

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2016

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Operator's Signature

*La Costa Rickford*

Date

10/15/03

2003 SENATE APPROPRIATIONS

SB 2016

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*La Costa Rickford*

Date

*10/15/03*

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

Senate Appropriations Committee

☐ Conference Committee

Hearing Date January 17, 2003

Tape Number	Side A	Side B	Meter #
#1		x	-192
Committee Clerk Signature <i>Jean Henderson</i>			

Minutes:

Senator Grindberg, Vice-chair opened the hearing on SB 2016 (#192)

Douglas C. Friez, Director of Division of Emergency Management passed out written testimony (Exhibit #1). (#360)

Mr. Friez explained that ND still has floods, drought, storms and hazardous material incidents that are North Dakota's greatest risk factors, but we know have another risk, that of terrorists. He stated that Osama bin Laden may not have North Dakota on his computer screen, we have some things that could be of interest to terrorist, those include big buildings, critical facilities that produce power and store and treat water supplies, key medical, transportation, food production and distribution infrastructure. We have dams and military installations, and we have computer infrastructure. He stated that we might even have one or two of our own "crazies" that may decide to cause problems. On October 4, 2001, Governor Hoeven asked the Division of Emergency Management to coordinate Homeland Security efforts in North Dakota through

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Senate Appropriations Committee

Bill/Resolution Number SB 2016

Hearing Date January 17, 2003

awareness and coordinated preparedness, prevention and response. The reason DEM got this was because they are the keeper of the plan--the state emergency operational plan, and second our staff has demonstrated effective and efficient job performances and emergency management leadership in previous disasters and emergencies.

A letter was received from Senator Stenehjem and Representative Berg requesting his agency to respond to the following questions regarding his agency:

1. The purpose of this agency:

His response: State law clearly provides a mandate to "reduce vulnerability of people and communities of this state to damage, injury, and loss of life and property resulting from man made or natural disasters or emergencies, or hostile military or paramilitary actions." To accomplish this purpose the agency does: A. Provide for a statewide multi-hazard emergency management system, B. Maintain, enhance and exercise the state emergency operations plan., C. Provide technical assistance, guidance and standards to local and tribal governments in the development, maintenance and enhancement of hazard mitigation and emergency operations plans., D. Develop, conduct and support special training classes, seminars and conferences for public officials and staff., E. Facilitate improvement of state, local and tribal facilities, equipment capabilities and resources through access to federal and private grants; F. Provide emergency information and education to the public through statewide awareness campaigns; G. Provide technical assistance in the areas of hazardous materials, search and rescue, incident management and emergency operations, exercising, communications, warning and resource management, H. Provide a setting conducive to effective and efficient restoration and rehabilitation of person and property affected by disasters or emergencies.



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Senate Appropriations Committee

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2. How they measure the achievements: He responded that the trust the Governor Hoeven had placed in them with the Homeland Security efforts and they measure output and outcome. Some of the output achievements in the area of Homeland Security since 9-11-01 include: An updated State Emergency operation plan addressing Homeland Security initiatives; Heightened security measures in many key facilities, with special attention at the airports and international border where federal resources eventually were deployed; special training and planning events for hundreds of public officials on emergency operations; increased security measure in many areas but especially related to the anthrax scare in the fall of 2001 and refocused training programs. Outcome measurement provides insight regarding program execution The Division coordinates Homeland Security preparedness activities through inserting homeland security topics in all training activities. Exercise Vigilant Victor is a series of three statewide exercises beginning in February and culminating in September 2003. County, city and four tribal governments are participating in this Homeland Security exercise along with state officials. In terms of measurement, the Division volunteered to become the first state emergency management organization to pilot a National Emergency Management Association initiative to assess and accredit emergency management organizations. North Carolina also piloted the system sometime later. North Dakota was the small state to pilot this and North Carolina was the large state to pilot this project. That system has been adopted by FEMA in the wake of 9/11 and early in 2003, the North Dakota Division of Emergency Management will undergo an intense four-day assessment by peer evaluators (ND. Will be the first to be assessed) representing local, state and federal emergency management organizations from across the nation. Also to meet their responsibilities, the division coordinates with FEMA on a comprehensive and ambitious annual

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work plan emphasizing emergency plan development and maintenance, resource management; detailed networking and partnership development; as well as extensive training and exercise efforts. They are accountable for completing the tasks outlined in that work plan, and the funds they receive from FEMA are tied to successful performance of work items.

3. Legislative Support: The Division's vision for the future is "to build a disaster resistant state."

Plans must be updated consistently. They need to keep state of the art equipment for data management, communications and operational responses is challenging and sometimes expensive. Another major goal is positive customer service. One life was lost in Minot on January 18th which was one too many. The train derailment was the largest anhydrous ammonia release anywhere, ever. It happened while nearly everyone was asleep and with no wind the cloud just hung over the thousands of homes. First responders worked miracles, individuals took correct actions to save themselves. However some did not know what to do, and public information wasn't available. These are things that must be worked on. During the fires in Sioux and Grant counties in July, local water and fire fighting resources were quickly exhausted. State resources were helpful but not immediate. The Division has the ability to enhance state fire support resources but it means expenditures for training, equipment and personnel time if the Division is going to respond in a timely manner. Currently the Division has 20 FTE's, plus we have 19 temporary full time staff, which 15 of them are assigned to disaster recovery. That is down from 13 two years ago. The Division believe that it is both effective and wise to rely on temp staff for the bulk of disaster recovery work.

Attached to the testimony is a map depicting the years and areas impacted by the flood and wind storm disaster. Of those 12 disasters, six have been closed out, six remain open. Those are the

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floor disasters from 1997 to 2002. Closeout challenges include: the length of our construction; the availability of qualified and in some cases certified contractors, as well as supplies and materials; meeting environmental assessment requirements; resolving differences of opinion regarding eligibility and who actually pays (which can lead to legal proceedings); reconciling international issues regarding drainage; the complexity of repairs; and the sheer magnitude of the local applicants workload.

The Division's request is for \$942,509 in general fund money. This is also the executive recommendation for general fund expenditures. In the next biennium, they anticipate receiving about \$3.8 million dollars in federal grants from traditional federal partners. Of the \$33.8 million, \$26.3 million is anticipated disaster recovery money based on continued closeouts. \$7.45 million of the federal grant money directly to local governments.

\$1.2 million of the \$10.1 million operating expenses is used for travel, rent, equipment, phones, computer services, printing and other supplies. \$8.9 million of the operating expenses in this budget will be paid to the Bank of North Dakota to cover state flood recovery costs for the 2001-03 biennium. To get the \$730 million in FEMA assistance dating back to 1993 the state has so far paid disaster loans to the Bank of North Dakota amounting to \$28.3 million.

Although cost for the summer's fire in the southwest has not been fully tabulated, they are expected to reach \$2 million. Federal authorities will pick up the lion's share, but state costs are expected to be in the neighborhood of \$200,000.

There are currently 3600 Hazardous Chemical Preparedness and Response Program facilities in the Division's database with approximately 1000 owner/operators. The facility pays a hazardous chemical fee of \$25.00 per reportable chemical per facility, up to a maximum of \$150.00 per

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facility, although the average is less than \$30.00 per year. With the division's assistance they will comply with federal law. The Division has a small fee they charge to help these facilities comply with the Federal law. This generates about \$110,000 per year. 50% of the fees collected each year go into State hazardous chemicals preparedness response fund to provide planning, training and exercising initiatives, pay administrative costs, etc. The other 50% of the fees collected each year go back to the Local Emergency Planning committee (LEPC) in the counties where the facility is located.

The Division expects to eventually receive some grants from the federal government for Homeland Security, hopefully many of them at 100% federal share.

Two information technology initiatives that are of critical importance to the state's Emergency Management and Homeland Security are Statewide Geographic Information System (GIS) Hub and the Criminal Justice Information Sharing (CJIS) Project.

On Wednesday, the Citizen Corps was launched which will provide individuals with self-help skills in first aid, light search and rescue, damage assessment, fire suppression and neighborhood leadership.

Comments & Questions (#2741) Senator Grindberg: This happens every biennium, where we have the match for FEMA and these disasters, correct me if I am wrong, last session that was addressed through deficiency appropriation through the general fund? Doug responded : that is correct. Senator Grindberg continued: Now this is a shift taking from the water trust fund, to match the federal FEMA money, where in the past it has been a general fund obligation? Doug: The proposal for this biennium from OMB is to utilize water trust fund for that \$8.9 million, that is correct.

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Senator Grindberg: Can you explain a little more on the planning, and then OMB can comment on why the shift? Doug: I would like to defer to OMB. OMB responded: In light of the general fund situation, it was thought to be a way to save general fund monies and to avoid general fund deficiency appropriation by taking it from the water development trust fund. A majority of the flood disasters relates to water related issues. I guess that was the logic behind it. Senator Bowman: The trust fund was setup for water projects and to pay the bonding of those projects for those that were bonded. According to the chart we are going to have \$97,000 left, where are we going to get the funding to pay for the bonding if we use this to cover the other? OMB responded: It was recognized that this fund was for water projects and this is for the recovery from flood disasters which is not a water project, but revenue which continue to come in for the water development fund from tobacco settlement would make the bond payments in the future. Doug: There is \$8.9 million dollars that we owe the Bank of North Dakota at the end of this biennium and that is the result of the close activity during the biennium, and that \$8.9 million dollars needs to be paid back. He also stated that the ability to borrow from the Bank of North Dakota was a good thing because that showed the Federal government that in time of disasters, the state could provide their share. Senator Krauter: One problem that arose that concerned him was an incident that happened during the fire this summer in the southwest. A caller was told that he/she should call back (emergency management) when the fire reached Grant county. This call was made when the fire was in Sioux county at the time. Senator Krauter felt an apology needs to be made, and the person responsible for stating this should be found. Sioux county is a county in this state also. Doug: Stated that he has tried to trace that call, but have been unable to. Senator Grindberg suggested that the committee continue with testimony. Senator Bowman: On

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the Homeland Security, is that going to be all federal money at least to begin with, or until they decide it will be the state's responsibility? Doug: Right now, the planning, equipment, training, they are talking about 100% of federal funds. In the future maybe 70%/30%. States are resisting this for as long as possible. In 3-5 years there will be a match, part of that will be because of the accountability. (#4139) There is an Emergency Management curriculum at NDSU, started with a 2 year degree, it is going to a 4 year degree and Master degree program. NDSU officials thought they had a lock on this subject and they were doing it exclusively at NDSU, however they are not the only ones. The Division of Emergency Management is working closely with NDSU in this program and the need to step one above the other programs and just education. We have the academic side and the practical side, so the Division and NDSU needs to work together so that the practical side can be utilized. (#4285) Senator Andrist: How many jobs do you anticipate the Homeland Security will create, what kinds, etc? Doug: Can not tell how many or who at this point, but he thinks there will be a requirement at the state level that will be in the distribution of resources. Eventually, he thought the jobs that could be created from Homeland Security will be non-state jobs. Most of the Homeland Security money come with mandates for the money to go into the local communities for first responders. He thought if there was jobs to be created, it would be in Fire, Police, Planning areas, Medical, areas like that. Couldn't give a definite answer until the money is available. (#4490): Senator Robinson: Going back to the Minot disaster, what was learned by this, what is being done to be more proactive, are the communities along those rail lines fully aware of the amount of and the frequency hauled on those lines? Doug: There were things learned, by the communities and the Division, etc., that could be learned by all of the state. It was learned that a lot of the radio stations in the state are not 24

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hour stations and if they are, they are unmanned 24 hour operations. There are concerns, about how to get the information out, but there is progress. The first responders in Minot are the best in the state, so their capabilities probably should be mirrored statewide. The problem in most small communities most first responders are volunteer, only in a few communities are there full time. A couple of years ago, (anticipating Homeland security dollars) after Oklahoma city, etc the Division went out to the communities, statewide, asking them what capabilities do you have. Most of them stated that they exist to keep main street from burning down so that we don't lose some homes, the bank from being robbed, we don't exist to deal with terrorist, etc. The larger cities in the state are now beginning to see the necessity of this, although it will be difficult to get into the smaller communities.

Doug ended his testimony stating that we all have to work together to make sure that North Dakota is kept safe.

Other testimony: (#5222) John Val mirrored retired. Stated that he had listened to all of this testimony, and that all of this paper, etc. could be thrown in the trash can, if you trusted in the one above you. All the things that were talked about here, Minot deal-- no wind --who controls the wind?, who controls the floods? He continued stating that praying was the answer. He signed in representing God's Law.

With no other testimony, the hearing on #2016 was closed.

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

Senate Appropriations Committee

☐ Conference Committee

Hearing Date 2-12-03

Tape Number	Side A	Side B	Meter #
1	X		250-450
Committee Clerk Signature <i>Sandra Davison</i>			

Minutes: Chairman Holmberg opened the hearing for voting on SB 2016. Attendance was called and a quorum was established. A bill relating to Emergency Management budget. Senator Grindberg introduced an amendment (38039.0101) and explained this adjust salaries and shifts the responsibilities from the water trust fund to the general fund. (Meter 338) Senator moved to pass the amendment with a seconded by Senator Mathern. Discussion called (Meter 355) A voice vote passed the amendment to SB 2016. (Meter 357) Senator Grindberg made a motion of a Do Pass as amended and Senator Mathern seconded. A roll call vote of 12 yeas, 0 nays and 2 absent. Senator Grindberg will carry the bill to the floor.



