amount included in the 2021 legislative forecast during the period beginning August 1, 2021, and ending February 28, 2023, must be transferred at least quarterly by the office of management and budget from the resources trust fund to the water projects stabilization fund for the period beginning with the effective date of this Act, and ending June 30, 2023."

Page 16, replace lines 18 through 25 with:

"SECTION 9. LEGISLATIVE INTENT - NATURAL GAS PIPELINE INFRASTRUCTURE. It is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly consider providing additional funding for continuing the development of high-pressure transmission pipeline infrastructure for the transportation and competitive selling of natural gas to eastern North Dakota."

Page 16, line 27, replace "3" with "4"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment includes the following changes to Section 1:

- Subsection 3 - Clarifies the use of water projects funding.
- Subsection 5 - Provides priority be given for outdoor local park facilities.
- Subsection 13 - Reduces the appropriation to North Dakota State University for high-performance computing from \$2.2 million to \$1.6 million.
- Subsection 28 - Removes \$400,000 added by the Senate for Department of Human Services administrative costs relating to providing financial assistance to long-term care facilities.
- Subsection 30 - Clarifies the use of alternative to abortion services funding.
- Subsection 43 - Provides \$1 million to the Office of Management and Budget for a grant relating to a new medical center located in Pierce County.

This amendment also:

- Adds four new sections to establish a water projects stabilization fund to provide for transfers from the resources trust fund to the water projects stabilization fund, to provide for Budget Section approval, and to provide for the investment of money in the water projects stabilization fund.
- Adds a section of legislative intent related to the continued development of pipeline infrastructure for the transportation of natural gas to eastern North Dakota.
- Removes a section providing for a Legislative Management study related to a water projects stabilization fund.

21.1123.03004

FIRST ENGROSSMENT

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2345

Introduced by

Legislative Management

(Appropriations Committee)

1 A BILL for an Act to create and enact a new section to chapter 27-20.4 and a new section to
2 chapter 61-01 of the North Dakota Century Code, relating to records and cooperative
3 agreements to provide services to juveniles adjudicated in tribal court and the water projects
4 stabilization fund; to amend and reenact subsection 1 of section 21-10-06 and section
5 27-20.2-21 of the North Dakota Century Code, relating to funds invested by the state
6 investment board and the inspection of juvenile court files; to amend and reenact section 3 of
7 chapter 20 of the 2021 Session Laws, relating to the appropriation of additional amounts to the
8 state water commission; to provide appropriations to various state agencies; to provide for a
9 transfer; ~~to provide for a legislative management study~~; to provide for a report; to provide a
10 limitation; to provide a statement of legislative intent; to provide an exemption; to provide an
11 effective date; and to provide an expiration date.

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

13 **SECTION 1. APPROPRIATION - TRANSFER - FEDERAL STATE FISCAL RECOVERY**
14 **FUND - ONE-TIME FUNDING - REPORT - EXEMPTION.**

- 15 1. There is appropriated from federal funds derived from the state fiscal recovery fund,
16 not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may
17 be necessary, to the industrial commission for the purpose of pipeline infrastructure
18 grants to allow for the transportation of natural gas to eastern North Dakota for the
19 period beginning with the effective date of this Act, and ending June 30, 2023. Of the
20 funds appropriated in this subsection, at least \$10,000,000 must be used for a project
21 to transport natural gas to areas in Grand Forks County.
- 22 2. There is appropriated from federal funds derived from the state fiscal recovery fund,
23 not otherwise appropriated, the sum of \$3,200,000, or so much of the sum as may be
24 necessary, to the industrial commission for the purpose of an abandoned oil well

conversion to water supply grant program for the period beginning with the effective date of this Act, and ending June 30, 2023.

3. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$75,000,000, or so much of the sum as may be necessary, to the department of water resources for the purpose of water infrastructure projects for the period beginning with the effective date of this Act, and ending June 30, 2023. The state water commission shall expend moneys from the state fiscal recovery fund before moneys from the resources trust fund. ~~The funding provided under this subsection may be used for water projects related to flood control, water supply, and economic development for projects the department determines~~ comply with federal guidance for the state fiscal recovery fund.

4. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$4,800,000, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for the purpose of providing stipends to county jails for costs to house inmates sentenced to the department of corrections and rehabilitation but deferred admission due to the pandemic for the period beginning with the effective date of this Act, and ending June 30, 2023.

5. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of grants to local park districts to renovate and upgrade existing facilities with priority for outdoor facilities for the period beginning with the effective date of this Act, and ending June 30, 2023. Local park districts must provide \$1 of local matching funds for each \$1 received under this subsection. A local park district may not receive more than \$1,000,000 under this subsection.

6. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$8,029,000, or so much of the sum as may be necessary, to the North Dakota state university main research center the purpose of one-time projects, including \$446,000 for projects at the Carrington research center, \$1,963,000 for projects at the central grasslands research center, \$2,200,000 for

1 projects at the Dickinson research center, and \$3,420,000 for projects at the Hettinger
2 research center for the period beginning with the effective date of this Act, and ending
3 June 30, 2023.

4 7. There is appropriated from federal funds derived from the state fiscal recovery fund,
5 not otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be
6 necessary, to the state department of health for the purpose of a public health
7 laboratory capital project for the period beginning with the effective date of this Act,
8 and ending June 30, 2023. The state department of health shall report to the
9 appropriations committees of the sixty-eighth legislative assembly regarding its plan
10 for the project.

11 8. There is appropriated from federal funds derived from the state fiscal recovery fund,
12 not otherwise appropriated, the sum of \$2,995,200, or so much of the sum as may be
13 necessary, to the department of corrections and rehabilitation for the purpose of the
14 free through recovery program for the period beginning with the effective date of this
15 Act, and ending June 30, 2023.

16 9. There is appropriated from federal funds derived from the state fiscal recovery fund,
17 not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be
18 necessary, to the parks and recreation department for the purpose of deferred
19 maintenance and capital projects for the period beginning with the effective date of this
20 Act, and ending June 30, 2023. Of the funding appropriated in this subsection, the
21 parks and recreation department shall spend at least \$100,000 on projects or deferred
22 maintenance at each state park.

23 10. There is appropriated from federal funds derived from the state fiscal recovery fund,
24 not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be
25 necessary, to the office of management and budget for the purpose of critical
26 maintenance projects for the period beginning with the effective date of this Act, and
27 ending June 30, 2023. The office of management and budget may transfer
28 appropriation authority under this subsection to eligible state agencies for deferred
29 maintenance of state-owned buildings.

30 11. There is appropriated from federal funds derived from the state fiscal recovery fund,
31 not otherwise appropriated, the sum of \$7,000,000, or so much of the sum as may be

necessary, to the office of management and budget for the purpose of improvements to the heating, ventilation, and air conditioning systems of the legislative chambers and the Brynhild Haugland room for the period beginning with the effective date of this Act, and ending June 30, 2023.

12. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$950,000, or so much of the sum as may be necessary, to the state historical society for the purpose of essential infrastructure at historic sites for the period beginning with the effective date of this Act, and ending June 30, 2023.

13. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of ~~\$2,200,000~~ \$1,600,000, or so much of the sum as may be necessary, to North Dakota state university for the purpose of high-performance computing for the period beginning with the effective date of this Act, and ending June 30, 2023.

14. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$50,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of a Merrifield hall renovation project for the period beginning with the effective date of this Act, and ending June 30, 2023.

15. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$38,000,000, or so much of the sum as may be necessary, to Bismarck state college for the purpose of constructing a polytechnic building and related startup costs for the period beginning with the effective date of this Act, and ending June 30, 2023. Of the funds appropriated in this subsection, not more than \$3,000,000 may be used for startup costs.

16. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to Minot state university for the purpose of a Hartnett hall renovation project for the period beginning with the effective date of this Act, and ending June 30, 2023.

