

**OUTLINE FOR AGENCY BUDGET PRESENTATIONS TO THE
APPROPRIATIONS COMMITTEE**

- 1. Cite the North Dakota Century Code chapter(s) associated with the agency and list its major statutory responsibilities.**
 - a) Title 37 – Military**

Major responsibilities include:

 1. Train and respond to domestic emergencies; natural and man-made disasters and emergencies.
 2. Train and respond to overseas combat and humanitarian missions
 3. Perform counterdrug operations with local law enforcement
 - b) NDCC 37-17.1-02 Purposes**

The purposes of this chapter are to:

 1. Reduce vulnerability of people and communities of this state to damage, injury, and loss of life and property resulting from natural or manmade disasters or emergencies, threats to homeland security, or hostile military or paramilitary action.
 2. Provide a setting conducive to the rapid and orderly start of restoration and rehabilitation of persons and property affected by disasters or emergencies.
 3. Clarify the roles of the governor, state agencies, and local governments in prevention of, in mitigation of, preparation for, response to, and recovery from disasters or emergencies.
 4. Authorize and provide for coordination of emergency management activities by agencies and officers of this state, and similar state-local, interstate, federal-state, and foreign activities in which the state and its political subdivisions may participate.
 5. Provide for a statewide emergency management system embodying all aspects of prevention, mitigation, preparedness, response, and recovery and incorporating the principles of the national incident management system and its incident command system, as well as other applicable federal mandates.
- 2. Explain the purpose of the agency's various divisions/programs – Attach organization chart.**
 - a) Reference written testimony pages 1 – 2.**
 - b) Organization Chart – slide 3**
- 3. Report any financial audit findings included in the most recent audit of your department or institution and action taken to address each finding.**
 - a) There were no audit findings identified in the most recent audit (Agency Audit for the two-year period ending June 30, 2020).**
- 4. Discuss current biennium accomplishments and challenges and next biennium goals and plans.**
 - a) Reference written testimony.**
- 5. Compare the agency's request/recommendation totals, including full-time equivalent (FTE) positions, for the next biennium compared to the current biennium.**
 - a) Reference written testimony pages 4 – 13.**
 - b) FTEs – reference Attachment #3 for comparison of FTE requests in the agency budget as compared to the executive recommendation.**
- 6. Explain the funding included in each program/line item either in total or by division depending on the size of the agency:**
 - a) Amounts included in the base budget and their purpose and use; and Reference written testimony.**

b) Amounts included in the request/recommendation and justification for the change from the base budget.

Discuss changes relating to:

- 1) **Salaries & Wages;** Reference written testimony pages 4 & 10.
- 2) **Operating expenses;** Reference written testimony pages 4 - 5 & 10 - 12.
- 3) **Capital assets;** Reference written testimony pages 5 & 12.
- 4) **Grants;** Reference written testimony pages 6 and 12.
- 5) **Any special line items;** Reference written testimony pages 6 – 10, 12 - 13.
- 6) **Estimated income – Special funds;** Reference written testimony.
- 7) **Estimated income – Federal funds;** Reference written testimony.
- 8) **General fund; and** Reference written testimony.
- 9) **FTE – 12 additional FTE requests**
 1. (3) Dickinson Readiness Center
 2. (1) Air National Guard Security Forces
 3. (1) Camp Grafton Fitness Facility
 4. (6) Watch Center
 5. (1) Training & Operations Manager

7. Discuss the purpose and use of any one-time funding items for the current biennium.

- a) Reference written testimony pages 3 – 4 and slides 10-11.

8. Identify and justify the need for any one-time funding being requested/recommended.

- a) Reference written testimony pages 4 – 13 and slides 12 - 46.

9. Discuss agency collections that are deposited in the general fund or a special fund, and any anticipated changes from 2021 legislative session estimates during the 2021-23 biennium and estimated changes for the 2023-25 biennium.

- a) Agency collections stayed relatively the same for the 2023-25 biennium in comparison with the 2021-23 biennium with the exception of the Radio Communications Fund. The radio fees will increase effective July 1, 2023 following NDCC 37-17.3-09 mandates. The increased fees will result in an increase in special fund revenues.

10. Discuss the need for any other sections that are included or are requested/recommended to be included in the agency appropriation bill.

- a) Reference written testimony pages 13 – 15 and slides 47 – 52.
- b) Sections 3 – 21 of the Executive Recommendation

11. Discuss any other bills being considered by the Legislative Assembly and their potential budgetary impact on the agency.