38039.0101  
Title.0200  
Fiscal No. 1

Prepared by the Legislative Council staff for  
Senator Grindberg  
February 7, 2003

*Jo3*  
*2-12-03*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2016

Page 1, line 10, replace "3,059,418" with "3,039,623"

Page 1, line 14, replace "47,072,892" with "47,053,097"

Page 1, line 15, replace "46,130,383" with "37,218,405"

Page 1, line 16, replace "942,509" with "9,834,692"

Page 1, remove lines 23 and 24

Page 2, remove lines 1 through 4

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Division of Emergency Management - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$3,059,418	(\$19,795)	\$3,039,623
Operating expenses	10,101,889		10,101,889
Capital assets	12,000		12,000
Grants	<u>33,899,585</u>		<u>33,899,585</u>
Total all funds	\$47,072,892	(\$19,795)	\$47,053,097
Less estimated income	<u>46,130,383</u>	<u>(8,911,978)</u>	<u>37,218,405</u>
General fund	\$942,509	\$8,892,183	\$9,834,692
FTE	20.00	0.00	20.00

Dept. 512 - Division of Emergency Management - Detail of Senate Changes

	REMOVES RECOMMENDED SALARY INCREASE <sup>1</sup>	FUNDING SOURCE CHANGE <sup>2</sup>	TOTAL SENATE CHANGES
Salaries and wages	(\$19,795)		(\$19,795)
Operating expenses			
Capital assets			
Grants			
Total all funds	(\$19,795)	\$0	(\$19,795)
Less estimate income	<u>(11,978)</u>	<u>(8,900,000)</u>	<u>(8,911,978)</u>
General fund	(\$7,817)	\$8,900,000	\$8,892,183
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

<sup>2</sup> This amendment changes the funding source for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding from \$8.9 million from the water development trust fund to \$8.9 million from the general fund.

Amendments  
voice pass 2016

Date: 2-12-03  
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO.

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

38039.0100

Action Taken

DO PASS

Motion Made By

Grindberg

Seconded By

Mathern

Senators	Yes	No	Senators	Yes	No
Senator Holmberg, Chairman	✓				
Senator Bowman, Vice Chair	✓				
Senator Grindberg, Vice Chair	✓				
Senator Andrist	✓				
Senator Christmann					
Senator Kilzer	✓				
Senator Krauter	✓				
Senator Kringstad	✓				
Senator Lindaas	✓				
Senator Mathern	✓				
Senator Robinson	✓				
Senator Schobinger	✓				
Senator Tallackson	✓				
Senator Thane	✓				

Total

(Yes)

12

No

Absent

2

Floor Assignment

Grindberg

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

REPORT OF STANDING COMMITTEE (410)  
February 12, 2003 3:56 p.m.

Module No: SR-27-2486  
Carrier: Grindberg  
Insert LC: 38039.0101 Title: .0200

**REPORT OF STANDING COMMITTEE**

**SB 2016: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2016 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "3,059,418" with "3,039,623"

Page 1, line 14, replace "47,072,892" with "47,053,097"

Page 1, line 15, replace "46,130,383" with "37,218,405"

Page 1, line 16, replace "942,509" with "9,834,692"

Page 1, remove lines 23 and 24

Page 2, remove lines 1 through 4

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2016 - Division of Emergency Management - Senate Action**

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$3,059,418	(\$19,795)	\$3,039,623
Operating expenses	10,101,889		10,101,889
Capital assets	12,000		12,000
Grants	<u>33,899,585</u>		<u>33,899,585</u>
Total all funds	\$47,072,892	(\$19,795)	\$47,053,097
Less estimated income	<u>46,130,383</u>	<u>(8,911,978)</u>	<u>37,218,405</u>
General fund	\$942,509	\$8,892,183	\$9,834,692
FTE	20.00	0.00	20.00

**Dept. 512 - Division of Emergency Management - Detail of Senate Changes**

	REMOVES RECOMMENDED SALARY INCREASE 1	FUNDING SOURCE CHANGE 2	TOTAL SENATE CHANGES
Salaries and wages	(\$19,795)		(\$19,795)
Operating expenses			
Capital assets			
Grants			
Total all funds	(\$19,795)	\$0	(\$19,795)
Less estimate income	<u>(11,978)</u>	<u>(8,900,000)</u>	<u>(8,911,978)</u>
General fund	(\$7,817)	\$8,900,000	\$8,892,183
FTE	0.00	0.00	0.00

1 This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

2 This amendment changes the funding source for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding from \$8.9 million from the water development trust fund to \$8.9 million from the general fund.

(2) DESK, (3) COMM

Page No. 1

SR-27-2486

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Lacosta Rickford 10/15/03  
Operator's Signature Date

2003 HOUSE APPROPRIATIONS

SB 2016

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Operator's Signature

10/15/03  
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

House Appropriations Committee  
Government Operations Division

☐ Conference Committee

Hearing Date March 10, 2003

Tape Number	Side A	Side B	Meter #
I	XX		
Committee Clerk Signature <i>Kelly Schmidt</i>			

Minutes:

**Doug Friez, Director, Division of Emergency Management.** Shared written testimony in support of SB 2016. In response to a question from **Rep. Thoreson** citizen guides are distributed through the website and county emergency management. In response to a question from **Rep. Skarphol** 11.5 FTE's are tied to disaster recovery, this would start to reduce within a year, if no further disaster happens. 7.5 FTE's are part of the Federal Homeland Security Initiative, these are administrative positions. We could be the recipient of 2003 fiscal year homeland security dollars of approx. 6.9M, a written response will follow.

**Ross Mushke** informed the committee the traditional loan is paid back by a deficiency appropriation (8.9M). The Governor has indicated this will come from the water trust fund. The senate changed this, it will not come from the water trust fund, it will be a deficiency appropriation. We have an authority through the Governor and Legislature without having to call

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Government Operations Division

Bill/Resolution Number SB 2016

Hearing Date March 10, 2003

a special session, when funds are needed. Every year of a disaster we project with assistance from FEMA, that money is taken to the Emergency Management Commission.

**Doug Friez, Director, Division of Emergency Management** ins response to a question from Rep. Glassheim 8.9M is the states portion of the disaster funds. The majority was a 90-10 split. This is repair costs, no salaries. 8.9M is from obligations we paid during the biennium. The amount paid could be a combinations of many diasters.

Temporary help is the way for us to go. We are able to use "skilled" workers who are retired, those skills are very valuable to us. We are committed to partnering with other homeland security money entities.

**Rep. Timm** asked if this is 100% funding or matched money.

**Doug Friez** we've been lobbying hard for flexibility, there are several mandates. 100% is necessary however, unlikely. 100% will be for boarder and airport protection. A written response will follow.

**Jean Walton, Executive Director of the ND Water Coalition,** we support SB 2016 AS AMENDED. She provided a handout for dollar allocations of current projects (see handout)

Hearing no further testimony the hearing was closed.

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

House Appropriations Committee  
Government Operations Division

☐ Conference Committee

Hearing Date March 21, 2003

Tape Number	Side A	Side B	Meter #
1	XX		
Committee Clerk Signature <i>Kelly Schmidt</i>			

Minutes: Committee Work

Chairman Carlisle called the meeting to order, Roll was taken with Rep. Glassheim and Rep. Koppelman absent.

**Doug Friesz, State Director, Emergency Management.** Federal funding of 4M will be passed through the Emergency Management Agency for Homeland Security.

**Rep. Thoreson** informed the committee, a regional center for weapons of mass destruction has been located in Fargo, a director has been hired. That person is an employee of the city.

**Rep. Timm** will the extra costs for higher alerts be reimbursed by the federal government?

**Doug Friesz, State Director, Emergency Management** we don't really know, the President is talking to Congress for reimbursement at the local level. Emergency medical response and firearms issue will be the areas of reimbursement. In response to a question from **Rep. Carlson** payments have been paid from a general fund efficiency appropriation, 28M has been paid back

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*LaCosta Rickford*  
Operator's Signature

*10/15/03*  
Date

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Government Operations Division

Bill/Resolution Number SB 2016

Hearing Date March 21, 2003

Those moneys have brought in 3.75B to the state in federal disaster aid. We speculate approximately 2.6M coming in the next biennium. We just received notice from the Department of Justice, 4.9M will be distributed. The April 22 deadline has been expanded to due the war effort in Iraq, so money will not be coming until June. The Ag Dept. And Humans Services have also received Homeland Security funding. We work together extremely well. The money received has, as yet, no federal mandates with the exception of the equipment funds in which 80% must go to local governments. The priorities suggested to our department for the 4.9M is 1) Radio Communication System 2) CJIS 3) Software for the continuity of Government. Our department is working very hard with what we have, 2 years from now I don't know if I will be able to do the same work with the same amount of people.

**Rep Timm and Rep. Carlson** discussed the possibility of making a partial payments on the 8.9M instead of the entire payoff, the interest amount on the loan is approx. 2.3%.

No further discussion. (End)



2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

House Appropriations Committee  
Government Operations Division

☐ Conference Committee

Hearing Date April 2, 2003

Tape Number	Side A	Side B	Meter #
1	xx		
Committee Clerk Signature			

Minutes: **Committee Work**

**Chairman Carlisle** called the meeting to order, roll was taken with all Representatives in attendance.

**Rep. Skarphol** moved a Do Pass on Amendment 38039.0206, second by Rep. Koppelman.

**Rep. Skarphol** reviewed amendment 38039.0206 on SB 2016

**Rep. Carlson** In the original version wasn't all the 8.9M coming from the Water Development Trust Fund, and the Senate moved it to the general fund, we are leaving the loan in place, and paying the interest.

**Rep. Skarphol** That is correct.

**Rep. Carlson** What is the status of the pending insurance settlements, with FEMA and private insurance? Language includes those settlement funds will have to be paid to the principal (UND/NDSU)

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Government Operations Division

Bill/Resolution Number SB 2016

Hearing Date April 2, 2003

**Rep. Skarphol** Doug Friesz has estimated approximately 2M should be coming from those settlements. That would reduce the general fund dollars needed next biennium to pay off the balance.

**Rep. Carlisle** In discuss, there is the potential to collect 2 M, the interest on the loan is 2.9%, this amendment frees up general fund dollars.

**Rep. Skarphol** Typically, they come to us with a deficiency appropriation, we give them the money and they pay it off. We are hopeful there won't be another diaster. This will take some of the pressure off the general fund. This is what has been borrowed in the last 2 years. They borrow the money to receive the federal match. That is what this is.

**Rep. Glassheim** Has they been any thought to taking 2.5M or 2M from the Water Fund, to chip away at the principle, without causing distress on the Water Trust Fund.

**Rep. Skarphol** It was discussed, it was decided we wanted to do it this way. In the final phases on this process things are always flexible.

**Rep. Carlson** My original idea was to pay half now and half next biennium, we are talking to a Senate who switched it all from a trust fund to the general fund, so obviously they are going to want to talk about this. Our thought was if we come in with half they are going to want a fourth. They are going to try and chip away everything that we did. That was the logic behind the decision.

**Rep. Carlisle** I've penciled in Rep. Skarphol, Timm and Carlson for the conference committee. We are freeing up almost 5M

**Rep. Koppelman** I agree, none of us like to borrow as much as we like to pay as we go. In these financial times if we can ease the burden on the general fund we are being fiscally responsible.

Page 3  
Government Operations Division  
Bill/Resolution Number SB 2016  
Hearing Date April 2, 2003

**Rep. Carlson** At the conference last week they went around the table, we were the only state that wasn't in a deficit, you can use 20M for a margin of error, they were talking in the hundreds of millions and billions. They have all spent their tobacco money to try and balance their budgets. We put that money aside for a use, it wasn't for administration and it wasn't to pay old debts. It was to pay for water development across the state. Rep. Monson comes and tells up his Dam is failing, we're going to have to spend a couple million there. Southeast ND needs water, we need water. I am trying to protect the fund for it's intended purpose.

**Roll Call Vote on Amendment 9 yes 0 no 0 absent Motion Carries**

**Rep. Glassheim** Noted a reservation in voting yes due to the ITD reduction.

**Rep. Skarphol** moved a **DO PASS AS AMENDED** on SB 2016, second by **Rep. Thoreson**

**Rep. Glassheim** shared a hand out related to the Emergency Management funding he found on the internet (see handout)

**Roll Call Vote was taken 9 yes 0 no 0 absent MOTION CARRIES.**

Lacosta Rickford  
Operator's Signature

10/15/03  
Date

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

House Appropriations Committee

☐ Conference Committee

Hearing Date 04-03-03

Tape Number	Side A	Side B	Meter #
1	X		0.0-12.7 6
Committee Clerk Signature <i>Chris S. Nyhus</i>			

Minutes:

**Chairman Svedjan** Opened SB 2016 for discussion. A quorum was present.

**Rep. Skarphol** The Department of Emergency Management has had one disaster at least each year.. I move amendment .0206 to SB 2016. 2nd by Rep. Carlisle.