- 1 17. There is appropriated from federal funds derived from the state fiscal recovery fund,
2 not otherwise appropriated, the sum of \$2,104,121, or so much of the sum as may be
3 necessary, to the university of North Dakota school of medicine and health sciences
4 for the purpose of purchasing equipment and hiring personnel to provide hyperbaric
5 oxygen therapy for the period beginning with the effective date of this Act, and ending
6 June 30, 2023.
- 7 18. There is appropriated from federal funds derived from the state fiscal recovery fund,
8 not otherwise appropriated, the sum of \$475,000, or so much of the sum as may be
9 necessary, to the state board of higher education for the purpose of providing for the
10 Dakota digital academy for the period beginning with the effective date of this Act, and
11 ending June 30, 2023.
- 12 19. There is appropriated from federal funds derived from the state fiscal recovery fund,
13 not otherwise appropriated, the sum of \$300,000, or so much of the sum as may be
14 necessary, to the attorney general for the purpose of establishing a missing persons
15 database for the period beginning with the effective date of this Act, and ending
16 June 30, 2023.
- 17 20. There is appropriated from federal funds derived from the state fiscal recovery fund,
18 not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be
19 necessary, to the attorney general for the purpose of replacing the prosecuting case
20 management system for the period beginning with the effective date of this Act, and
21 ending June 30, 2023.
- 22 21. There is appropriated from federal funds derived from the state fiscal recovery fund,
23 not otherwise appropriated, the sum of \$2,612,000, or so much of the sum as may be
24 necessary, to the highway patrol for the purpose of purchasing radios compatible with
25 the statewide interoperable radio network for the period beginning with the effective
26 date of this Act, and ending June 30, 2023.
- 27 22. There is appropriated from federal funds derived from the state fiscal recovery fund,
28 not otherwise appropriated, the sum of \$2,057,384, or so much of the sum as may be
29 necessary, to the department of corrections and rehabilitation for the purpose of
30 purchasing radios compatible with the statewide interoperable radio network for the
31 period beginning with the effective date of this Act, and ending June 30, 2023.

- 1 23. There is appropriated from federal funds derived from the state fiscal recovery fund,
2 not otherwise appropriated, the sum of \$401,000, or so much of the sum as may be
3 necessary, to the information technology department for the purpose of providing a
4 grant to the North Dakota stockmen's association for conversion of a paper-based
5 brand inspection program to an electronic system for the period beginning with the
6 effective date of this Act, and ending June 30, 2023.
- 7 24. There is appropriated from federal funds derived from the state fiscal recovery fund,
8 not otherwise appropriated, the sum of \$450,000, or so much of the sum as may be
9 necessary, to the adjutant general for the purpose of replacing the state active-duty
10 software for the period beginning with the effective date of this Act, and ending
11 June 30, 2023.
- 12 25. There is appropriated from federal funds derived from the state fiscal recovery fund,
13 not otherwise appropriated, the sum of \$2,020,000, or so much of the sum as may be
14 necessary, to the judicial branch for the purpose of replacing the supreme court docket
15 system for the period beginning with the effective date of this Act, and ending June 30,
16 2023.
- 17 26. There is appropriated from federal funds derived from the state fiscal recovery fund,
18 not otherwise appropriated, the sum of \$20,000, or so much of the sum as may be
19 necessary, to the office of administrative hearings for the purpose of developing a
20 web-based document management system for the period beginning with the effective
21 date of this Act, and ending June 30, 2023.
- 22 27. There is appropriated from federal funds derived from the state fiscal recovery fund,
23 not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be
24 necessary, to the department of human services for the purpose of providing financial
25 assistance to developmental disabilities services providers to provide retention
26 bonuses for direct services professionals serving clients with intellectual or
27 developmental disabilities for the period beginning with the effective date of this Act,
28 and ending June 30, 2023. The requirements of chapter 54-44.4 do not apply to this
29 subsection, including the selection of recipients and the disbursement of funds.
- 30 28. There is appropriated from federal funds derived from the state fiscal recovery fund,
31 not otherwise appropriated, the sum of ~~\$25,750,000~~\$25,350,000, or so much of the

