

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2016

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the
2 adjutant general; to provide an appropriation to the state treasurer; to amend and reenact
3 sections 37-07.1-03 and 37-07.2-01 and subsection 6 of section 57-51.1-07.5 of the North
4 Dakota Century Code, relating to the national guard tuition waiver ~~and~~, national guard tuition
5 grants, and the state share of oil and gas taxes deposited in the state disaster relief fund; to
6 provide for a transfer; to provide for a report; to provide a statement of legislative intent; to
7 provide an exemption; to provide an effective date; and to declare an emergency.

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

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
10 as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income, to the office of the adjutant general for the purpose of defraying the expenses of
13 the office of the adjutant general, for the biennium beginning July 1, 2019, and ending June 30,
14 2021, as follows:

15 Subdivision 1.

16 NATIONAL GUARD

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18			
19	Salaries and wages	\$6,666,525	\$147,083
20	Operating expenses	3,525,934	(758,613)
21	Capital assets	224,046	0
22	Grants	318,553	(107,637)
23	Civil air patrol	299,580	4,295
24	Tuition, recruiting, and retention	2,617,500	2,164,572

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1	Air guard contract	8,098,582	443,544	8,542,126
2	Army guard contract	57,717,944	(10,818,059)	46,899,885
3	Veterans' cemetery	881,284	91,388	972,672
4	Reintegration program	1,261,384	(213,635)	1,047,749
5	Camp Grafton expansion	0	600,000	600,000
6	Total all funds	\$81,611,332	(\$8,447,062)	\$73,164,270
7	Less estimated income	65,174,778	(10,426,348)	54,748,430
8	Total general fund	\$16,436,554	\$1,979,286	\$18,415,840
9	Salaries and wages	\$6,666,525	\$167,241	\$6,833,766
10	Operating expenses	3,525,934	(758,613)	2,767,321
11	Capital assets	224,046	0	224,046
12	Grants	318,553	(107,637)	210,916
13	Civil air patrol	299,580	5,554	305,134
14	Tuition, recruiting, and retention	2,617,500	2,164,572	4,782,072
15	Air guard contract	8,098,582	472,547	8,571,129
16	Army guard contract	57,717,944	(10,777,931)	46,940,013
17	Veterans' cemetery	881,284	95,622	976,906
18	Reintegration program	1,261,384	(210,216)	1,051,168
19	Camp Grafton expansion	0	600,000	600,000
20	Total all funds	\$81,611,332	(\$8,348,861)	\$73,262,471
21	Less estimated income	65,174,778	(10,360,121)	54,814,657
22	Total general fund	\$16,436,554	\$2,011,260	\$18,447,814

23 Subdivision 2.

24 DEPARTMENT OF EMERGENCY SERVICES

25		Adjustments or		
26		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
27	Salaries and wages	\$12,551,119	(\$1,226,414)	\$11,324,705
28	Operating expenses	6,988,451	2,379,149	9,367,600
29	Capital assets	0	660,000	660,000
30	Grants	16,889,159	(615,734)	16,273,425
31	Disaster costs	51,445,841	(18,992,521)	32,453,320

1	Radio communications	0	785,000	785,000
2	Total all funds	\$87,874,570	(\$17,010,520)	\$70,864,050
3	Less estimated income	78,424,702	(16,757,646)	61,667,056
4	Total general fund	\$9,449,868	(\$252,874)	\$9,196,994
5	Salaries and wages	\$12,551,119	(\$1,564,688)	\$10,986,431
6	Operating expenses	6,988,451	2,370,376	9,358,827
7	Capital assets	0	660,000	660,000
8	Grants	16,889,159	(615,734)	16,273,425
9	Disaster costs	51,445,841	(14,890,756)	36,555,085
10	Radio communications	0	785,000	785,000
11	Total all funds	\$87,874,570	(\$13,255,802)	\$74,618,768
12	Less estimated income	78,424,702	(12,754,317)	65,670,385
13	Total general fund	\$9,449,868	(\$501,485)	\$8,948,383

Subdivision 3.

BILL TOTAL

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$25,886,422	\$1,726,412	\$27,612,834
Grand total special funds	143,599,480	(27,183,994)	116,415,486
Grand total all funds	\$169,485,902	(\$25,457,582)	\$144,028,320
Full-time equivalent positions	234.00	(10.00)	224.00
Grand total general fund	\$25,886,422	\$1,509,775	\$27,396,197
Grand total special funds	143,599,480	(23,114,438)	120,485,042
Grand total all funds	\$169,485,902	(\$21,604,663)	\$147,881,239
Full-time equivalent positions	234.00	(12.00)	222.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 biennium one-time funding items included in section 1 of this Act:

One-Time Funding Description	2017-19	2019-21
National guard readiness center	33,000,000	\$0

1	Emergency response equipment	569,000	660,000
2	Camp Grafton expansion	0	600,000
3	Uninterruptible power supply battery replacement	0	20,000
4	Computer-aided dispatch equipment	0	516,000
5	Message switch system upgrade	0	335,000
6	Dispatching service fee shortfall	0	1,212,253
7	Dakota access pipeline law enforcement	21,000,000	0
8	Mobile repeaters and programming radios	<u>300,000</u>	<u>0</u>
9	Total all funds	\$54,869,000	\$3,343,253
10	Total other funds	<u>54,869,000</u>	<u>3,162,253</u>
11	Total general fund	\$0	\$181,000

12 The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget
13 for the 2021-23 biennium. The adjutant general shall report to the appropriations committees of
14 the sixty-seventh legislative assembly on the use of this one-time funding for the biennium
15 beginning July 1, 2019, and ending June 30, 2021.