**Rep. Aarsvold** Was how this encroaches on the deficit and constitution ever discussed?

**Rep. Skarphol** No, but we hope we don't have a disaster next year.

**Rep. Aarsvold** I think we are on the edge.

**Rep. Skarphol** We share that concern.

**Motion Carries**

**Rep. Kerzman** Did you talk about how they react to disasters? Can they speed it up?

**Rep. Skarphol** We didn't discuss that, but we'd share those concerns.

**Rep. Carlson** Some of this debt has been carried since 1993.

**Rep. Aarsvold** Is some of this insurance and law suit settlement?

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*La Costa Rickford*  
Operator's Signature

10/15/03  
Date

Page 2  
House Appropriations Committee  
Bill/Resolution Number SB 2016  
Hearing Date 04-03-03

**Rep. Carlson** Yes, FEMA payments at NDSU and UND.

**Rep. Aarsvold** Will they replenish the state's interest costs?

**Rep. Carlson** I'm not sure.

**Rep. Monson** What is the payment history here?

**Rep. Wald** There's over 2 million dollars payoff in the Water Commissioner's budget.

**Rep. Joe Morrisette, LC** It is in three separate bills.

**Rep. Skarphol** Why was it done that way and not reflected on the greensheets?

**Morrisette** Its an obligation incurred by other agencies.

**Rep. Carlisle** Rep. Froelich will discuss this on the floor.

**Rep. Skarphol** I move a Do Pass As Amended. 2nd by Rep. Brusegaard. Motion Carries

**22-0-1. Rep. Skarphol will carry this bill on the floor.**

38039.0206  
Title.0300  
Fiscal No. 8

Prepared by the Legislative Council staff for  
Representative Skarphol  
April 2, 2003

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2016

Page 1, line 10, replace "3,039,623" with "3,037,559"

Page 1, line 11, replace "10,101,889" with "1,629,062"

Page 1, line 14, replace "47,053,097" with "38,578,206"

Page 1, line 15, replace "37,218,405" with "37,217,141"

Page 1, line 16, replace "9,834,692" with "1,361,065"

Page 1, after line 22, insert:

**"SECTION 3. DISASTER RELIEF FUNDING.** Notwithstanding section 37-17.1-23, the division of emergency management may continue its line of credit with the Bank of North Dakota relating to the state's share of federal disaster relief funding incurred during the 2001-03 biennium to July 1, 2005. The division of emergency management may repay the line of credit to the extent possible with funding received from settlements, and the division of emergency management may request a deficiency appropriation from the 2005 legislative assembly for the remaining state's share of any federal disaster relief funding from the 2001-03 biennium."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Division of Emergency Management - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,059,418	\$3,039,623	(\$2,064)	\$3,037,559
Operating expenses	10,101,889	10,101,889	(8,472,827)	1,629,062
Capital assets	12,000	12,000		12,000
Grants	<u>33,899,585</u>	<u>33,899,585</u>		<u>33,899,585</u>
Total all funds	\$47,072,692	\$47,053,097	(\$8,474,891)	\$38,578,206
Less estimated income	<u>46,130,383</u>	<u>37,218,405</u>	<u>(1,264)</u>	<u>37,217,141</u>
General fund	\$942,509	\$9,834,692	(\$8,473,627)	\$1,361,065
FTE	20.00	20.00	0.00	20.00

Dept. 512 - Division of Emergency Management - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	REMOVES FUNDING FOR REPAYMENT OF DISASTER RELIEF FUNDING <sup>3</sup>	PROVIDES FUNDING FOR INTEREST PAYMENTS RELATING TO DISASTER RELIEF FUNDING <sup>4</sup>	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,064)				(\$2,064)
Operating expenses		(\$10,627)	(\$8,900,000)	\$437,800	(8,472,827)
Capital assets					
Grants					
Total all funds	(\$2,064)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,474,891)
Less estimated income	<u>(1,264)</u>				<u>(1,264)</u>
General fund	(\$800)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,473,627)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$10,827 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

<sup>3</sup> This amendment removes funding of \$9.9 million from the general fund for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding. The executive budget recommended funding the repayment from the water development trust fund, and the Senate provided funding for repayment from the general fund. In addition, the amendment adds a section to the bill to provide that notwithstanding North Dakota Century Code Section 37-17.1-23, the agency may extend its 2001-03 biennium line of credit with the Bank of North Dakota, the agency may repay the loan to the extent possible with funding received from settlements, and the agency may request a deficiency appropriation from the 2005 Legislative Assembly for the state's share of remaining federal disaster relief funding from both the 2001-03 and 2003-05 bienniums.

<sup>4</sup> This amendment provides \$437,800 from the general fund to pay for interest costs incurred relating to the agency's Bank of North Dakota line of credit to pay the state's share of federal disaster relief funding.

Date:04-02-03  
Roll Call Vote Number #1

**2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB 2016**

House Appropriations: Government Operations Division Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38039.0206

Action Taken Do Pass on Amendment

Motion Made By Rep. Skarphol Seconded By Rep. Koppelman

Representatives	Yes	No	Representatives	Yes	No
Chairman Carlisle	x				
Vice Chairman Carlson	x				
Rep. Koppelman	x				
Rep. Skarphol	x				
Rep. Thoreson	x				
Rep. Timm	x				
Rep. Glassheim	x				
Rep. Kroeber	x				
Rep. Warner	x				

Total (Yes) 9 No 0

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

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Lacosta Rickford 10/15/03  
Operator's Signature Date



Date:04-02-03  
Roll Call Vote Number #2

**2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. SB 2016**

House Appropriations: Government Operations Division Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 38039.0206

Action Taken Do Pass as Amended

Motion Made By Rep. Skarphol Seconded By Rep. Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman Carlisle	x				
Vice Chairman Carlson	x				
Rep. Koppelman	x				
Rep. Skarphol	x				
Rep. Thoreson	x				
Rep. Timm	x				
Rep. Glassheim	x				
Rep. Kroeber	x				
Rep. Warner	x				

Total (Yes) 9 No 0

Absent \_\_\_\_\_

Floor Assignment Skarphol

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

REPORT OF STANDING COMMITTEE (410)  
April 3, 2003 1:59 p.m.

Module No: HR-60-6671  
Carrier: Skarphol  
Insert LC: 38039.0206 Title: .0300

REPORT OF STANDING COMMITTEE

SB 2016, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2016 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "3,039,623" with "3,037,559"

Page 1, line 11, replace "10,101,889" with "1,629,062"

Page 1, line 14, replace "47,053,097" with "38,578,206"

Page 1, line 15, replace "37,218,405" with "37,217,141"

Page 1, line 16, replace "9,834,692" with "1,361,065"

Page 1, after line 22, Insert:

"SECTION 3. DISASTER RELIEF FUNDING. Notwithstanding section 37-17.1-23, the division of emergency management may continue its line of credit with the Bank of North Dakota relating to the state's share of federal disaster relief funding incurred during the 2001-03 biennium to July 1, 2005. The division of emergency management may repay the line of credit to the extent possible with funding received from settlements, and the division of emergency management may request a deficiency appropriation from the 2005 legislative assembly for the remaining state's share of any federal disaster relief funding from the 2001-03 biennium."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Division of Emergency Management - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,059,418	\$3,039,623	(\$2,064)	\$3,037,559
Operating expenses	10,101,889	10,101,889	(8,472,827)	1,629,062
Capital assets	12,000	12,000		12,000
Grants	33,899,585	33,899,585		33,899,585
Total all funds	\$47,072,892	\$47,053,097	(\$8,474,891)	\$38,578,206
Less estimated income	46,130,363	37,218,405	(1,264)	37,217,141
General fund	\$942,509	\$9,834,692	(\$8,473,627)	\$1,361,065
FTE	20.00	20.00	0.00	20.00

Dept. 512 - Division of Emergency Management - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	REMOVES FUNDING FOR REPAYMENT OF DISASTER RELIEF FUNDING 3	PROVIDES FUNDING FOR INTEREST PAYMENTS RELATING TO DISASTER RELIEF FUNDING 4	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,064)				(\$2,064)
Operating expenses		(\$10,827)	(\$8,900,000)	\$437,800	(8,472,827)
Capital assets					
Grants					

(2) DESK, (3) COMM

Page No. 1

HR-60-6671

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*La Costa Rickford*  
Operator's Signature

10/15/03  
Date

REPORT OF STANDING COMMITTEE (410)  
April 3, 2003 1:59 p.m.

Module No: HR-60-6671  
Carrier: Skarphol  
Insert LC: 38039.0206 Title: .0300

Total all funds	(\$2,064)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,474,891)
Less estimated income	(1,264)				(1,264)
General fund	(\$800)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,473,627)
FTE	0.00	0.00	0.00	0.00	0.00

- 1 This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.
- 2 This amendment reduces funding for information technology by \$10,627 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.
- 3 This amendment removes funding of \$8.9 million from the general fund for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding. The executive budget recommended funding the repayment from the water development trust fund, and the Senate provided funding for repayment from the general fund. In addition, the amendment adds a section to the bill to provide that notwithstanding North Dakota Century Code Section 37-17.1-23, the agency may extend its 2001-03 biennium line of credit with the Bank of North Dakota, the agency may repay the loan to the extent possible with funding received from settlements, and the agency may request a deficiency appropriation from the 2005 Legislative Assembly for the state's share of remaining federal disaster relief funding from both the 2001-03 and 2003-05 bienniums.
- 4 This amendment provides \$437,800 from the general fund to pay for interest costs incurred relating to the agency's Bank of North Dakota line of credit to pay the state's share of federal disaster relief funding.

2003 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2016

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Operator's Signature

*La Costa Rickford*

Date

*10/15/03*

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016

Senate Appropriations Committee

☒ Conference Committee

Hearing Date APRIL 11-2003

Tape Number	Side A	Side B	Meter #
#1		x	0-900
Committee Clerk Signature			

Minutes:

Meeting was called to order by Chairman, **Senator Grindberg** on SB 2016 Division of Emergency Management. All members were present, **Senators Grindberg, Andrist, Mathern; Representatives Skarphol, Carlson and Kroeber.**

**Senator Grindberg** stated that all were aware of the changes made by the House and wanted to know if there were any comments or questions. **Rep. Skarphol** stated that in their efforts to find sufficient dollars to cover the budget they thought it was appropriate that they have a little bit of change from where they were at, not appropriate to use up all of the money in the trust fund and they were hopeful that they would not have a recurring disaster this year, there has been a disaster declared in this state, every year since 1993 and there has been a pretty good record of repayment during the deficiency appropriation process and they just decided to take that chance that there would not be a unanticipated disaster and give the state a couple of years to take care of this particular deficiency appropriation. **Rep. Kroeber** stated that they also talked about the possible

Page 2

Senate Appropriations Committee

Bill/Resolution Number SB 2016

Hearing Date April 11, 2003

resolution of a lawsuits at NDSU and UND and that money is directed to help pay off this loan, he thought, because it has been covered by this fund, he thought that was correct. If that happens that would reduce this amount and would make it easier for the state to pay it off. **Senator Grindberg** wanted to know what the estimated interest cost would be this biennium on this loan. **Senator Skarphol** replied that it was reflected on the House amendments, there was \$437,800 put in general fund dollars to pay the interest this biennium and anticipated interest on the next biennium, this is a 2.9% loan, and that was why it was felt it was appropriate to keep it. **Senator Grindberg** questioned in the Bank of North Dakota for 4 years? **Rep. Carlson** replied that the interest due this biennium was about 1/2 of that number and for the interest for next biennium would have been the other \$230,000, so they made sure they were current on their interest up until the end of next biennium. **Rep. Skarphol** found that there is the possibility of about \$2 million worth of insurance claims that are still out there including FEMA and private insurance. Basically on the flood that was at NDSU during the summer and the major one at UND during the flood of 1997. They also looked at the fact that the reason that this amount of money is left is that we have been paying all along on the bills, some are just now closing out, going back to 1993, some are just closing files, and the \$8.9 is what is left of those, it wasn't that we weren't current, it is just that these are now closing, and they total amount of money. He noticed that the Senate had moved it from the Water Trust Fund to the general fund. As the House looked at it, they made the decision that maybe we should leave some or all of this forward, they picked pay later. **Senator Grindberg** wanted to know if there was any discussion on intend language encouraging the Executive branch to pay this off in general funds? **Rep. Skarphol** said they didn't get into that but, **Joe Morrisette** from OMB had just told him and **Rep. Kroeber** that the

Page 3  
Senate Appropriations Committee  
Bill/Resolution Number SB 2016  
Hearing Date April 11, 2003

insurance settlements that come back from the UND and NDSU disasters have to go back to those Institutions because they still have loans from the Bank of North Dakota that they have to repay. Discussion continued on the dollar amounts in the past regarding disasters in North Dakota. **Senator Mathern** (#417) He was wondering about the 2.9% interest rate. Is that already negotiated? Senator Skarphol stated that he was told that is the rate that Emergency Management gets from the Bank of North Dakota. Discussion continued regarding the interest rate and if there would be any rates associated with this. **Roxanne Woeste** from Legislative Council (#533) explained the section of the law that allows the emergency management to borrow funds to match federal disaster funds. She read the law which included that the Bank shall receive interest on the loan at a rate equal to other state agencies borrowings. **Rep. Carlson** stated that this was his understanding, that was the going rate that they charge all of the other agencies when they get money from the Bank of ND. There is no special treatment of any kind. **Senator Andrist** (#679) He stated that he was a "pay as you go guy" and he thinks they haven't really done their job when they just pass some debt to the next session. He stated that he is not a water trust fund "purest", this is a water related issue really, flooding, so he didn't have a lot of "heartburn" paying for it with the water trust fund. He also thought that a better approach *might have been* to pay the bills from the water development trust fund and then if you expect to recover additional moneys during the next two year period, specify any additional moneys recovered will go back into the water development trust fund. He didn't feel that any of these issues were worth staying until late at night debating them. **Senator Grindberg** stated that he would like to NOT take any action at this time, schedule one more meeting and then all would have a clearer picture of how things were going to come together. **Rep. Carlson** stated that this budget needed to wait for now,

L. Costa Rickford  
Operator's Signature

10/15/03  
Date

Page 4

Senate Appropriations Committee

Bill/Resolution Number SB 2016

Hearing Date April 11, 2003

not right now, and so he agrees with **Senator Grindberg**, so his recommendation would also be

to wait and see where the numbers will go. **Rep. Skarphol** agreed also and the Information

Technology bill has to be settled also before this bill can be settled.