1 sum as may be necessary, to the department of human services for the purpose of
2 financial assistance to long-term care facilities and the state hospital for the period
3 beginning with the effective date of this Act, and ending June 30, 2023. Of the funds
4 appropriated in this subsection, \$20,800,000 is for financial assistance to nursing
5 facilities, \$2,950,000 is for financial assistance to basic care facilities, \$1,250,000 is for
6 financial assistance to assisted living facilities, and \$350,000 is for nursing staff
7 retention payments at the state hospital, ~~and up to \$400,000 is for administrative~~
8 ~~expenses of the department relating to providing financial assistance to long-term care~~
9 ~~facilities~~. The requirements of chapter 54-44.4 do not apply to this subsection,
10 including the selection of recipients and the disbursement of funds.

11 29. There is appropriated from federal funds derived from the state fiscal recovery fund,
12 not otherwise appropriated, the sum of \$29,000,000, or so much of the sum as may be
13 necessary, to the department of human services the purpose of projects, financial
14 assistance, grants, and services, including \$5,000,000 for Medicaid eligibility system
15 upgrades, \$17,000,000 for child care services, \$4,000,000 to provide
16 community-based behavioral health services , and \$3,000,000 for substance use
17 disorder treatment voucher system grants for the period beginning with the effective
18 date of this Act, and ending June 30, 2023. Notwithstanding subsection 3 of section
19 50-11.1-14.1, the department may provide financial assistance to beneficiaries related
20 to child care services. Notwithstanding subsection 2 of section 50-06-42.1, the
21 department may award up to four grants rather than two grants for substance use
22 disorder treatment voucher system grants. The requirements of chapter 54-44.4 do not
23 apply to this subsection, including the selection of recipients and the disbursement of
24 funds.

25 30. There is appropriated from federal funds derived from the state fiscal recovery fund,
26 not otherwise appropriated, the sum of \$1,500,000, or so much of the sum as may be
27 necessary, to the department of human services for the purpose of alternatives-to-
28 abortion services for the period beginning with the effective date of this Act, and
29 ending June 30, 2023. The funding provided in this subsection may only be used for
30 the current agreement and any future alternative-to-abortion services agreements. The

requirements of chapter 54-44.4 do not apply to the current alternative-to-abortion services agreement.

31. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of enhancing housing at camp Grafton for the period beginning with the effective date of this Act, and ending June 30, 2023.

32. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the purpose of providing a grant to assist in the construction of the Fisher house at the Fargo veterans' affairs medical center for the period beginning with the effective date of this Act, and ending June 30, 2023.

33. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$147,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the purpose of improving and expanding veterans' medical transportation for the period beginning with the effective date of this Act, and ending June 30, 2023.

34. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$21,000,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of a fuel production facility incentive program for the period beginning with the effective date of this Act, and ending June 30, 2023. The Bank of North Dakota shall award grants under the program to eligible fuel production facilities based on a formula that considers the facility's outstanding fuel production facility loan guarantee at the Bank of North Dakota.

35. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$5,000,000, which the office of management and budget shall transfer to the North Dakota development fund under chapter 10-30.5 during the period beginning with the effective date of this Act, and ending June 30, 2023.

