

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2016

That the House recede from its amendments as printed on pages 1661-1667 of the Senate Journal and pages 1847-1853 of the House Journal and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 2, after the third semicolon insert "to provide for a legislative management study;"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 3 with:

"Salaries and wages	\$7,150,489	\$411,321	\$7,561,810
Operating expenses	3,048,313	165,898	3,214,211
Capital assets	224,046	20,300,000	20,524,046
Grants	210,916	259,776	470,692
Civil air patrol	309,125	72,331	381,456
Tuition, recruiting, and retention	3,042,235	320,000	3,362,235
Air guard contract	8,490,161	196,901	8,687,062
Army guard contract	48,203,473	2,143,626	50,347,099
Veterans' cemetery	1,325,998	33,397	1,359,395
Reintegration program	<u>925,524</u>	<u>(45,471)</u>	<u>880,053</u>
Total all funds	\$72,930,280	\$23,857,779	\$96,788,059
Less estimated income	<u>56,326,564</u>	<u>21,842,012</u>	<u>78,168,576</u>
Total general fund	\$16,603,716	\$2,015,767	\$18,619,483"

Page 2, replace lines 8 through 15 with:

"Salaries and wages	\$12,232,240	\$620,257	\$12,852,497
Operating expenses	6,502,334	313,233	6,815,567
Capital assets	660,000	150,000	810,000
Grants	14,550,000	13,554,000	28,104,000
Disaster costs	<u>51,485,736</u>	<u>168,633,862</u>	<u>220,119,598</u>
Total all funds	\$85,430,310	\$183,271,352	\$268,701,662
Less estimated income	<u>79,151,794</u>	<u>181,883,703</u>	<u>261,035,497</u>
Total general fund	\$6,278,516	\$1,387,649	\$7,666,165"

Page 2, replace lines 20 through 23 with:

"Grand total general fund	\$22,882,232	\$3,403,416	\$26,285,648
Grand total special funds	<u>135,478,358</u>	<u>203,725,715</u>	<u>339,204,073</u>
Grand total all funds	\$158,360,590	\$207,129,131	\$365,489,721
Full-time equivalent positions	222.00	11.00	233.00"

Page 2, remove lines 29 through 31

Page 3, replace lines 1 through 20 with:

"Emergency response equipment and supplies	\$100,000	\$660,000
Dickinson readiness center project	15,500,000	8,900,000
Military museum	10,000,000	0
Fraine Barracks automation system	320,000	0

Fargo readiness center equipment	100,000	0
Bridge training site	6,000,000	0
Camp Grafton expansion	3,500,000	0
Disaster response	887,873	0
Payroll expenses	1,000,000	0
State active-duty software	450,000	0
Camp Grafton housing	2,000,000	0
Deferred maintenance	1,000,000	1,000,000
Retirement payouts	0	275,000
Statewide interoperable radio network equipment	0	2,700,000
Camp Grafton fitness facility	0	9,000,000
Minot airport hangar	0	60,000
State radio consoles	0	150,000
Cybersecurity grant	0	314,000
Safeguarding Tomorrow through Ongoing Risk Mitigation Act	0	1,000,000
Flood mitigation grants	0	225,000
Natural disaster response and recovery grants	0	2,000,000
Disaster grants	0	<u>142,652,500</u>
Total all funds	\$40,857,873	\$168,936,500
Total other funds	<u>38,877,873</u>	<u>167,312,500</u>
Total general fund	\$1,980,000	\$1,624,000"

Page 3, line 29, replace "39-04-10" with "39-04-10.10"

Page 3, after line 30, insert:

"SECTION 4. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND - ADJUTANT GENERAL. The estimated income line item in subdivision 1 of section 1 of this Act includes \$20,600,000 from the federal state fiscal recovery fund, of which up to \$8,900,000 is for the completion of the Dickinson readiness center in accordance with section 5 of this Act, \$2,700,000 is for statewide interoperable radio network equipment, and \$9,000,000 is for the construction of the Camp Grafton fitness facility.