Meeting was adjourned by **Senator Grindberg**, chair. (#900)

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Operator's Signature

10/15/03  
Date



2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2016 Conference Committee & Vote

Senate Appropriations Committee

☒ Conference Committee

Hearing Date 4-21-03

Tape Number	Side A	Side B	Meter #
2	A		0 -750
Committee Clerk Signature <i>Sandra Darsni</i>			

Minutes:

The Conference Committee was called to order by **Senator Grindberg** on SB 2016. All members of the Conference Committee were present.

**Senator Mathern** Are we going to go to the general fund to pay our bills.

**Senator Grindberg** If we were plush with money, that may be an option.

**Representative Skarphol** We told you what we had done in the House, I don't know what your impression of that is. The 5% cut in IT amounts to \$2,657.00. That would be the only change that would be needed, other than the health insurance, which is being done in every budget.

**Representative Carlson** I move that the Senate recede to the House Amendments, and further amend.

**Senator Mathern** Why don't we try to take part of this off. The Senate had the full 8.9 million that we are going to take out of the general fund. I understand the concern you raise about the money, but why are we going totally to borrow this money.

Page 2

Senate Appropriations Committee

Bill/Resolution Number SB 2016 Conference Committee and Vote

Hearing Date 4-21-03

**Representative Skarphol** The House opinion was in order to reach some level of ending fund balance, and in an effort to prevent raising taxes, we thought it was appropriate to continue borrowing, hopeful that we would not have another 2 years of disasters. Over the last 4 biennium's, we have paid off in excess of \$32 million through this mechanism. We are hoping we can get a couple of years of relief, so that we can catch up.

**Senator Grindberg** It is not unusual to do what we are doing. I am tempted to use more of the trust fund. As long as we are not doing that, I guess it would be prudent to capture the savings in the general fund.

**Senator Andrist** I support the motion. It makes more sense the debt is paid by the general fund and then repay it.

**Senator Mathern** Why not part of it. Do we know the ending fund balance. Is this signaling exactly what the ending fund balance will be.

**Representative Skarphol** I suggested to the House Appropriations chairman, that on the OMB bill they should consider an amendment, that if the ending fund balance exceeded a certain dollar amount, that any money in excess of that would go to paying off this debt. If the economy did pick u, this debt would be reduced.

**Senator Mathern** That would be an excellent idea. Why don't we put it on this bill

**Representative Skarphol** In the interest of getting this one out of here, I suggest that it go there to give them the opportunity to see what things are looking like.

**Joe Morrisette** from OMB. They indicated that they would not be receiving any settlement. It will go direct to the Universities. It probably doesn't do any harm, but it might give you an

Page 3

Senate Appropriations Committee

Bill/Resolution Number SB 2016 Conference Committee and Vote

Hearing Date 4-21-03

impression that they are going to receive some settlement. My understanding is that these settlements will go directly to the University systems.

**Representative Skarphol** There is nothing outstanding that would be paid to the division of Emergency Management in regard to any of the previous disasters.

**Representative Carlson** I would feel better by leaving that in there.

**Senator Grindberg** Any questions, comments.

**Representative Carlson** I can't disagree with Senator Matherns thoughts. I do think the position we are in at this point in time. I support Representative Skarphols language to find a benchmark on ending fund and anything to pay on our debt beyond that. I am going to support this even though a lot of us don't disagree that it would be nice to pay it off, I just don't think it is possible right now.

**Senator Grindberg** The clerk will take the roll for the motion as stated. 5 Yeas, 1 Nay..

**Motion was passed. Senator Grindberg adjourned the Confernece Committee meeting on SB 2016.**

38039.0207  
Title.0400  
Fiscal No. 1

Prepared by the Legislative Council staff for  
Conference Committee  
April 21, 2003

*JB*  
4-21-03  
1 of 2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2016

That the House recede from its amendments as printed on pages 1124 and 1125 of the Senate Journal and pages 1245 and 1246 of the House Journal and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 10, replace "3,039,623" with "3,037,559"

Page 1, line 11, replace "10,101,889" with "1,637,032"

Page 1, line 14, replace "47,053,097" with "38,586,176"

Page 1, line 15, replace "37,218,405" with "37,217,141"

Page 1, line 16, replace "9,834,692" with "1,369,035"

Page 1, after line 22, insert:

**"SECTION 3. DISASTER RELIEF FUNDING.** Notwithstanding section 37-17.1-23, the division of emergency management may continue its line of credit with the Bank of North Dakota relating to the state's share of federal disaster relief funding incurred during the 2001-03 biennium to July 1, 2005. The division of emergency management may repay the line of credit to the extent possible with funding received from settlements, and the division of emergency management may request a deficiency appropriation from the 2005 legislative assembly for the remaining state's share of any federal disaster relief funding from the 2001-03 biennium."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2016 - Division of Emergency Management - Conference Committee Action**

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$3,059,418	\$3,039,623	(\$2,084)	\$3,037,559	\$3,037,559	
Operating expenses	10,101,889	10,101,889	(8,464,857)	1,637,032	1,629,062	\$7,970
Capital assets	12,000	12,000		12,000	12,000	
Grants	<u>33,899,585</u>	<u>33,899,585</u>		<u>33,899,585</u>	<u>33,899,585</u>	
Total all funds	\$47,072,892	\$47,053,097	(\$8,466,921)	\$38,586,176	\$38,578,206	\$7,970
Less estimated income	<u>48,130,383</u>	<u>37,218,405</u>	<u>(1,264)</u>	<u>37,217,141</u>	<u>37,217,141</u>	
General fund	\$942,509	\$9,834,692	(\$8,465,657)	\$1,369,035	\$1,361,065	\$7,970
FTE	20.00	20.00	0.00	20.00	20.00	0.00

**Dept. 512 - Division of Emergency Management - Detail of Conference Committee Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	REMOVES FUNDING FOR REPAYMENT OF DISASTER RELIEF FUNDING <sup>3</sup>	PROVIDES FUNDING FOR INTEREST PAYMENTS RELATING TO DISASTER RELIEF FUNDING <sup>4</sup>	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$2,084)				(\$2,084)
Operating expenses		(\$2,657)	(\$8,900,000)	\$437,800	(8,464,857)
Capital assets					
Grants					
Total all funds	(\$2,084)	(\$2,657)	(\$8,900,000)	\$437,800	(\$8,466,921)

2 of 2

Less estimated income	(1,284)				(1,284)
General fund	(\$800)	(\$2,657)	(\$8,900,000)	\$437,800	(\$8,465,657)
FTE	0.00	0.00	0.00	0.00	0.00

- 1 This amendment reduces funding for state employee health insurance premiums from \$493 to \$488.70 per month.
- 2 This amendment reduces funding for information technology by \$2,657 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 5 percent. The House had reduced funding for information technology by \$10,827 from the general fund, a reduction of approximately 20 percent.
- 3 This amendment removes funding of \$8.9 million from the general fund for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding. The executive budget recommended funding the repayment from the water development trust fund, and the Senate provided funding for repayment from the general fund. In addition, the amendment adds a section to the bill to provide that notwithstanding North Dakota Century Code Section 37-17.1-23, the agency may extend its 2001-03 biennium line of credit with the Bank of North Dakota, the agency may repay the loan to the extent possible with funding received from settlements, and the agency may request a deficiency appropriations from the 2005 Legislative Assembly for the state's share of remaining federal disaster relief funding from both the 2001-03 and the 2003-05 bienniums.
- 4 This amendment provides \$437,800 from the general fund to pay for interest costs incurred relating to the agency's Bank of North Dakota line of credit to pay the state's share of federal disaster relief funding.

Date 4-21-03  
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2016

Senate APPROPRIATIONS Committee

☒ Check here for Conference Committee

Legislative Council Amendment Number 38039.020

Action Taken Senate recedes to House amendments

Motion Made By Carlson

Seconded By \_\_\_\_\_

Senators	Yes	No	Representatives	Yes	No
Senator Grindberg	✓		Representative Skarphol	✓	
Senator Andrist	✓		Representative Carlson	✓	
Senator Mathern		✓	Representative Kroeber	✓	

Total (Yes) 5 No 1

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

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Operator's Signature

Lacosta Rickford

Date

10/15/03

REPORT OF CONFERENCE COMMITTEE (420)  
April 22, 2003 7:40 a.m.

Module No: SR-73-8051

Insert LC: 38039.0207

**REPORT OF CONFERENCE COMMITTEE**

**SB 2016, as engrossed:** Your conference committee (Sens. Grindberg, Andrist, Mathern and Reps. Skarphol, Carlson, Kroeber) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1124-1125, adopt amendments as follows, and place SB 2016 on the Seventh order:

That the House recede from its amendments as printed on pages 1124 and 1125 of the Senate Journal and pages 1245 and 1246 of the House Journal and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 10, replace "3,039,623" with "3,037,559"

Page 1, line 11, replace "10,101,889" with "1,637,032"

Page 1, line 14, replace "47,053,097" with "38,586,176"

Page 1, line 15, replace "37,218,405" with "37,217,141"

Page 1, line 16, replace "9,834,692" with "1,369,035"

Page 1, after line 22, Insert:

**"SECTION 3. DISASTER RELIEF FUNDING.** Notwithstanding section 37-17.1-23, the division of emergency management may continue its line of credit with the Bank of North Dakota relating to the state's share of federal disaster relief funding incurred during the 2001-03 biennium to July 1, 2005. The division of emergency management may repay the line of credit to the extent possible with funding received from settlements, and the division of emergency management may request a deficiency appropriation from the 2005 legislative assembly for the remaining state's share of any federal disaster relief funding from the 2001-03 biennium."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2016 - Division of Emergency Management - Conference Committee Action**

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$3,059,418	\$3,039,623	(\$2,084)	\$3,037,559	\$3,037,559	
Operating expenses	10,101,889	10,101,889	(8,464,857)	1,637,032	1,629,062	\$7,970
Capital assets	12,000	12,000		12,000	12,000	
Grants	<u>33,899,585</u>	<u>33,899,585</u>		<u>33,899,585</u>	<u>33,899,585</u>	
Total all funds	\$47,072,802	\$47,053,097	(\$8,466,921)	\$38,586,176	\$38,578,206	\$7,970
Less estimated income	<u>46,130,383</u>	<u>37,218,405</u>	<u>(1,264)</u>	<u>37,217,141</u>	<u>37,217,141</u>	
General fund	\$942,509	\$9,834,692	(\$8,465,857)	\$1,369,035	\$1,361,065	\$7,970
FTE	20.00	20.00	0.00	20.00	20.00	0.00

**Dept. 512 - Division of Emergency Management - Detail of Conference Committee Changes**

REDUCES RECOMMENDED FUNDING FOR	REDUCES FUNDING FOR INFORMATION	REMOVES FUNDING FOR REPAYMENT OF DISASTER	PROVIDES FUNDING FOR INTEREST PAYMENTS RELATING TO	TOTAL CONFERENCE
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(2) DESK, (2) COMM

Page No. 1

SR-73-8051

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Operator's Signature

*La Costa Rickford*

10/15/03

Date

**REPORT OF CONFERENCE COMMITTEE (420)**  
**April 22, 2003 7:40 a.m.**

**Module No: SR-73-8051**

**Insert LC: 38039.0207**

	HEALTH INSURANCE <sup>1</sup>	TECHNOLOGY COSTS <sup>2</sup>	RELIEF FUNDING <sup>3</sup>	DISASTER RELIEF FUNDING <sup>4</sup>	COMMITTEE CHANGES
Salaries and wages	(\$2,084)				(\$2,084)
Operating expenses		(\$2,657)	(\$8,900,000)	\$437,800	(8,464,857)
Capital assets					
Grants					
Total all funds	(\$2,084)	(\$2,657)	(\$8,900,000)	\$437,800	(\$8,466,921)
Less estimated income	(1,264)				(1,264)
General fund	(\$800)	(\$2,657)	(\$8,900,000)	\$437,800	(\$8,465,657)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$493 to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$2,657 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 5 percent. The House had reduced funding for information technology by \$10,627 from the general fund, a reduction of approximately 20 percent.