- 1 36. There is appropriated from federal funds derived from the state fiscal recovery fund,
2 not otherwise appropriated, the sum of \$20,000,000, or so much of the sum as may be
3 necessary, to the industrial commission for the purpose of providing hydrogen
4 development grants, as approved by the clean sustainable energy authority, for the
5 period beginning with the effective date of this Act, and ending June 30, 2023.
- 6 37. There is appropriated from federal funds derived from the state fiscal recovery fund,
7 not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be
8 necessary, to the department of commerce for the purpose of providing autonomous
9 agriculture matching grants for the period beginning with the effective date of this Act,
10 and ending June 30, 2023. A grant recipient must provide one dollar of matching funds
11 for every one dollar of grant funding received under this subsection.
- 12 38. There is appropriated from federal funds derived from the state fiscal recovery fund,
13 not otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be
14 necessary, to the department of commerce for the purpose of adding or expanding a
15 local workforce development incentive grant program to support efforts to recruit,
16 retain, and retrain workers for the period beginning with the effective date of this Act,
17 and ending June 30, 2023. The grant recipient must provide \$1 of local matching
18 funds for every \$4 received under this subsection.
- 19 39. There is appropriated from federal funds derived from the state fiscal recovery fund,
20 not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be
21 necessary, to the department of commerce for the purpose of adding or expanding a
22 technical skills training grant program and a workforce innovation grant program for
23 the period beginning with the effective date of this Act, and ending June 30, 2023.
- 24 40. There is appropriated from federal funds derived from the state fiscal recovery fund,
25 not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be
26 necessary, to the university of North Dakota for the purpose of a space education and
27 research initiative for the period beginning with the effective date of this Act, and
28 ending June 30, 2023.
- 29 41. There is appropriated from federal funds derived from the state fiscal recovery fund,
30 not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be

necessary, to the aeronautics commission for the purpose of airport grants for the period beginning with the effective date of this Act, and ending June 30, 2023.

42. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the attorney general for the purpose of information technology costs related to the implementation of charitable gaming tax changes for the period beginning with the effective date of this Act, and ending June 30, 2023.

43. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant for the construction of a new medical center located in the county seat of Pierce County for the period beginning with the effective date of this Act, and ending June 30, 2023.

44. The funding provided under this section is considered a one-time funding item.

SECTION 2. AMENDMENT. Subsection 1 of section 21-10-06 of the North Dakota Century Code is amended and reenacted as follows:

1. Subject to the provisions of section 21-10-02, the board shall invest the following funds:

- a. State bonding fund.
- b. Teachers' fund for retirement.
- c. State fire and tornado fund.
- d. Workforce safety and insurance fund.
- e. Public employees retirement system.
- f. Insurance regulatory trust fund.
- g. State risk management fund.
- h. Budget stabilization fund.
- i. Water projects stabilization fund.
- j. Health care trust fund.
- ~~j-k.~~ Cultural endowment fund.
- ~~k-l.~~ Petroleum tank release compensation fund.
- ~~l-m.~~ Legacy fund.

~~m.n.~~ Legacy earnings fund.

~~n.o.~~ A fund under contract with the board pursuant to subsection 3.

SECTION 3. AMENDMENT. Section 27-20.2-21 of the North Dakota Century Code is amended and reenacted as follows:

27-20.2-21. Inspection of court files and records - Penalty. (Effective through August 31, 2022)

1. Except as provided in this section, all files and records of the juvenile court, whether in the office of the clerk of court or juvenile court, of a proceeding under this chapter are closed to the public. Juvenile court files and records are open to inspection only by:
 - a. The judge and staff of the juvenile court.
 - b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
 - c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
 - d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
 - e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
 - f. A staff member of the division of children and family services of the department of human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].

- 1 g. An employee or agent of the department of human services if necessary for
2 performance of that individual's duty under chapter 50-11 or 50-11.1 to
3 investigate the background of an individual living or working in the facility, home,
4 or residence for which licensure is sought.
- 5 h. A criminal justice agency if the juvenile is required to register under section
6 12.1-32-15.
- 7 i. The staff of a children's advocacy center if the juvenile or a victim of the child has
8 been referred for or has received services at the children's advocacy center.
- 9 j. A victim of the delinquent child or the victim's guardian. All records including
10 medical, educational, and school information must be redacted before inspection.
11 For purposes of this subdivision, only records pertaining to the specific offense
12 between the victim and the delinquent child may be inspected.
- 13 k. The information technology department to the extent authorized by the supreme
14 court for use in the statewide longitudinal data system.
- 15 2. Juvenile court files and records are also open to inspection with written leave of a
16 juvenile court judge or judicial referee to whom juvenile court matters have been
17 referred:
 - 18 a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of
19 the juvenile court, but only to the extent necessary to respond to the legitimate
20 interest; and
 - 21 b. By the principal of any public or private school that is a member of the North
22 Dakota high school activities association, or the superintendent of any school
23 district that has one or more schools involved in the association, but only to the
24 extent necessary to enforce the rules and regulations of the North Dakota high
25 school activities association.
- 26 3. In a proceeding under this chapter, if the juvenile court finds a child committed a
27 delinquent act that constitutes a violation of a law or local ordinance governing the
28 operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide
29 caused by the child's operation of a motor vehicle, the juvenile court shall report the
30 finding to the director of the department of transportation within ten days.