SECTION 5. CONTINGENT APPROPRIATION - FEDERAL STATE FISCAL RECOVERY FUND - OTHER FEDERAL FUNDS - ADJUTANT GENERAL.

1. Subject to the provisions of this section, there is appropriated from federal funds derived from the federal state fiscal recovery fund, not otherwise appropriated, the sum of \$5,300,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of constructing Camp Grafton training billets, for the biennium beginning July 1, 2023, and ending June 30, 2025.
2. The funding appropriated under this section is contingent upon the adjutant general certifying to the office of management and budget that at least \$5,300,000 of federal funding sources other than from the federal state fiscal recovery fund is available and will be used for the Dickinson readiness center project. Upon receiving certification, the director of the office of management and budget shall adjust the appropriate amount of federal funding authority for the Dickinson readiness center project from the federal state fiscal recovery fund to the new federal funding source."

Page 4, replace lines 8 through 17 with:

"SECTION 7. ESTIMATED INCOME - STATE DISASTER RELIEF FUND - ADJUTANT GENERAL. The estimated income line item in subdivision 2 of section 1 of this Act includes \$14,918,245 from the state disaster relief fund, of which \$11,693,245 is for costs related to previous state disasters, \$2,000,000 is for natural disaster response and recovery grants, \$1,000,000 is for the ten percent state match for the federal safeguarding tomorrow through ongoing risk mitigation program, and \$225,000 is for flood mitigation grants.

SECTION 8. NATURAL DISASTER RESPONSE AND RECOVERY GRANTS. The disaster costs line item in subdivision 2 of section 1 of this Act includes \$2,000,000 from the state disaster relief fund for preparing for, responding to, and recovering from natural disasters."

Page 4, line 19, replace "\$628,000" with "\$314,000"

Page 4, line 20, replace "ten" with "five"

Page 4, after line 28, insert:

"SECTION 11. EXEMPTION - WATCH CENTER POSITIONS - TRANSFERS. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer up to \$409,260 of appropriation authority to the salaries and wages line item from cost-savings in the operating expenses line item contained in section 1 of this Act, as requested by the adjutant general to provide funding for two watch center positions during the biennium beginning July 1, 2023, and ending June 30, 2025. The adjutant general shall notify the legislative council of any transfers made pursuant to this section."

Page 6, line 7, replace "gifts, grants, and donations" with "funds"

Page 6, line 8, replace "and deposit the funds in the state treasury" with "to match state funds"

Page 6, after line 10 insert:

"SECTION 15. LEGISLATIVE MANAGEMENT STUDY - COLD WAR TRAIL PROJECT. During the 2023-24 interim, the legislative management shall consider studying the feasibility and desirability of a cold war trail project. The study must consider potential sites to include on the trail and options and costs of:

1. The construction, addition, maintenance, and equipment for new and existing North Dakota cold war historic sites;
2. Providing educational resources regarding North Dakota's role in the cold war; and
3. Promoting tourism for North Dakota cold war historic sites.

The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

Page 6, line 11, replace "\$628,000" with "\$314,000"

Page 6, line 12, after the first "Act" insert ", the sum of \$2,000,000 in the disaster costs line item in subdivision 2 of section 1 of this Act, the sum of \$60,000 in the civil air patrol line item of subdivision 1 of section 1 of this Act,"

Page 6, line 12, replace "4" with "6, 8,"