<sup>3</sup> This amendment removes funding of \$8.9 million from the general fund for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding. The executive budget recommended funding the repayment from the water development trust fund, and the Senate provided funding for repayment from the general fund. In addition, the amendment adds a section to the bill to provide that notwithstanding North Dakota Century Code Section 37-17.1-23, the agency may extend its 2001-03 biennium line of credit with the Bank of North Dakota, the agency may repay the loan to the extent possible with funding received from settlements, and the agency may request a deficiency appropriations from the 2005 Legislative Assembly for the state's share of remaining federal disaster relief funding from both the 2001-03 and the 2003-05 bienniums.

<sup>4</sup> This amendment provides \$437,800 from the general fund to pay for interest costs incurred relating to the agency's Bank of North Dakota line of credit to pay the state's share of federal disaster relief funding.

Engrossed SB 2016 was placed on the Seventh order of business on the calendar.



2003 TESTIMONY

SB 2016

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*La Costa Rickford*

10/15/03

Date

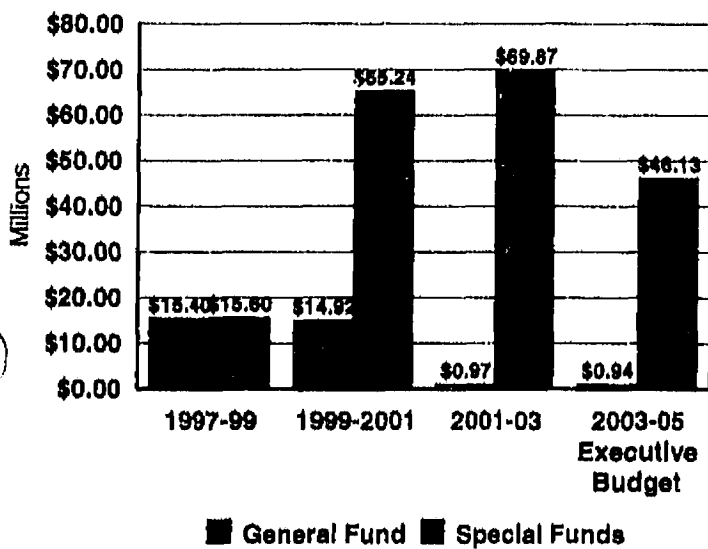
**Department 512 - Division of Emergency Management  
Senate Bill No. 2016**

	FTE Positions	General Fund	Other Funds	Total
2003-05 Executive Budget	20.00	\$942,509	\$46,130,383	\$47,072,892
2001-03 Legislative Appropriations	20.00	967,458 <sup>1</sup>	69,876,526	70,843,984 <sup>2</sup>
Increase (Decrease)	0.00	(\$24,949)	(\$23,746,143)	(\$23,771,092)

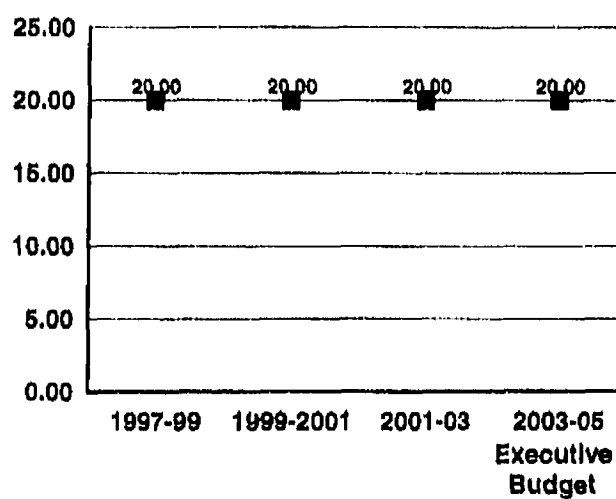
<sup>1</sup> The 2001-03 general fund appropriation is the amount appropriated by the 2001 Legislative Assembly and does not include a reduction of \$10,158 relating to the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002.

<sup>2</sup> The 2001-03 appropriation amounts include \$9,996, \$4,298 of which is from the general fund, for the agency's share of the \$5 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees. The 2001-03 appropriation amounts do not include \$2,681,819 of excess 1999-2001 biennium deficiency general fund appropriations, \$1,871,247 of Bank of North Dakota loan proceeds, and \$14,615,629 of additional federal funds authority resulting from Emergency Commission action through March 2002.

**Agency Funding**



**FTE Positions**



**First House Action**

Attached is a summary of the first house changes.

**Executive Budget Highlights  
(With First House Changes Noted)**

	General Fund	Other Funds	Total
1. Decreases funding for open disaster program associated with flooding during spring 1997, spring 1998, spring 1999, and spring 2001 and severe weather during summer 2000, fall 2001, and summer 2002		(\$53,828,365)	(\$53,828,365)
2. Provides federal funding from the United States Department of Justice primarily for grants to political subdivisions for homeland security related issues		\$4,290,250	\$4,290,250
3. Provides funding from the water development trust fund for payment of a loan from the Bank of North Dakota relating to the state's share of disaster-related costs. The Senate changed the funding source for the state's share of disaster-related costs from the water development trust fund to the general fund.		\$8,900,000	\$8,900,000

**Major Related Legislation**

At this time, no major legislation has been introduced affecting this agency.

03/04/03

**STATEMENT OF PURPOSE OF AMENDMENT:****Senate Bill No. 2016 - Funding Summary**

	Executive Budget	Senate Changes	Senate Version
Division of Emergency Management			
Salaries and wages	\$3,059,418	(\$19,795)	\$3,039,623
Operating expenses	10,101,889		10,101,889
Capital assets	12,000		12,000
Grants	33,899,585		33,899,585
Total all funds	\$47,072,892	(\$19,795)	\$47,053,097
Less estimated income	46,130,383	(8,911,978)	37,218,405
General fund	\$942,509	\$8,892,183	\$9,834,692
FTE	20.00	0.00	20.00
Bill Total			
Total all funds	\$47,072,892	(\$19,795)	\$47,053,097
Less estimated income	46,130,383	(8,911,978)	37,218,405
General fund	\$942,509	\$8,892,183	\$9,834,692
FTE	20.00	0.00	20.00

**Senate Bill No. 2016 - Division of Emergency Management - Senate Action**

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$3,059,418	(\$19,795)	\$3,039,623
Operating expenses	10,101,889		10,101,889
Capital assets	12,000		12,000
Grants	33,899,585		33,899,585
Total all funds	\$47,072,892	(\$19,795)	\$47,053,097
Less estimated income	46,130,383	(8,911,978)	37,218,405
General fund	\$942,509	\$8,892,183	\$9,834,692
FTE	20.00	0.00	20.00

**Department No. 512 - Division of Emergency Management - Detail of Senate Changes**

	Removes Recommended Salary Increase <sup>1</sup>	Funding Source Change <sup>1</sup>	Total Senate Changes
Salaries and wages	(\$19,795)		(\$19,795)
Operating expenses			
Capital assets			
Grants			
Total all funds	(\$19,795)	\$0	(\$19,795)
Less estimated income	(11,978)	(8,900,000)	(8,911,978)
General fund	(\$7,817)	\$8,900,000	\$8,892,183
FTE	0.00	0.00	0.00

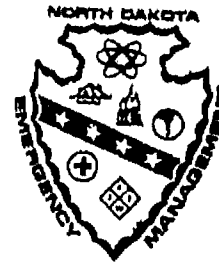
<sup>1</sup> This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

03/04/03

This amendment changes the funding source for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding from \$8.9 million from the water development trust fund to \$8.9 million from the general fund.

North Dakota

## Division of Emergency Management



JOHN HOEVEN  
GOVERNOR

Maj Gen MICHAEL J. HAUGEN  
ADJUTANT GENERAL

DOUGLAS C. FRIEZ  
STATE DIRECTOR

To: Senator Bob Stenehjem, Senate Majority Leader  
Representative Rick Berg, House Majority Leader

From: Douglas C. Friez, State Director

Re: Document Proposal

Date: January 16, 2003

Attached is the document that addresses the four questions asked in your January 8, letter.

If you have any questions, please call me at 701-328-8100.

PO Box 5511 • Bismarck, North Dakota 58506-5511  
701-328-8100 • Fax 701-328-8181  
discovernd.com

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*LaCosta Rickford*  
Operator's Signature

10/15/03  
Date

1. What is the main purpose of your agency?

State Law clearly provides us a mandate to, "reduce vulnerability of people and communities of this state to damage, injury, and loss of life and property resulting from manmade or natural disasters or emergencies, or hostile military or para-military action." To accomplish this purpose we:

- Provide for a statewide multi-hazard emergency management system (plans, trained personnel, facilities, equipment) of mitigation, preparedness, response and recovery in coordination and cooperation with, and support of local and tribal governments;
- Maintain, enhance and exercise the state emergency operations plan. Currently over 50 state agencies have responsibilities in the state plan;
- Provide technical assistance, guidance, and standards to local and tribal governments in the development, maintenance and enhancement of hazard mitigation and emergency operations plans. We also provide exercise guidelines to test plan effectiveness;
- Develop, conduct and support special training classes, seminars, and conferences for public officials and staff;
- Facilitate improvement of state, local and tribal facilities, equipment capabilities, and resources through access to federal and private grants;
- Provide emergency information and education to the public through statewide awareness campaigns;
- Provide technical assistance in the areas of hazardous materials, search and rescue, incident management and emergency operations, exercising, communications, warning, and resource management; and
- Provide a setting conducive to effective and efficient restoration and rehabilitation of persons and property affected by disasters or emergencies.

2. How do you measure the achievement of your purpose?

One measure of our achievements was the trust Governor Hoeven placed in us when he asked the Division of Emergency Management to coordinate statewide Homeland Security efforts.

We also measure by output and outcome. Specifically some of the output achievements in the area of Homeland Security since September 11, 2001 include:

- An updated State Emergency Operation Plan addressing Homeland Security initiatives;
- Heightened security measures in many key facilities, with special attention at the airports and international border where federal resources eventually were deployed;
- Special training and planning events for hundreds of public officials on threat assessment, resource management, public information, and emergency operations;
- Increased security measures in many areas but especially related to the anthrax scare in the fall of 2001; and
- Refocused training programs regarding incident management.

Other output measurements relating to overall emergency management include the daily technical assistance we provide to 53 counties, four tribal, and a growing number of city emergency management organizations. The 53 counties all have emergency operations and hazard mitigation plans. These plans are currently being revised with Division staff support to improve emergency operations, facilitate resource management, and meet other guidelines.

These plans are tested through actual emergency operations or by conducting emergency management exercises. In 2002, 129 exercises with over 19,000 participants were conducted statewide. The Division conducted or supported 62 training events with 1,257 public and private sector participants. Seventeen people participated in a training event at the National Emergency Training Center and, 133 participated in DOJ sponsored Homeland Security training events. Additional DOJ Homeland Security training events projected for calendar year 2003 will make training available for over 600 personnel. Hazardous materials training for 1,500 first responders was provided through grant funding administered by the Division. In the past two years over \$3.7 million was obligated to local first responders for specialized weapons of mass destruction (WMD) equipment. Over 10,000 North Dakota Citizens' Guides to Emergency Preparedness were revised and distributed to North Dakota citizens in 2002. In addition, winter and summer weather hazard awareness campaigns are coordinated annually by the Division. The Division has always emphasized hazard mitigation. Since 1993, over 2,000 flood prone homes have been removed from harm's way, never to flood again, through the Division led hazard mitigation efforts. In the area of emergency operations, the Division has provided support to local governments in 243 emergency incidents during this biennium, including the nation's largest anhydrous ammonia release which occurred in Minot in January 2002, and the July fires in the southern part of the state.

*Lacosta Rickford*  
Operator's Signature

10/15/03  
Date

Outcome measurement provides insight regarding program execution. For example, in the most recent disasters from 1993-2002, a total of over \$730 million dollars in federal disaster assistance funds were expended, to include the effective use of about \$96 million dollars in funds for mitigating future disasters. About 3,600 facilities that sell, use or store hazardous chemicals are provided assistance annually in complying with federal Emergency Planning and Community-Right-To-Know laws designed with public safety in mind. In addition, technical assistance regarding hazardous chemicals is provided several hundred times per year to industry and government officials. We provided almost \$700,000 in financial support to 53 county and two tribal governments in updating local emergency operations plans and disaster mitigation plans in 2002. In 2003 we expect to provide nearly \$1.1 million in planning dollars to the 53 counties and three tribal governments.

The Division coordinates Homeland Security preparedness activities through inserting homeland security topics in all training activities. Exercise Vigilant Victor is a series of three statewide exercises beginning in February and culminating in September 2003. County, city and four tribal governments are participating in this Homeland Security exercise along with state officials.