- 1 4. Following an adjudication of delinquency for an offense that would be a felony if
2 committed by an adult, the child's school principal, chief administrative officer, or
3 designated school guidance counselor, if requested, must be allowed access to the
4 disposition order. Any other juvenile court files and records of a child may be disclosed
5 to a superintendent or principal of the school in which the child is currently enrolled or
6 in which the child wishes to enroll if the child's documented behavior appears to
7 present a danger to self or to the students or staff of the school.
- 8 5. Following an adjudication of delinquency for an offense that results in the prohibitions
9 included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement
10 officer must be allowed access to the disposition order.
- 11 6. The juvenile court may notify a referring agency of the disposition of a case.
- 12 7. Notwithstanding that juvenile court records are closed to the public, nothing in this
13 section may be construed to limit the release upon request of general information not
14 identifying the identity of any juvenile, witness, or victim in any proceeding under this
15 chapter. Files in the clerk of court's office are open to public inspection if the related
16 hearing was open to the public under section 27-20.3-13.
- 17 8. To the extent necessary to provide victim services or benefits under chapter 12.1-41,
18 the judge and staff of the juvenile court may disclose information to refer a child, who
19 may be a victim of human trafficking, to a program for runaway and homeless children
20 located in the state and approved by the juvenile court of jurisdiction. Information
21 disclosed under this subsection must remain confidential.
- 22 9. An individual with access or authorization to inspect juvenile court files and records
23 under this section may not share the information contained in the files and records
24 with any other person not authorized by law. An individual who violates this subsection
25 is guilty of a class B misdemeanor.

Inspection of court files and records - Penalty. (Effective after August 31, 2022)

- 27 1. Except as provided in this section, all files and records of the juvenile court, whether in
28 the office of the clerk of court or juvenile court, of a proceeding under this chapter are
29 closed to the public. Juvenile court files and records are open to inspection only by:
 - 30 a. The judge and staff of the juvenile court.

- b. The parties to the proceeding or the parties' counsel or the guardian ad litem of any party.
- c. A public or private agency or institution providing supervision or having custody of the child under order of the juvenile court which must be given a copy of the findings and order of disposition when the agency or institution receives custody of the child. If a case involves the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 through 1963], the agency or institution having custody of the child shall serve the appropriate Indian Child Welfare Act service agent, tribe or tribal designee, or an Indian Child Welfare Act qualified expert witness with the findings and order of disposition.
- d. Any court and the court's probation and other officials or professional staff and the attorney for the defendant for use in preparing a presentence report in a criminal case in which the defendant is convicted and who, before the criminal case, had been a party to the proceeding in juvenile court.
- e. The professional staff of the uniform crime victims compensation program if necessary for the discharge of the duties of the staff pursuant to chapter 54-23.4.
- f. A staff member of the division of children and family services of the department of health and human services or a law enforcement officer if necessary for the performance of that staff member's duties under section 50-11.1-06.2 or the federal National Child Protection Act of 1993 [Pub. L. 103-209; 107 Stat. 2490; 42 U.S.C. 5119 et seq.].
- g. An employee or agent of the department of health and human services if necessary for performance of that individual's duty under chapter 50-11 or 50-11.1 to investigate the background of an individual living or working in the facility, home, or residence for which licensure is sought.
- h. A criminal justice agency if the juvenile is required to register under section 12.1-32-15.
- i. The staff of a children's advocacy center if the juvenile or a victim of the child has been referred for or has received services at the children's advocacy center.
- j. A victim of the delinquent child or the victim's guardian. All records including medical, educational, and school information must be redacted before inspection.