16 **SECTION 3. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION.** In
17 addition to the amount appropriated to the adjutant general in the veterans' cemetery line item
18 in subdivision 1 of section 1 of this Act, there is appropriated any additional funds that are
19 received and deposited in the veterans' cemetery maintenance fund pursuant to sections
20 37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the
21 biennium beginning July 1, 2019, and ending June 30, 2021.

22 **SECTION 4. APPROPRIATION - 2017-19 BIENNIUM - STATE DISASTER RELIEF FUND**
23 **- STATE TREASURER - DISTRIBUTIONS TO NON-OIL-PRODUCING COUNTIES.** Due to
24 extraordinary snowfall in 2019 in the eastern part of the state and due to the excessive cost of
25 road maintenance in the western part of the state, there is appropriated out of any moneys in
26 the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of
27 \$8,100,000, or so much of the sum as may be necessary, to the state treasurer for the purpose
28 of providing distributions to non-oil-producing counties for the benefit of the organized and
29 unorganized townships within each non-oil-producing county, for the period beginning with the
30 effective date of this Act, and ending June 30, 2019. In June 2019, the state treasurer shall
31 distribute \$8,100,000, or so much of the sum as may be necessary, to non-oil-producing

counties for the benefit of the organized and unorganized townships within each non-oil-producing county. The distribution to each non-oil-producing county must provide for an allocation of \$5,000 to each organized and unorganized township within the county. The amount allocated to organized townships under this section must be paid by the county treasurer to each organized township. The amount allocated to unorganized townships under this section must be credited by the county treasurer to a special fund for unorganized township roads. The distributions under this section must be used for the maintenance and improvement of township paved and unpaved roads and bridges. A township is not eligible for an allocation of funds under this section if the township does not maintain any township roads. For the purposes of this section, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2017, and ending August 31, 2018.

SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS

FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$600,000 of one-time funding from the strategic investment and improvements fund for the camp Grafton expansion. The estimated income line item in subdivision 2 of section 1 of this Act includes \$1,902,253 of one-time funding from the strategic investment and improvements fund for computer-aided dispatch equipment, message switch system upgrades, and 911 dispatching service operations due to a revenue shortfall.

SECTION 6. CAMP GRAFTON EXPANSION - LEGISLATIVE INTENT. It is the intent of the sixty-sixth legislative assembly that:

1. The adjutant general purchase options during the period beginning with the effective date of this Act and ending June 30, 2021, for the purchase or long-term lease of land for the camp Grafton expansion, including the purchase of no more than one thousand six hundred acres and the long-term lease of the remainder, not to exceed six thousand acres in total.
2. If the adjutant general secures options to purchase or lease all necessary land for the camp Grafton expansion, the sixty-seventh legislative assembly provide funding and authority for the purchase or long-term lease of land for the camp Grafton expansion during the biennium beginning July 1, 2021, and ending June 30, 2023.
3. The adjutant general not use eminent domain for the expansion of camp Grafton.

SECTION 7. AMENDMENT. Section 37-07.1-03 of the North Dakota Century Code is amended and reenacted as follows:

37-07.1-03. Tuition waiver - Terms.

A qualifying member of the national guard who enrolls in any state-controlled school, subject to rules adopted by the adjutant general, is entitled to receive a ~~twenty-five~~thirty-five percent waiver of the tuition from the state-controlled school, conditioned on the adjutant general having sufficient appropriations for tuition reimbursement under section 37-07.1-06.2. The tuition waiver is valid only so long as the member of the national guard maintains satisfactory performance with the guard, meets the qualification requirements of rules adopted by the adjutant general, and pursues a course of study in a manner that satisfies the normal requirements of the school.

SECTION 8. AMENDMENT. Section 37-07.2-01 of the North Dakota Century Code is amended and reenacted as follows:

37-07.2-01. National guard ~~tuition~~member grants and tuition waivers - Terms of grants.

~~Any~~

1. Subject to legislative appropriation and rules adopted by the adjutant general, a
qualifying member of the national guard who enrolls in an accredited postsecondary institution in North Dakota which is not controlled by the state may, ~~subject to the~~
~~limitations of available appropriated funds and subject to national guard rules adopted~~
~~by the adjutant general,~~ receive a grant in an amount not to exceed the cost of tuition and fees for similar courses and credit hours for ~~each~~a qualifying member of the national guard who is enrolled ~~at~~in the North Dakota university system ~~school~~institution with the highest tuition and fee rate.
2. Any accredited postsecondary institution that agrees to participate in such ~~is not~~
controlled by the state and which participates in the national guard member grant
program ~~must~~shall waive twenty-five percent of the tuition ~~for that otherwise would be~~
charged to each enrolled, qualifying member of the national guard~~smenguard~~. These
~~grants must be distributed according to rules promulgated by the adjutant general and~~
~~are available only so~~

1 3. The adjutant general shall adopt rules for distributing grants under this section and
2 establishing qualification requirements for grant recipients.