Additionally, in terms of measurement, about a year and a half ago the Division volunteered to become the first state emergency management organization to pilot a National Emergency Management Association initiative to assess and accredit emergency management organizations. North Carolina also piloted the system sometime later. That system has been adopted by FEMA in the wake of 9/11 and early in 2003, the North Dakota Division of Emergency Management will undergo an intense four-day assessment by peer evaluators representing local, state and federal emergency management organizations from across the nation.

Finally, to meet our responsibilities, in coordination with FEMA we embark on a comprehensive and ambitious annual workplan emphasizing emergency plan development and maintenance; resource management; detailed networking and partnership development; as well as extensive training and exercise efforts. We are accountable for completing the tasks outlined in that workplan, and the funds we receive from FEMA are tied to successful performance of work items.

### **3. What can the legislature do, financially and otherwise, to help you achieve your purpose?**

Our vision for the future is "to build a disaster resistant state." Providing effective emergency management is a never-ending task. Resources change, so plans must be updated. Training requirements are constant because manpower resources are mobile and dynamic. Keeping state of the art equipment for data management, communications, and operational response is challenging and sometimes expensive. We need your continued support to that end.

To properly fulfill our responsibilities to public safety in the area of Homeland Security and traditional Emergency Management I request your continuing support and confidence. Together, we need to closely monitor the scope and potential for a long-term commitment from the newly created federal Department of Homeland Security during the next biennium to determine if our most effective means of staffing to deliver Homeland Security may require permanent staff.

I would ask that as you return to your communities after the session and during the interim you take an active part in partnering with us in monitoring emergency management and Homeland Security initiatives so that we can ensure the best, most efficient, most appropriate level of support to our citizens without taking away their requirements and desire for self-responsibility.

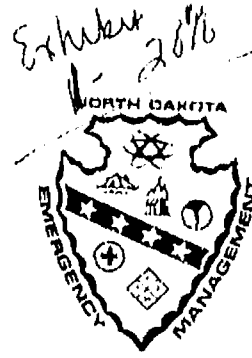
### **4. How can you report (measure) your results so the public can easily understand your purpose and evaluate your effectiveness?**

We develop, conduct, and sponsor special training classes and seminars for hundreds of officials and emergency services personnel annually. Latest initiatives include community wide multi-hazard planning, and awareness efforts with special attention to domestic terrorism potentials. These training events occur in various locations throughout the state. Just Wednesday, we launched our Citizen Corps effort designed to provide individuals with self-help skills in first aid, light search and rescue, damage assessment, fire suppression and neighborhood leadership. The Division and its statewide emergency management partners also sponsor several public awareness programs annually.

The Division reports results to the public at a grass roots level through 53 county and four tribal emergency managers who disseminate this information to their customers. On a broader scale, the Division utilizes its strategic partnerships with dozens of private and public associations and organizations. Additionally, the Division participates in and supports public forums and workshops addressing citizen emergency management concerns. The Division issues periodic and timely press releases relating to current emergency management topics. Finally, the Division utilizes its web page to disseminate pertinent information and provide links to related emergency management sites to educate and inform the public.

North Dakota

## Division of Emergency Management



To: Senator Ray Holmberg, Chairman - Senate Appropriation Committee  
From: Douglas C. Friez, Director  
Subject: Testimony on Senate Bill 2016  
- 2003 to 2005 Budget Request for the Division of Emergency Management  
Date: January 17, 2003

JOHN HOEVEN  
GOVERNOR

Maj Gen MICHAEL J. HAUGEN  
ADJUTANT GENERAL

DOUGLAS C. FRIEZ  
STATE DIRECTOR

Mr. Chairman, Members of the Committee, I am Doug Friez, Director of the North Dakota Division of Emergency Management. Thank you for the support you have provided the Division and for the opportunity to testify on behalf of SB 2016, our budget request for the 2003-2005 Biennium.

Things have certainly changed in the world of emergency management since the 57<sup>th</sup> Legislative Assembly with the addition of the Homeland Security threat. We still list floods, drought, storms and hazardous material incidents among our greatest risk factors.

Although Osama bin Laden may not have North Dakota on his computer screen, we have some things in this great state in which terrorists may have an interest. We have big buildings that we can put a lot of people in at one time. We have critical facilities that produce power and store and treat water supplies. We have key medical, transportation, food production and distribution infrastructure. We have dams and military installations. We have computer infrastructure.

In short we have targets. We may even have one or two crazies of our own that may decide to cause problems. I believe it prudent to say that in North Dakota we must have a system to "watch our neighborhood, lock our doors, report suspicious activities, and maintain an appropriate level of vigilance and homeland security".

On October 4, 2001, Governor Hoeven asked the Division of Emergency Management to coordinate Homeland Security efforts in North Dakota through awareness and coordinated preparedness, prevention, and response.

I believe Governor Hoeven entrusted the Division with this responsibility for two reasons. First, we are the keeper of the plan - the state emergency operations plan. Second, our staff has demonstrated effective and efficient job performance and emergency management leadership in over a decade of challenging disasters and emergencies.

A few days ago I received a letter from Senator Stenehjem and Representative Berg requesting a response to questions regarding:

- (1) the purpose of the Division of Emergency Management;
- (2) how we measure our achievements;
- (3) what support we ask of the legislature; and
- (4) how we communicate our purpose and effectiveness to the citizens and leaders of North Dakota.

With your permission Mr. Chairman I have distributed both a copy of today's testimony as well as my response to the legislative leadership.

PO Box 5511 • Bismarck, North Dakota 58506-5511

FROM: Admin Assistant 2003 Correspondence Doug Friez Senate Bill 2016 2003-2005 Master.doc  
701-328-8100 • Fax 701-328-8181  
discovernd.com

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Operator's Signature

*LaCosta Rickford*

Date

10/15/03



## I. Agency Purpose:

State law clearly provides us a mandate to, "reduce vulnerability of people and communities of this state to damage, injury, and loss of life and property resulting from manmade or natural disasters or emergencies, or hostile military or paramilitary actions."

To accomplish this purpose, we:

- Provide for a statewide multi-hazard emergency management system (plans, trained personnel, facilities, equipment) of mitigation, preparedness, response and recovery in coordination and cooperation with, and support of local and tribal governments;
- Maintain, enhance and exercise the state emergency operations plan. Currently over 50 state agencies have responsibilities in the state plan;
- Provide technical assistance, guidance and standards to local and tribal governments in the development, maintenance and enhancement of hazard mitigation and emergency operations plans. We also provide exercise guidelines to test plan effectiveness;
- Develop, conduct and support special training classes, seminars, and conferences for public officials and staff;
- Facilitate improvement of state, local and tribal facilities, equipment capabilities, and resources through access to federal and private grants;
- Provide emergency information and education to the public through statewide awareness campaigns;
- Provide technical assistance in the areas of hazardous materials, search and rescue, incident management and emergency operations, exercising, communications, warning and resource management; and
- Provide a setting conducive to effective and efficient restoration and rehabilitation of persons and property affected by disasters or emergencies.

## II. How we measure our achievements:

As I indicated earlier, one measure of our achievements was the trust Governor Hoeven placed in us when he asked the Division of Emergency Management to coordinate statewide Homeland Security efforts.

We also measure by output and outcome. Specifically some of the output achievements in the area of Homeland Security since September 11, 2001 include:

- An updated State Emergency Operation Plan addressing Homeland Security initiatives;
- Heightened security measures in many key facilities, with special attention at the airports and international border where federal resources eventually were deployed;
- Special training and planning events for hundreds of public officials on threat assessment, resource management, public information, and emergency operations;
- Increased security measures in many areas but especially related to the anthrax scare in the fall of 2001; and

- Refocused training programs regarding incident management.

Other output measurements relating to overall emergency management include the daily technical assistance we provide to 53 counties, four tribal, and a growing number of city emergency management organizations. The 53 counties all have emergency operations and hazard mitigation plans. These plans are currently being revised with Division staff support to improve emergency operations, facilitate resource management, and meet other guidelines.

These plans are tested through actual emergency operations or by conducting emergency management exercises. In 2002, 129 exercises with over 19,000 participants were conducted statewide. The Division conducted or supported 62 training events with 1,257 public and private sector participants. Seventeen people participated in a training event at the National Emergency Training Center and, 133 participated in DOJ sponsored Homeland Security training events. Additional DOJ Homeland Security training events projected for calendar year 2003 will make training available for over 600 personnel. Hazardous materials training for 1,500 first responders was provided through grant funding administered by the Division. In the past two years over \$3.7 million was obligated to local first responders for specialized weapons of mass destruction (WMD) equipment. Over 10,000 North Dakota Citizens' Guides to Emergency Preparedness were revised and distributed to North Dakota citizens in 2002. In addition, winter and summer weather hazard awareness campaigns are coordinated annually by the Division. The Division has always emphasized hazard mitigation. Since 1993, over 2,000 flood prone homes have been removed from harm's way, never to flood again, through the Division led hazard mitigation efforts. In the area of emergency operations, the Division has provided support to local governments in 243 emergency incidents during this biennium, including the nation's largest anhydrous ammonia release which occurred in Minot in January 2002, and the July fires in the southern part of the state.

Outcome measurement provides insight regarding program execution. For example, in the most recent disasters from 1993-2002, a total of over \$730 million dollars in federal disaster assistance funds were expended, to include the effective use of about \$95 million dollars in funds for mitigating future disasters. About 3,600 facilities that sell, use or store hazardous chemicals are provided assistance annually in complying with federal Emergency Planning and Community-Right-To-Know laws designed with public safety in mind. In addition, technical assistance regarding hazardous chemicals is provided several hundred times per year to industry and government officials. We provided almost \$700,000 in financial support to 53 county and two tribal governments in updating local emergency operations plans and disaster mitigation plans in 2002. In 2003 we expect to provide nearly \$1.1 million in planning dollars to the 53 counties and three tribal governments.

The Division coordinates Homeland Security preparedness activities through inserting homeland security topics in all training activities. Exercise Vigilant Victor is a series of three statewide exercises beginning in February and culminating in September 2003. County, city and four tribal governments are participating in this Homeland Security exercise along with state officials.

Additionally, in terms of measurement, about a year and a half ago the Division volunteered to become the first state emergency management organization to pilot a National Emergency Management Association initiative to assess and accredit emergency management organizations. North Carolina also piloted the system sometime later. That system has been adopted by FEMA in the wake of 9/11 and early in 2003, the North Dakota Division of Emergency Management will undergo an intense four-day assessment by peer evaluators

representing local, state and federal emergency management organizations from across the nation.

Finally, to meet our responsibilities, in coordination with FEMA we embark on a comprehensive and ambitious annual workplan emphasizing emergency plan development and maintenance; resource management; detailed networking and partnership development; as well as extensive training and exercise efforts. We are accountable for completing the tasks outlined in that workplan, and the funds we receive from FEMA are tied to successful performance of work items.

### III. Legislative Support:

Our vision for the future is "to build a disaster resistant state." Providing effective emergency management is a never-ending task. Resources change, so plans must be updated. Training requirements are constant because manpower resources are mobile and dynamic. Keeping state of the art equipment for data management, communications, and operational response is challenging and sometimes expensive. We need your continued support to that end.

North Dakota's Emergency Management system is made up of experienced, dedicated and well-trained professionals. Over the years, I have personally witnessed their unselfish contributions of time and effort under stressful conditions. They consistently place the well being of North Dakota's citizens among their top priorities, often times ahead of family and other personal priorities. Positive customer service is not new to Emergency Management and will continue to be a major goal.

As well as we accomplish our mission, and I believe we are among the best, we are not perfect.

One life was lost in Minot on January 18<sup>th</sup>. One was too much, but it may have been worse. To my knowledge that release was the largest accidental release of anhydrous ammonia anywhere, ever. It happened while nearly everyone was sleeping. It happened when there was absolutely no wind to raise and disperse the cloud, allowing it to hang over thousands of households. First responders worked miracles. Individuals took correct actions to save themselves. The fact remains that some people didn't know what to do. The fact remains that assessing the situation and prescribing the best, most immediate action takes time. Instant public information wasn't available. It can't be. But as citizens, and as first responders, and as emergency managers, and as policy makers we must resolve to always do even better.

During the fires in Sioux and Grant Counties in July, local water and fire fighting resources were quickly exhausted. State resources were helpful but not immediate. We have the ability to enhance state fire support resources but it means expenditures for training, equipment and personnel time if they are going to be available in a timely manner. I'm not suggesting we start a state fire department, but I will tell you that as we explore ways to enhance our support capabilities, some decisions may be required from a cost-effective standpoint.

Currently the Division has 20 FTE's. We also have 19 temporary full time staff. Of the 19, 11.5 are assigned to disaster recovery. That is down from 13 two years ago. We strongly believe it is both cost effective and wise to rely on temporary staff for the bulk of our disaster recovery work.