1 For purposes of this subdivision, only records pertaining to the specific offense
2 between the victim and the delinquent child may be inspected.

3 k. The information technology department to the extent authorized by the supreme
4 court for use in the statewide longitudinal data system.

5 2. Juvenile court files and records are also open to inspection with written leave of a
6 juvenile court judge or judicial referee to whom juvenile court matters have been
7 referred:

8 a. Upon a showing in writing of a legitimate interest in a proceeding or in the work of
9 the juvenile court, but only to the extent necessary to respond to the legitimate
10 interest; and

11 b. By the principal of any public or private school that is a member of the North
12 Dakota high school activities association, or the superintendent of any school
13 district that has one or more schools involved in the association, but only to the
14 extent necessary to enforce the rules and regulations of the North Dakota high
15 school activities association.

16 3. In a proceeding under this chapter, if the juvenile court finds a child committed a
17 delinquent act that constitutes a violation of a law or local ordinance governing the
18 operation of a motor vehicle or a delinquent act of manslaughter or negligent homicide
19 caused by the child's operation of a motor vehicle, the juvenile court shall report the
20 finding to the director of the department of transportation within ten days.

21 4. Following an adjudication of delinquency for an offense that would be a felony if
22 committed by an adult, the child's school principal, chief administrative officer, or
23 designated school guidance counselor, if requested, must be allowed access to the
24 disposition order. Any other juvenile court files and records of a child may be disclosed
25 to a superintendent or principal of the school in which the child is currently enrolled or
26 in which the child wishes to enroll if the child's documented behavior appears to
27 present a danger to self or to the students or staff of the school.

28 5. Following an adjudication of delinquency for an offense that results in the prohibitions
29 included in subsection 1 or 2 of section 62.1-02-01, if requested, a law enforcement
30 officer must be allowed access to the disposition order.

31 6. The juvenile court may notify a referring agency of the disposition of a case.

7. Notwithstanding that juvenile court records are closed to the public, nothing in this section may be construed to limit the release upon request of general information not identifying the identity of any juvenile, witness, or victim in any proceeding under this chapter. Files in the clerk of court's office are open to public inspection if the related hearing was open to the public under section 27-20.3-13.
8. To the extent necessary to provide victim services or benefits under chapter 12.1-41, the judge and staff of the juvenile court may disclose information to refer a child, who may be a victim of human trafficking, to a program for runaway and homeless children located in the state and approved by the juvenile court of jurisdiction. Information disclosed under this subsection must remain confidential.
9. An individual with access or authorization to inspect juvenile court files and records under this section may not share the information contained in the files and records with any other person not authorized by law. An individual who violates this subsection is guilty of a class B misdemeanor.

SECTION 4. A new section to chapter 27-20.4 of the North Dakota Century Code is created and enacted as follows:

Tribal juvenile services cooperative agreement - Report to legislative management.

1. The department of corrections and rehabilitation, through the division of juvenile services; the supreme court, through the office of the state court administrator; and the Indian affairs commission may negotiate and enter a memorandum of understanding with the tribal government of a federally recognized Indian tribe in the state for the purpose of accepting and providing for, in accordance with this chapter, the treatment and rehabilitation of tribal juveniles who have been adjudicated in tribal court under tribal or federal laws. Under the pilot program and terms of a memorandum of understanding:
 - a. The tribal government, the department of corrections and rehabilitation, and the juvenile court may exchange information relevant to the treatment and rehabilitation needs of a tribal juvenile and the juvenile's family, including tribal court orders, medical and psychiatric reports, law enforcement reports, and other information pertinent to the referral;