3 4. A member of the national guard may receive a grant under this section only as long as
4 the member maintains satisfactory performance with the national guard, meets the
5 qualification requirements of the rules adopted under this section, and pursues a
6 course of study ~~which satisfiessatisfying~~ the normal requirements of the
7 ~~school~~postsecondary institution in which the member is enrolled.

8 5. For purposes of calculating the grant amount under subsection 1, the "cost of tuition
9 and fees for similar courses and credit hours for a qualifying member of the national
10 guard who is enrolled in the North Dakota university system institution with the highest
11 tuition and fee rate" may not be reduced by more than twenty-five percent pursuant to
12 section 37-07.1-03.

13 **SECTION 9. AMENDMENT.** Subsection 6 of section 57-51.1-07.5 of the North Dakota
14 Century Code is amended and reenacted as follows:

15 6. The next ~~twenty~~twentyfive million dollars into the state disaster relief fund, but not in an
16 amount that would bring the unobligated balance in the fund to more than
17 ~~twenty~~twentyfive million dollars; and

18 **SECTION 10. MAINTENANCE AND REPAIRS - TRANSFERS.** The director of the office of
19 management and budget may transfer up to \$500,000 of appropriation authority to the
20 operating expenses and capital assets line items contained in section 1 of this Act from the
21 various other line items contained in section 1 of this Act, as requested by the adjutant general
22 to provide for the maintenance and repair of state-owned armories in this state during the
23 biennium beginning July 1, 2019, and ending June 30, 2021. The adjutant general shall notify
24 the legislative council of any transfers made pursuant to this section.

25 **SECTION 11. EXEMPTION.** Any amounts carried over in the radio communications line
26 item for the state radio tower package, in section 7 of chapter 15 of the 2017 Session Laws is
27 not subject to section 54-44.1-11 and any unexpended funds are available for completing these
28 projects or for technology upgrade costs required to implement the statewide interoperable
29 radio network during the biennium beginning July 1, 2019, and ending June 30, 2021.

30 **SECTION 12. EXEMPTION.** The amount appropriated in the tuition, recruiting, and
31 retention line item in subdivision 1 of section 1 of chapter 15 of the 2017 Session Laws is not

1 subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used
2 to provide tuition assistance, recruiting, and retention incentives to eligible members of the
3 North Dakota national guard during the biennium beginning July 1, 2019, and ending June 30,
4 2021.

5 **SECTION 13. EXEMPTION.** Any amounts carried over pursuant to section 11 of chapter 15
6 of the 2017 Session Laws which are unexpended as of June 30, 2019, are not subject to
7 section 54-44.1-11 and are available for payment of adjusted compensation to veterans. Any
8 unexpended funds from this appropriation must be transferred to the veterans' cemetery trust
9 fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

10 **SECTION 14. EXEMPTION.** The amount of \$300,000 from the strategic investment and
11 improvements fund appropriated in the operating expenses line item in subdivision 2 of
12 section 1 of chapter 15 of the 2017 Session Laws for mobile repeaters and programming radios
13 is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be
14 used to complete this project during the biennium beginning July 1, 2019, and ending June 30,
15 2021.

16 ~~— **SECTION 13. EXEMPTION.** Any amounts carried over in the disaster costs line item for~~
17 ~~grants to political subdivisions for amounts required to match federal dollars on road grade~~
18 ~~raising projects and federal emergency relief funding pursuant to section 13 of chapter 15 of the~~
19 ~~2017 Session Laws which are unexpended as of June 30, 2019, are not subject to section~~
20 ~~54-44.1-11. Any unexpended funds from this appropriation are available for these purposes~~
21 ~~during the biennium beginning July 1, 2019, and ending June 30, 2021.~~

22 ~~— **SECTION 14. EXEMPTION.** The amount of \$8,530,116 from the state disaster relief trust~~
23 ~~fund appropriated in the disaster costs line item in subdivision 2 of section 1 of chapter 15 of the~~
24 ~~2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this~~
25 ~~appropriation may be used to provide the required state share for the purposes of reimbursing~~
26 ~~costs under section 37-17.1-27 during the biennium beginning July 1, 2019, and ending~~
27 ~~June 30, 2021.~~

28 **SECTION 15. EFFECTIVE DATE.** Section 9 of this Act is effective for taxable events
29 occurring after June 30, 2019.

- 1 **SECTION 16. EMERGENCY.** Sections 4-~~and 5~~, 5, and 6 and the camp Grafton expansion
2 and tuition, recruiting, and retention line items in subdivision 1 of section 1 of this Act are
3 declared to be an emergency measure.