Since 1993 North Dakota has had 12 Major Presidential Disaster Declarations and one Fire Assistance Declaration (July 2002). For a state like ours this is unprecedented. Attached to my testimony is a map depicting the years and areas impacted by the flood and winter storm disasters. Of those 12 disasters, six have been closed out. Six remain open. Those are the flood disasters from 1997 to 2002. That means we still have work to do to maximize the federal contributions to state, local and tribal applicants. That is more challenging than one might think. Closeout challenges include: the length of our construction season; the availability of qualified and in some cases certified contractors, as well as supplies and materials; meeting environmental assessment requirements; resolving differences of opinion regarding eligibility and who actually pays (which can lead to legal proceedings); reconciling international issues regarding drainage; the complexity of repairs; and the sheer magnitude of the local applicants workload.

Back to our temporary staff. Three of the nineteen are engaged in a FEMA Mitigation Planning initiative. We expect to complete that initiative during the upcoming biennium.

The remaining four and one half temporary staff are engaged in Homeland Security efforts to include state level planning, training and awareness, as well as helping with grant administration.

This request is for \$942,509 in general fund money. This is also the executive recommendation for general fund expenditures.

In the next biennium, we anticipate receiving about \$33.8 million dollars in federal grants from our traditional federal partners. Of the \$33.8 million, \$26.3 million is anticipated disaster recovery money based on continued closeouts. We expect to pass \$7.45 million of the federal grant money directly to local governments.

Zeroing in on the \$10.1 million in operating expenses, \$1.2 million of that is for travel, rent, equipment, phones, computer services, printing and other supplies.

As you have already been briefed by OMB, \$8.9 million of the operating expense identified in this budget will be paid to the Bank of North Dakota to cover state flood recovery costs for the 2001-2003 biennium. To get the \$730 million in FEMA assistance dating back to 1993 the state has so far paid disaster loans to the Bank of North Dakota amounting to \$28.3 million. With no new disasters we should be fully recovered by the end of the next biennium owing about \$2.3 million in state funds at that time.

Although cost for this summer's fire in the southwest have not been fully tabulated, they are expected to reach \$2 million. Federal authorities will pick up the lion's share, but state costs are expected to be in the neighborhood of \$200,000.

In regard to the Hazardous Chemical Preparedness and Response Program, we currently have nearly 3,600 facilities in our database with approximately 1,000 owner/operators. These facilities pay a hazardous chemical fee of \$25.00 per reportable chemical per facility, up to a maximum of \$150.00 per facility. The average facility fee is less than \$30.00 per year. I am certain that with our assistance we help ensure compliance with the federal law. A business may be forced to shut down if found to be non-compliant and required to pay the associated fines. That's okay if they are negligent. But in North Dakota, many of the smaller organizations impacted by the law are extremely pleased to have our annual compliance assistance, at a relatively low fee. This fee system generates approximately \$110,000 per year. Fifty percent of the fees collected each year go into the State hazardous chemicals preparedness response fund to provide planning, training and exercising initiatives, pay administrative costs associated with maintaining the hazardous chemical program database and

help provide information to facilities and local governments to ensure compliance with the federal law. The other 50 percent of the fees collected each year go back to the Local Emergency Planning Committee (LEPC) in the counties where the facility is located so that they can conduct hazardous chemicals preparedness and response initiatives. LEPC's generally use their share of the funds for: computers and related equipment to maintain and manage hazardous chemical information; communications equipment used in emergency response; protective clothing for first responders; local outreach efforts; special exercises and training efforts; and to purchase county or facility response equipment and supplies.

This system has been one of the most successful disaster mitigation stories I've witnessed in my career as an emergency manager. Prior to the implementation of this program, we had more than a dozen serious hazardous material incidents in the state over a two-year period. Now, because of training, awareness and common sense, incidents rarely reach a magnitude requiring ongoing, extremely expensive response and recovery. Over the past eight to nine years, there have been less than a half dozen serious incidents. Additionally, the Hazardous Chemical Preparedness and Response Program enables us to access significant federal grant monies for planning and training enhancements at the local level.

During the past biennium the Emergency Commission and Legislative Budget Section approved about \$4 million in requests for authority to spend Department of Justice grants for Homeland Security. Most of this was passed to local governments.

We expect that with the start up of the federal Department of Homeland Security there will be grants available in the future, some at 100 % federal share. Some may require state or local cost shares, cash, or in-kind matches. Because Congress has not yet acted on the Federal fiscal year 2003 budgets we aren't sure what to expect. Personally I believe there will be significant amounts made available and request continued support from the legislature as we work with the Governor, his cabinet and in some cases local officials to effectively, efficiently and responsibly identify, apply for and secure the federal resources that are necessary to appropriately address Homeland Security initiatives for North Dakota. Thus, to properly fulfill our responsibilities to public safety in the area of Homeland Security and traditional Emergency Management I request your continuing support and confidence. Together, we need to closely monitor the scope and potential for a long-term commitment from the newly created federal Department of Homeland Security during the next biennium to determine if our most effective means of staffing to deliver Homeland Security may require permanent staff.

I would like to go on record in support of two information technology initiatives that I truly believe are of critical importance to the state's Emergency Management and Homeland Security efforts.

The first is the Statewide Geographic Information System (GIS) Hub. The Legislature directed the Information Technology Department to undertake the development of the GIS Hub. This system is proving extremely valuable in preparing for and mitigating future disasters, because it stores and makes available consistent and accurate geographic and infrastructure data.

The second is the Criminal Justice Information Sharing (CJIS) Project. Through executive order the criminal justice and law enforcement community have initiated the development of the CJIS Project. This project will allow access to automated, comprehensive data enabling law enforcement and justice agencies to make more informed, effective and timely decisions. Criminal justice records at all levels will be available to every authorized law enforcement and criminal justice official throughout the state. The development of this project is critical to our Homeland Security effort.

**IV. How do we communicate our purpose and effectiveness to our citizens and leaders:**

We develop, conduct, and sponsor special training classes and seminars for hundreds of officials and emergency services personnel annually. Some classes are designed for response personnel, some feature professional development and management level training. Latest initiatives include community wide multi-hazard planning, and awareness efforts with special attention to domestic terrorism potentials. These training events occur in various locations throughout the state. Just Wednesday, we launched our Citizen Corps effort designed to provide individuals with self-help skills in first aid, light search and rescue, damage assessment, fire suppression and neighborhood leadership. The Division and its statewide emergency management partners also sponsor several public awareness programs annually.

The Division reports results to the public at a grass roots level through 53 county and four tribal emergency managers. In turn, they disseminate this information to local/tribal government officials and their populations. On a broader scale, the Division utilizes its strategic partnerships with dozens of private and public associations and organizations. Additionally, the Division participates in and supports public forums and workshops addressing citizen emergency management concerns. The Division issues periodic and timely press releases relating to current emergency management topics. Finally, the Division utilizes its web page to disseminate pertinent information and provide links to related emergency management sites to educate and inform the public.

**V. Conclusion:**

In conclusion, I would ask that as you return to your communities after the session and during the interim you take an active part in partnering with us in monitoring emergency management and Homeland Security initiatives so that we can ensure the best, most efficient, most appropriate level of support to our citizens without taking away their requirements and desire for self-responsibility.

I thank you for your attention to this testimony. I request your favorable consideration of SB 2016 as presented. Your support and interest in emergency management for North Dakota has been a key to what I believe is an extremely effective system. Please contact me anytime to discuss this request or emergency management in general.

Respectfully submitted,

Douglas C. Friez, State Director  
ND Emergency Management  
Homeland Security Coordinator

DCF/as





1993 - DR-1001 (PA & IA)	*1997 - DR-1157 (PA Only)	2000 - DR-1334 (PA & IA)
1994 - DR-1032 (PA Only)	*1997 - DR-1174 (PA & IA)	2000 - DR-1353 (PA Only)
1995 - DR-1050 (PA Only)	1998 - DR-1220 (PA & IA)	2001 - DR-1376 (PA Only)
1996 - DR-1118 (PA Only)	1999 - DR-1279 (PA & IA)	2002 - DR-1431 (PA Only)

**\*Note: Entire state declared for both 1997 Disaster Declarations**

**Note:** This does not include USDA Declarations or FEMA Fire Assistance Grants.

**Number of Disasters**

**Tribal Governments**

**Countdown Declared**

2 Years (4)  
3 Years (3)  
4 Years (4)  
5 Years (5)  
6 Years (3)  
7 Years (4)  
8 Years (6)  
9 Years (4)  
10 Years (8)  
11 Years (2)

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Operator's Signature

Date \_\_\_\_\_

## **North Dakota Emergency Management**

**Provides a statewide system for effective mitigation, preparation for, response to, and recovery from, manmade or natural disasters;**

- has 20 fulltime staff and is also dependent on temporary staff during disaster response and recovery and for special projects;
- helped generate over \$730 million in disaster assistance to state and local governments and individuals for disasters of '93, '94, '95, '96, '97, '98, '99, '00, '01 and 2002 (this does not include agricultural assistance programs);
- for day-to-day operations, we ask the state legislature to provide about \$470 thousand per year which generates \$1.3 million per year in federal funds for preparedness. Each year we pass about \$560 thousand of these day to day federal funds to local governments to support their emergency management efforts;
- We also administer special grants for Homeland Security.

**Prepares and maintains a state emergency operations plan which provides for:**

- alerting and informing the public;
- assessing the situation;
- activating volunteers;
- supporting emergency response;
- restoration and recovery.

**Provides emergency planning, training, and program assistance to 53 counties, their cities, tribal governments, as well as state government:**

- maintains statewide public education program;
- ensures emergency plans are exercised;
- manages a Hazardous Chemicals Preparedness and Response Program;
- provides a center for coordinating state level emergency operations;
- maintains dialogue with federal support resources.

**Coordinates Statewide Homeland Security efforts in Awareness, Preparedness, Prevention and Response to:**

- "Watch the Neighborhood"
- "Lock our Doors"
- "Report Suspicious Activities"





"DeBoer, Raymond L."  
<rdeboer@state.nd.us>  
>

01/28/2003 03:05 PM

To: "Wolf, Donald J." <djwolf@state.nd.us>  
cc: "Friez, Douglas C." <dfriez@state.nd.us>  
Subject: Response to Don Wolf w/attachment

Mr. Wolf:

Here is the documents I mentioned in our phone conversation. If you have any question, please feel free to contact me.

Ray DeBoer  
328-8112

#### RESPONSE TO QUESTIONS FROM ND LEGISLATIVE COUNCIL

The following information pertains to the questions concerning the ND Hazardous Chemicals Preparedness and Response Program posed by Mr. Don Wolf.

**1. Background Information: (For state specific information please reference Chapter 37-17.1-07.1 of the North Dakota Century Code.)**

**Emergency Planning and Community Right-To-Know Act (EPCRA) Overview**

EPCRA was passed in response to concerns regarding the environmental and safety hazards posed by the storage and handling of toxic chemicals. These concerns were triggered by the disaster in Bhopal, India, in 1986, where more than 2,000 people suffered death or serious injury from the accidental release of methyl isocyanate. To reduce the likelihood of such a disaster in the United States, Congress imposed requirements on both states and regulated facilities.

EPCRA establishes requirements for Federal, State and local governments, Indian Tribes, and Industry regarding emergency planning and "Community Right-to-Know" reporting on hazardous and toxic chemicals. The Community Right-to-Know provisions help increase the public's knowledge and access to information on chemicals at individual facilities, their uses, and releases into the environment. States and communities, working with facilities, can use the information to improve chemical safety and protect public health and the environment.

**2. What do facilities need to report?**

Any facility that uses, stores, produces, manufactures any chemical in which OSHA requires that company to post or to have available a Material Safety Data Sheet (MSDS), and the chemical is at or above its threshold planning quantity (TPQ), then they must notify the following three agencies: State Emergency Response Commission (SERC), the Local Emergency Planning Committee (LEPC), and the fire department serving that particular facility. The facility also must notify the LEPC of a facility representative who will participate in the emergency planning process. Upon request from the LEPC, the facility shall promptly provide information to the LEPC necessary for developing and

implementing the emergency plan.

**3. Where does funding come from?**

Congress did not provide any funding for this program so the 52<sup>nd</sup> North Dakota Legislature passed SB 1288, which created the North Dakota Hazardous Chemicals Preparedness and Response Program. NDCC 37-17.1-07.1 This law also established a County hazardous chemicals preparedness and response program in which the county treasurer of each county had to establish a nonlapsing-restricted account, to be known as the county hazardous chemicals preparedness and response account. This account consists of revenue from the state hazardous chemicals fee system, county, federal or state funds, grants, and any private donations provided to finance the county hazardous chemicals preparedness and response program.

A facility fee system was established at \$25.00 per chemical, per facility, (up to a maximum of \$150.00) per facility, for any chemical meeting or exceeding the threshold planning quantity (TPQ) for a particular chemical. The average annual fee paid per facility is currently about \$30.00.

North Dakota on average collects, approximately \$100,000, per year (\$200,000 per biennium), under the hazardous chemicals preparedness and response program fee system. 50 percent of the fees collected are then transferred to the county in which the facilities are located. The other 50 percent covers NDDEM employee salary and administrative expenses for the program.

**4. How is facility information maintained and updated?**

All facility information is presently maintained in a computer database and in hard copy file (by county). All Local Emergency Planning Committee's (LEPCs), and fire departments, are required to maintain a listing of those facilities that have supplied them with an inventory report.