Page 6, line 12, replace "7" with "9"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Adjutant General						
Total all funds	\$72,930,280	\$97,769,216	\$4,318,843	\$102,088,059	\$122,237,915	(\$20,149,856)
Less estimated income	56,326,564	78,042,748	5,425,828	83,468,576	103,466,004	(19,997,428)
General fund	\$16,603,716	\$19,726,468	(\$1,106,985)	\$18,619,483	\$18,771,911	(\$152,428)
FTE	152.00	156.00	0.00	156.00	156.00	0.00
Department of Emergency Services						
Total all funds	\$85,430,310	\$269,022,253	(\$320,591)	\$268,701,662	\$269,225,376	(\$523,714)
Less estimated income	79,151,794	259,256,970	1,778,527	261,035,497	261,035,497	0
General fund	\$6,278,516	\$9,765,283	(\$2,099,118)	\$7,666,165	\$8,189,879	(\$523,714)
FTE	70.00	77.00	0.00	77.00	75.00	2.00
Bill total						
Total all funds	\$158,360,590	\$366,791,469	\$3,998,252	\$370,789,721	\$391,463,291	(\$20,673,570)
Less estimated income	135,478,358	337,299,718	7,204,355	344,504,073	364,501,501	(19,997,428)
General fund	\$22,882,232	\$29,491,751	(\$3,206,103)	\$26,285,648	\$26,961,790	(\$676,142)
FTE	222.00	233.00	0.00	233.00	231.00	2.00

Senate Bill No. 2016 - Adjutant General - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$7,150,489	\$7,907,798	(\$345,988)	\$7,561,810	\$7,635,782	(\$73,972)
Operating expenses	3,048,313	3,299,461	(85,250)	3,214,211	3,214,211	
Capital assets	224,046	19,724,046	800,000	20,524,046	40,524,046	(20,000,000)
Grants	210,916	585,692	(115,000)	470,692	585,692	(115,000)
Civil air patrol	309,125	387,155	(5,699)	381,456	381,456	
Tuition, recruiting, and retention	3,042,235	3,362,235		3,362,235	3,362,235	
Air guard contract	8,490,161	9,021,309	(334,247)	8,687,062	8,987,062	(300,000)
Army guard contract	48,203,473	51,174,837	(827,738)	50,347,099	50,007,983	339,116
Veterans' cemetery	1,325,998	1,395,288	(35,893)	1,359,395	1,359,395	
Reintegration program	925,524	911,395	(31,342)	880,053	880,053	
Contingent funding			5,300,000	5,300,000	5,300,000	
Total all funds	\$72,930,280	\$97,769,216	\$4,318,843	\$102,088,059	\$122,237,915	(\$20,149,856)
Less estimated income	56,326,564	78,042,748	5,425,828	83,468,576	103,466,004	(19,997,428)
General fund	\$16,603,716	\$19,726,468	(\$1,106,985)	\$18,619,483	\$18,771,911	(\$152,428)
FTE	152.00	156.00	0.00	156.00	156.00	0.00

Department 540 - Adjutant General - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases¹	Adjusts Funding for FTE Positions²	Removes Salary Funding for Funding Pool³	Reduces Funding for Armory Rent and Training⁴	Adjusts Funding from Ongoing to One-Time⁵	Adjusts Funding for One-Time Items⁶
Salaries and wages	\$24,778	\$55,747	(\$426,513)			
Operating expenses		(85,250)				
Capital assets						\$800,000
Grants				(\$115,000)		
Civil air patrol	2,158		(7,857)			
Tuition, recruiting, and retention						
Air guard contract	73,880		(408,127)	(300,000)		300,000
Army guard contract	299,375	(27)	(887,086)	260,000	(\$500,000)	
Veterans' cemetery	13,829		(49,722)			
Reintegration program	12,299		(43,641)			
Contingent funding						
Total all funds	\$426,319	(\$29,530)	(\$1,822,946)	(\$155,000)	(\$500,000)	\$1,100,000
Less estimated income	283,936	(14,765)	(1,243,343)	0	0	1,100,000
General fund	\$142,383	(\$14,765)	(\$579,603)	(\$155,000)	(\$500,000)	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Contingent Funding for Camp Grafton Billets⁷	Total Conference Committee Changes
Salaries and wages		(\$345,988)
Operating expenses		(85,250)
Capital assets		800,000
Grants		(115,000)
Civil air patrol		(5,699)
Tuition, recruiting, and retention		
Air guard contract		(334,247)
Army guard contract		(827,738)
Veterans' cemetery		(35,893)
Reintegration program		(31,342)
Contingent funding	\$5,300,000	5,300,000
Total all funds	\$5,300,000	\$4,318,843
Less estimated income	5,300,000	5,425,828
General fund	\$0	(\$1,106,985)
FTE	0.00	0.00