- 1 **b.** The juvenile court and the department of corrections and rehabilitation shall
2 provide services based on the individualized need of each tribal juvenile referred
3 to and accepted by the tribal court, juvenile court, and department of corrections
4 and rehabilitation;
- 5 **c.** The juvenile court and the department of corrections and rehabilitation shall
6 maintain regular contact with the tribe regarding each tribal juvenile who has
7 been placed in the supervision of the respective agency; and
- 8 **d.** The juvenile court and the department of corrections and rehabilitation may limit
9 the number of tribal juveniles accepted based on criteria developed by the
10 juvenile court and the availability of state resources and services.
- 11 **2.** Before July first of each even-numbered year, the department of corrections and
12 rehabilitation, the juvenile court, and the Indian affairs commission shall report and
13 make recommendations to the legislative management on the status, effectiveness,
14 performance, and sustainability of a memorandum of understanding established under
15 this section.

16 **SECTION 5.** A new section to chapter 61-01 of the North Dakota Century Code is created
17 and enacted as follows:

18 **Water projects stabilization fund.**

19 The water projects stabilization fund is a special fund in the state treasury. The fund
20 consists of all money transferred to the fund and all interest and earnings upon moneys in the
21 fund. Moneys in the fund may be used for defraying planning and construction expenses of
22 water-related projects.

23 **SECTION 6. AMENDMENT.** Section 3 of chapter 20 of the 2021 Session Laws is amended
24 and reenacted as follows:

25 **SECTION 3. ADDITIONAL INCOME - APPROPRIATION - BUDGET**

26 **SECTION APPROVAL.** In addition to the amounts appropriated in section 1 of this
27 Act, any additional amounts in the resources trust fund or the water projects
28 stabilization fund which become available are appropriated, subject to budget section
29 approval, to the state water commission for the purpose of defraying the expenses of
30 that agency, for the period beginning with the effective date of this Act, and ending
31 June 30, 2023. Before approving any request, the budget section shall determine:

1. Approving additional appropriations will not negatively affect the sixty-seventh legislative assembly's ability to address water-related needs;
2. The proposed use of the additional income complies with legislative intent; and
3. The proposed use of the additional income will not result in future funding commitments.

SECTION 7. WATER PROJECTS STABILIZATION FUND - TRANSFERS.

1. The office of management and budget shall transfer the sum of \$1,000,000 from the resources trust fund to the water projects stabilization fund during the month of January 2022.
2. Notwithstanding subsections 1 and 2 of section 57-51.1-07, any oil extraction tax revenues deposited in the resources trust fund that exceed the amount included in the 2021 legislative forecast during the period beginning August 1, 2021, and ending February 28, 2023, must be transferred at least quarterly by the office of management and budget from the resources trust fund to the water projects stabilization fund for the period beginning with the effective date of this Act, and ending June 30, 2023.

SECTION 8. DEPARTMENT OF HUMAN SERVICES - FEDERAL FUNDING APPEAL

LIMITATION. A person may not appeal a denial, revocation, reduction in services or payment, or the termination of a program or service by the department of human services due to the unavailability of federal coronavirus funding received under federal law resulting from the federal coronavirus pandemic emergency declaration for the period beginning with the effective date of this Act and ending June 30, 2023.

~~**SECTION 5. LEGISLATIVE MANAGEMENT STUDY - WATER PROJECT**~~

~~**STABILIZATION FUND.** During the 2021-22 interim, the legislative management shall study the feasibility and desirability of establishing a water project stabilization fund to provide more consistent levels of funding for water projects from the resources trust fund in the times of revenue volatility. The study must include consideration of other stabilization funds, the timing of resources trust fund revenues and water project expenditures, and reporting requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.~~

SECTION 9. LEGISLATIVE INTENT - NATURAL GAS PIPELINE INFRASTRUCTURE. It

is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly

1 consider providing additional funding for continuing the development of high-pressure
2 transmission pipeline infrastructure for the transportation and competitive selling of natural gas
3 to eastern North Dakota.

4 **SECTION 10. EFFECTIVE DATE.** This Act becomes effective on December 1, 2021.

5 **SECTION 11. EXPIRATION DATE.** Section ~~3~~⁴ of this Act is effective through July 31, 2023,
6 and after that date is ineffective.