The requirement for the program is for facility owner/operators to report their quantity of chemical inventory for the previous calendar year (known as the reporting year), no later than March 1<sup>st</sup> of each year. Example - for calendar 2003, owner/operators are reporting on their inventory on hand during January 1 through December 31, 2002.

Copies of the Tier II inventory reports are filed with the State Emergency Response Commission (SERC), the Local Emergency Planning Committee (LEPC), and with the local fire jurisdiction that would respond to a facility in an emergency.

<<EPCRA Bullets.ppt>>



EPCRA Bullets.pp

*La Costa Rickford*  
Operator's Signature

10/15/03  
Date

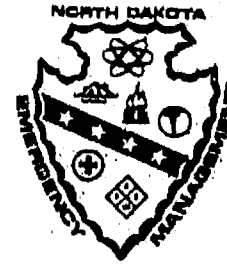
## **Hazardous Chemical Preparedness & Response Program**

- \$25.00 per chemical per year, not to exceed \$150.00  
(Average fee per facility is less than \$30.00)
- 3,600 ND Facilities
- ½ of all fees collected are returned to the counties
- The program saves lives, property and ensures compliance
- Division of Emergency Management
  - Provides each facility with annual reporting guidance
  - Maintains an LEPC Handbook for education and outreach
  - Provides reminders of Community Right To Know public notice requirement
  - Provides planning guidance and technical assistance as well as training and exercise opportunities
- Local Emergency Planning Committees
- Provide Equipment for operations such as radios, computers, phones, protective clothing, and recovery supplies
- Provide information and outreach to first responders as well as citizens
- Special training

2016

North Dakota

## Division of Emergency Management



March 18, 2003

JOHN HOEVEN  
GOVERNOR

Maj Gen MICHAEL J. HAUGEN  
ADJUTANT GENERAL

DOUGLAS C. FRIEZ  
STATE DIRECTOR

Representatives Skarphol, Thoreson and Kroeber  
Government Operations Section  
House Appropriations Committee  
State Capitol Building  
Bismarck, ND 58505

Dear Representatives:

This letter provides the information you had requested during our testimony of March 10<sup>th</sup> and a subsequent follow-up telephone conversation of March 17<sup>th</sup>.

The attached spreadsheet page represents the Deficiency Appropriations that have been approved by the Legislative Assemblies and the repayments to the Bank of North Dakota. The balance of the deficiency appropriations in the 1999 Session (\$2,140,430.28) and 2001 Session (\$2,679,924.11) were authorized to be carried forward to the subsequent biennium and used to pay the State share of the costs related to the various disasters instead of borrowing the funds from the Bank of North Dakota. These funds were included in the Division's General Fund authority as per the language in the deficiency appropriation. Loans from the Bank of North Dakota were secured after these General Fund amounts had been exhausted.

The staffing pattern of the Division for the twenty full-time equivalents (FTEs) consists of nineteen staff currently being paid under a 50% General Fund and 50% Federal Fund Performance Grant from the Federal Emergency Management Agency (FEMA) and one staff member being paid 100% Special Funds under the Hazardous Chemical Fee program. Fifteen and one-half of the nineteen temporary staff members are paid under various disaster recovery programs of which 75% is Federal Funds and 25% is Special Funds for the State share of the disaster recovery from the borrowing authority at the Bank of North Dakota. The remaining three and one-half staff are paid under a Department of Justice grant that is 100% Federal Funds.

Discussions with our FEMA and Department of Justice partners indicate that there are no current plans for changes relative to the funding patterns of the grants that are administered by the Division of Emergency Management during the forthcoming fiscal years. Our FEMA funds will remain as 50% Federal Funds and 50% General Funds and the Department of Justice funds will remain as 100% Federal Funds.

PO Box 5511 • Bismarck, North Dakota 58506-5511  
701-328-8100 • Fax: 701-328-8181  
discovernd.com

*LaCosta Rickford*  
Operator's Signature

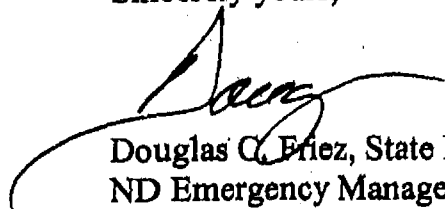
10/15/03  
Date

The remaining item concerns the Office of Domestic Preparedness Homeland Security planning, training, exercising and equipment grant for the fiscal year 2003. The Division of Emergency Management is in the process of preparing a budget submittal that is due by April 22, 2003. The allocation that has been determined for North Dakota is \$4,983,000.00 and is 100% Federal Funds. The majority of the funding, \$3,497,000.00 is an allocation of which 80% will be used for the purchase of a variety of first responder equipment at the local government level. The remaining 20% will be used at the State level to provide critical support to State infrastructure needs in the areas of Homeland Security.

We would welcome the opportunity to review this information with you at your convenience, guide you on a tour of our State Emergency Operations Center and offices and discuss any questions you may have regarding this information or other questions about the Division of Emergency Management.

Thank you for your attention to this information and please feel free to contact me or Ross Mushik at 328-8100 for further clarification.

Sincerely yours,



Douglas C. Friez, State Director  
ND Emergency Management  
Homeland Security Coordinator

DCF/as

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Deficiency Appropriations		Repayments to Bank of North Dakota		Total	Def. Appropriation
		Principal	Interest		Carryforward
1995 Session	\$ 400,000.00	7/3/1995 \$ 400,000.00 (Applied Back)	\$ -	\$ 400,000.00	
1997 Session	\$ 3,500,000.00	4/29/1997 \$ 3,500,000.00	\$ -	\$ 3,500,000.00	
1999 Session	\$ 15,100,000.00	6/16/1999 \$ 11,500,000.00 6/29/1999 \$ 250,000.00 \$ 11,750,000.00	\$ 1,209,234.10 \$ 335.62 \$ 1,209,569.72	\$ 12,709,234.10 \$ 250,335.62 \$ 12,959,569.72	\$ 2,140,430.28
2001 Session	\$ 14,000,000.00	5/8/2001 \$ 1,550,000.00 5/8/2001 \$ 3,012,500.00 5/8/2001 \$ 5,684,311.00 6/27/2001 \$ 250,000.00 \$ 10,496,811.00	\$ 53,513.34 \$ 293,050.53 \$ 475,295.54 \$ 1,405.48 \$ 823,264.89	\$ 1,603,513.34 \$ 3,305,550.53 \$ 6,159,606.54 \$ 251,405.48 \$ 11,320,075.39	\$ 2,679,924.11
Total	\$ 33,000,000.00	\$ 26,146,811.00	\$ 2,032,834.61	\$ 28,179,645.61	
Water Trust Fund					
2003 Session	\$ 8,900,000.00				

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La Costa Rickford  
Operator's Signature

10/15/03  
Date

# Glassheim Handout

Table 1

## State Emergency Management: Agency Structure, Budget and Staffing

State or other jurisdiction	Position appointed	Appointed/selected by	Reports to	Organizational structure	Agency budget FY 2003* (dollars in thousands)	Full-time empl positions
Alabama	★	G	G	Governor's Office	\$67,957	41
Alaska	★	G	ADJ	Military Department	\$6,500	45
Arizona	★	ADJ	ADJ	Military Affairs	\$5,500	43
Arkansas	★	G	G	Governor's Office	\$173,000	77
California	★	G	G	Governor's Office	\$637,088	512
Colorado	...	CS	ED	Department of Local Affairs	\$7,665	23
Connecticut	★	G	ADJ	Military Department	3,301	31
Delaware	★	SPS	SPS	Department of Public Safety	3,700	32
Florida	★	G	GO	Department of Community Affairs	279,117	116
Georgia	★	G	G	Governor's Office	7,100	100
Hawaii	★	ADJ	ADJ	Department of Defense	1,500	25
Idaho	...	ADJ	ADJ	Military Division	2,423	21
Illinois	★	G	G	Governor's Office	12,546	76
Indiana	★	G	G	Governor's Office	1,337	46
Iowa	★	G	DPD	Department of Public Defense	3,700	51
Kansas	★	ADJ	ADJ	Adjutant General	5,837	22
Kentucky	★	G	ADJ	Adjutant General	11,500	80
Louisiana	★	G	G	Governor's Office	200,000	36
Maine	★	ADJ	ADJ	Adjutant General	1,000	18
Maryland	★	ADJ	ADJ	Adjutant General	1,887	39
Massachusetts	★	G	SPS	Office of Public Safety	31,852	75
Michigan	...	CS	DSP	Department of State Police	14,400	49
Minnesota	★	CPS	CPS	Department of Public Safety	60,000	57
Mississippi	★	G	G	Governor's Office	95,872	60
Missouri	★	ADJ	ADJ	Department of Public Safety	6,600	70
Montana	...	ADJ	ADJ	Adjutant General	1,890	21
Nebraska	★	ADJ	ADJ/G	Military Department	2,900	27
Nevada	★	G	G	Department of Public Safety	2,500	18
New Hampshire	★	G	G	Governor's Office	5,500	46
New Jersey	★	SPS	SPS	Department of Law & Public Safety	9,909	54
New Mexico	★	G	G	Department of Public Safety	12,542	27
New York	★	G	G	Adjutant General	36,786	113
North Carolina	★	CC/SPS	SPS	Crime Control & Public Safety	10,400	150
North Dakota	★	ADJ	ADJ	Adjutant General	459	20
Ohio	★	G	DPS	Department of Public Safety	35,568	96
Oklahoma	★	G	G	Governor's Office	445,000	32
Oregon	★	G	G	Governor's Office	87,000	32
Pennsylvania	★	G	G	Governor's Office	75,516	167
Rhode Island	★	ADJ	ADJ	Military Department	1,300	16
South Carolina	★	ADJ	ADJ	Adjutant General	2,045	46
South Dakota	★	ADJ	ADJ	Adjutant General	1,900	19
Tennessee	★	G	ADJ	Adjutant General	20,000	96
Texas	★	CA	CA	Department of Public Safety	3,500	74
Utah	★	CPS	CPS	Department of Public Safety	11,000	45
Vermont	★	CPS	CPS	Department of Public Safety	3,400	13
Virginia	★	G	SPS	Department of Public Safety	8,271	78
Washington	★	G	ADJ	Adjutant General	80,703	75
West Virginia	★	G	SPS	Military Affairs/Public Safety	108,698	28
Wisconsin	★	G	ADJ	Adjutant General	19,000	46
Wyoming	...	ADJ	ADJ	Adjutant General	1,100	24
District of Columbia	★	M	DM	Department of Public Safety	2,800	39
Puerto Rico	★	G	G	Governor's Office	7,100	0
U.S. Virgin Islands	★	G	ADJ	Adjutant General	1,034	22

Source: The National Emergency Management Association, February 2003.

Note: \*These figures include disaster appropriations.

Key:

★ - Yes

... - No

G - Governor

GO - Governor's Office

ADJ - Adjutant General

M - Mayor

DM - Deputy Mayor

SPS - Public Safety Secretary

SCA - Secretary of Community Affairs

CPS - Commissioner of Public Safety

CA - Chief of Administration

CS - Civil Service

CC - Crime Control/Public Safety Secretary

DPD - Director of Department of Public Defense

DPS - Director of Public Safety

DSP - Director of State Police

EL - Executive Director of Local Affairs

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Operator's Signature

*LaCosta Rickford*

10/15/03

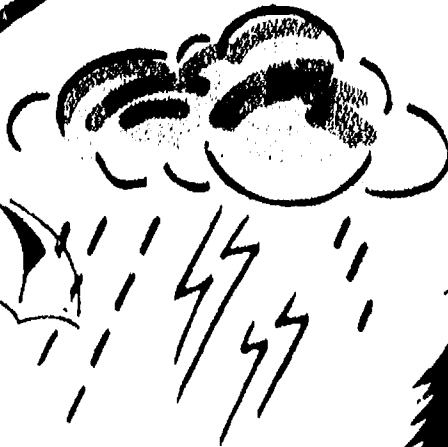
Date

SB 2016

# North Dakota Division of Emergency Management



## CITIZENS' Guide to EMERGENCY Preparedness



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LaCosta Rickford  
Operator's Signature

10/15/03  
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# Meeting the

# Challenge

## *North Dakota continues to face water challenges*

for two simple reasons, too much of it where there shouldn't be, and not enough of it where it's needed.

Since the nineties and beyond, our state has battled forces with many natural disasters, and in the wake of their path the resources and funding needs are significant.

Inside is a glimpse of the water projects and needs in North Dakota, highlighting the four major water projects with largest state funding needs: Fargo, Devils Lake, Grand Forks and the Southwest Water Pipeline Project.

It is clear that if we are to "Meet the Challenge" of North Dakota's water priorities, adequate resources must be available.

Completing these critical projects will save millions in local, state and federal dollars, and will achieve economic growth and quality of life for us all.

—Dennis Hill, Chairman  
North Dakota Water Coalition

*"Water is a very good servant,  
but it is a cruel master."*

C.G.D. Roberts,  
*Adrift in America, 1891.*

## **THE NORTH DAKOTA WATER COALITION 2003-2005**

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Operator's Signature

*Sal Costa Rickford*

Date

*10/15/03*