¹ Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House version, as follows:

	General Fund	Other Funds	Total
Salary increase	\$147,237	\$296,353	\$443,590
Health insurance adjustment	(4,854)	(12,417)	(17,271)
Total	\$142,383	\$283,936	\$426,319

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding of \$29,530 is adjusted for the following FTE position changes, the same as the House version:

- Removes \$41,594 for 1 FTE custodial supervisor position for the Dickinson Readiness Center, of which \$20,797 is from the general fund and \$20,797 is from federal funds.
- Adds \$12,064 for 1 FTE trades maintenance worker position for the Camp Grafton fitness facility, of which \$6,032 is from the general fund and \$6,032 is from federal funds. The funding is for 2 months of salary.

³ Funding for the new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency by submitting a request to the Office of Management and Budget for a

transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$61,780)	(\$204,418)	(\$266,198)
Vacant FTE positions	(517,823)	(1,038,925)	(1,556,748)
Total	(\$579,603)	(\$1,243,343)	(\$1,822,946)

The House also removed funding for the new and vacant FTE funding pool.

⁴ Funding from the general fund is removed for the following:

- \$115,000 is reduced for armory rent to provide a total of \$259,776. The Senate and House had provided for \$374,776.
- \$40,000 is removed for state active duty training related to wildland fire training. The Senate and House had included this funding.

⁵ Funding of \$1.5 million from the general fund for maintenance and repairs of National Guard facilities was changed from ongoing to one-time funding and reduced by \$500,000 to provide a total of \$1 million, the same as the House version.

⁶ One-time funding is adjusted as follows:

- Funding of \$9 million from the federal State Fiscal Recovery Fund is added for the construction of a Camp Grafton fitness facility, the same as the House version;
- Funding of \$5.3 million from the federal State Fiscal Recovery Fund is removed for the construction of Camp Grafton training center billets (see footnote 7 below), the same as the House version;
- Funding of \$2.6 million from the federal State Fiscal Recovery Fund is removed for design and engineering of a new Williston Readiness Center, the same as the House version; and
- Funding of \$2.7 million was changed from the strategic investment and improvements fund to the federal State Fiscal Recovery Fund for statewide interoperable radio network equipment, the same as the House version.

The House had also added \$20 million from a Bank of North Dakota line of credit for the construction of a North Dakota military museum.

⁷ A section is added providing a contingent appropriation from federal funds for the construction of Camp Grafton training center billets. If other federal funds become available for the completion of the Dickinson Readiness Center, funding from the federal State Fiscal Recovery Fund of up to \$5.3 million may be used to construct the billets. The House also made these changes.

Senate Bill No. 2016 - Department of Emergency Services - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$12,232,240	\$14,894,591	(\$2,042,094)	\$12,852,497	\$12,842,211	\$10,286
Operating expenses	6,502,334	7,815,567	(1,000,000)	6,815,567	6,815,567	
Capital assets	660,000	960,000	(150,000)	810,000	810,000	
Grants	14,550,000	28,418,000	(314,000)	28,104,000	28,418,000	(314,000)
Disaster costs	51,485,736	216,934,095	3,185,503	220,119,598	220,339,598	(220,000)
Total all funds	\$85,430,310	\$269,022,253	(\$320,591)	\$268,701,662	\$269,225,376	(\$523,714)
Less estimated income	79,151,794	259,256,970	1,778,527	261,035,497	261,035,497	0
General fund	\$6,278,516	\$9,765,283	(\$2,099,118)	\$7,666,165	\$8,189,879	(\$523,714)
FTE	70.00	77.00	0.00	77.00	75.00	2.00

