

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
19 <del>Salaries and wages</del>	<del>\$6,666,525</del>	<del>\$147,083</del>	<del>\$6,813,608</del>
20 <del>Operating expenses</del>	<del>3,525,934</del>	<del>(758,613)</del>	<del>2,767,321</del>
21 <del>Capital assets</del>	<del>224,046</del>	<del>0</del>	<del>224,046</del>
22 <del>Grants</del>	<del>318,553</del>	<del>(107,637)</del>	<del>210,916</del>
23 <del>Civil air patrol</del>	<del>299,580</del>	<del>4,295</del>	<del>303,875</del>
24 <del>Tuition, recruiting, and retention</del>	<del>2,617,500</del>	<del>2,164,572</del>	<del>4,782,072</del>

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

23 Subdivision 2.

24 DEPARTMENT OF EMERGENCY SERVICES

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

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

Subdivision 3.

BILL TOTAL

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

**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

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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

1 counties for the benefit of the organized and unorganized townships within each  
2 non-oil-producing county. The distribution to each non-oil-producing county must provide for an  
3 allocation of \$5,000 to each organized and unorganized township within the county. The amount  
4 allocated to organized townships under this section must be paid by the county treasurer to  
5 each organized township. The amount allocated to unorganized townships under this section  
6 must be credited by the county treasurer to a special fund for unorganized township roads. The  
7 distributions under this section must be used for the maintenance and improvement of township  
8 paved and unpaved roads and bridges. A township is not eligible for an allocation of funds  
9 under this section if the township does not maintain any township roads. For the purposes of  
10 this section, a "non-oil-producing county" means a county that has received no allocation of  
11 funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than  
12 \$5,000,000 for the period beginning September 1, 2017, and ending August 31, 2018.

13 **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

14 **FUND.** The estimated income line item in subdivision 1 of section 1 of this Act includes  
15 \$600,000 of one-time funding from the strategic investment and improvements fund for the  
16 camp Grafton expansion. The estimated income line item in subdivision 2 of section 1 of this Act  
17 includes \$1,902,253 of one-time funding from the strategic investment and improvements fund  
18 for computer-aided dispatch equipment, message switch system upgrades, and 911 dispatching  
19 service operations due to a revenue shortfall.

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

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

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

3       **37-07.1-03. Tuition waiver - Terms.**

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

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

14       **37-07.2-01. National guard ~~tuition~~member grants and tuition waivers - Terms of**  
15 **grants.**

16       Any

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