Department 542 - Department of Emergency Services - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases ¹	Removes Funding for Watch Center Positions ²	Removes Salary Funding for Funding Pool ³	Adjusts Funding from Ongoing to One-Time ⁴	Adjusts Funding for One-Time Items ⁵	Total Conference Committee Changes
Salaries and wages	\$183,324	(\$409,260)	(\$1,816,158)			(\$2,042,094)
Operating expenses					(\$1,000,000)	(1,000,000)
Capital assets					(150,000)	(150,000)
Grants				(\$314,000)		(314,000)
Disaster costs	15,629		(55,126)		3,225,000	3,185,503
Total all funds	\$198,953	(\$409,260)	(\$1,871,284)	(\$314,000)	\$2,075,000	(\$320,591)
Less estimated income	134,159	0	(580,632)	0	2,225,000	1,778,527
General fund	\$64,794	(\$409,260)	(\$1,290,652)	(\$314,000)	(\$150,000)	(\$2,099,118)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House version, as follows:

	General Fund	Other Funds	Total
Salary increase	\$77,874	\$138,705	\$216,579
Health insurance adjustment	(13,080)	(4,546)	(17,626)
Total	\$64,794	\$134,159	\$198,953

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding of \$409,260 from the general fund is removed for 2 FTE watch center analysts for the Department of Emergency Services, the same as the House version. The Conference Committee added the 2 FTE positions but did not include funding for the positions.

³ Funding for the new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$978,006)	(\$102,182)	(\$1,080,188)
Vacant FTE positions	(312,646)	(478,450)	(791,096)
Total	(\$1,290,652)	(\$580,632)	(\$1,871,284)

The House also removed funding for the new and vacant FTE funding pool.

⁴ Funding of \$628,000 from the general fund for the cybersecurity grant was changed from ongoing to one-time funding, the same as the House; however, the Conference Committee reduced the funding by \$314,000 to provide a total of \$314,000.

⁵ One-time funding is adjusted as follows:

- Funding of \$150,000 from the general fund is reduced for State Radio console replacement to provide a total of \$150,000, the same as the House version;
- Funding of \$225,000 from the state disaster relief fund is added for flood mitigation grants to the City of Marion, the same as the House version; and
- Funding of \$2 million from the state disaster relief fund is added for natural disaster response and recovery grants, the same as the House version.

The House had added \$220,000 from the general fund for disaster mortuary response team training which the Conference Committee did not include.

This amendment also:

- Identifies \$20.6 million from the federal State Fiscal Recovery Fund, the same as the House version, of which \$8.9 million is for the completion of the Dickinson Readiness Center, \$2.7 million is for statewide interoperable radio network equipment, and \$9 million is for the construction of the Camp Grafton fitness facility. If other federal funds become available for the completion of the Dickinson Readiness Center, then federal state fiscal

recovery funds of up to \$5.3 million may instead be used for the construction of Camp Grafton training center billets.

- Identifies \$14,918,245 from the state disaster relief fund, the same as the House version, of which \$11,693,245 is for costs relating to previous state disasters, \$1,000,000 is for the 10 percent state match for the federal Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) program, \$2,000,000 is for natural disaster response and recovery grants, and \$225,000 is for a flood mitigation grant to the City of Marion.
- Removes a section identifying \$2.7 million from the strategic investment and improvements fund for statewide interoperable radio network equipment, the same as the House version. The funding source is changed to the federal State Fiscal Recovery Fund.
- Provides that the \$60,000 for the purchase of a Minot hangar and the \$2 million for natural disaster response and recovery grants are an emergency, the same as the House version.
- Adds a section to allow the Adjutant General to transfer up to \$409,260 from the operating expenses line item to the salaries and wages line item for 2 FTE watch center analyst positions. The adjutant general shall notify the legislative council of any transfers made pursuant to this section.
- Changes the section to allow the Adjutant General to accept other funds to match state funds to construct a North Dakota military museum. The Senate version only allowed the Adjutant General to accept donations for the project. The House included this language in a line of credit section.
- Adds a section to provide for a Legislative Management study of a Cold War trail project, the same as the House version.

The House had added a section providing a line of credit from the Bank of North Dakota to the Adjutant General for \$20 million for the construction of a North Dakota military museum.