- a) HB 1069 – This bill consolidates existing sections within chapter 37 pertaining to servicemembers' pay and benefits, along with a few additions. This bill allows for each officer and enlisted member of the national guard to receive pay at the highest rate provided. This would pay all members at the maximum pay for their rank, eliminating time in service calculations. This bill allows for equivalent incentive pay that an officer or enlisted member of the same rank would be eligible to receive if performing duties in a federal status, and it also allows for commissioned officers and enlisted members to receive pay for a necessary rest and recovery day while on state active duty. The estimated fiscal impact of this bill is projected at \$79,105, however when State Active Duty missions occur, the costs are either billed to

FEMA for a 75% reimbursement, or 100% of the costs would be billed to the local county/city whom requested the assistance. This bill has passed through the House and referred to the Senate.

- b) HB 1070 – Establishment of a hazard mitigation revolving loan fund. Communities will use the loan funding to carry out new projects to mitigate against any potential future event deemed as catastrophic. The fund would be administered by the department of emergency services in accordance with the Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act. The STORM Act requires the state to provide a 10% match that must be deposited into an interest-bearing account before the federal emergency management agency (FEMA) will provide their 90% cost share each time funding is requested. The state’s 10% contribution will always be based on the value of projects submitted by interested applicants each calendar year so the amount will fluctuate. The executive budget includes \$1,000,000 in the Operating budget line of one-time appropriation from the Disaster Relief Fund for the required 10% state match. This bill has been has passed through the House and referred to the Senate.
- c) HB 1071 – The addition of paragraph 7 within Section 1 of HB 1071 would allow counties unable to hire a local county emergency manager the ability to work with the agency to provide those services through the department's regional management program. The cost to the locals is not to exceed fifty percent of the regional coordinator's salary and benefits. There will be no additional expenditures to the state, and for the locals the program is optional. This bill has passed through the House and Senate.
- d) SB 2094 – This bill is related to the expansion of the national guard tuition grants to include out-of-state postsecondary education institutions. This program is supported with 100% general funds and the expenditures are projected to be \$3,306,000 for a full biennium. Projected carryover authority of \$1,700,000 has been requested in Section 6 of the executive budget, therefore for the 2023-25 biennium additional funds of \$1,606,000 would be necessary. This bill has passed through the Senate and referred to the House.
- e) SB 2095 – Amendment to Section 37-07.3-03 of the NDCC to extend the use of the fund to June 30, 2029. This bill does not have a direct budgetary impact, however we have requested carryover authority in the executive recommendation. This bill has passed through the Senate and House.
- f) SB 2117 – Repeals NDCC 37-17.3-11 which exempts the statewide seamless base map record from section 44-04-18 and authorizes the State Radio Division director at the NDDDES to charge a fee for the record. The base map is no longer created by NDDDES and the fee was not charged in previous biennium. There is no fiscal impact. This bill has passed through the Senate and House.
- g) SB 2183 – A bill to provide an appropriation to the adjutant general for emergency snow removal grants. During the State of the State address, the Governor discussed a potential bill sponsored by Senator Wanzek and Representative Brandenburg which would appropriate \$20 million to state, local and tribal governments for excessive snow removal costs. NDDDES would administer the grant program through existing grant management team members. This bill has passed through the Senate and referred to the House.

12. Provide a one-page itemized listing of the changes your agency is requesting the committee to make to the executive recommendation.

- a) Reference Attachment #2.

13. Provide a comparison of your agency’s major requests to those recommended in the executive budget.

- a) Reference Attachment #3

14. Identify the purpose and amount of federal state fiscal recovery funding appropriated to your agency during the November 2021 special legislative session, the amount of funds spent to date, the timeline for obligating and spending the remaining funds, and any amounts that will not be obligated by December 2024.

- a) The agency received \$2,000,000 of ARPA funding to supplement federal funds for the purpose of enhancing housing at Camp Grafton, and \$450,000 for the purpose of replacing the state active duty software and on-going maintenance costs.
- b) The amount of funds spent through December 2022 are as follows:
 - 1) Camp Grafton Housing - \$962,053.85
 - 2) State Active Duty Software - \$187,051.45
- c) The timeline for spending the remaining funds is dependent on the project. The funds received for the Camp Grafton housing project are projected to be spent in the 2021-23 biennium, however carryover authority was requested in Section 15 of the executive budget due to the nature of the construction project and if supplies/materials are delayed. The State Active Duty software project has been completed, however the funding received was also to cover software maintenance through December 2026 so carryover authority was requested in Section 14 of the executive recommendation.
- d) All funds will be obligated by December 2024.

15. Identify the amount of federal funding available to your agency for the 2023-25 biennium, the purpose of the funding, federal deadlines for spending the funds, and your agency's plan for spending the funds.

- a) \$300,449,223 – The amount of federal funding available to our agency for the 2023-25 biennium.
- b) The federal funds are used to support the Air and Army Guard facilities, missions and employees; dispersed to counties, cities, tribal governments, emergency management entities, and first responder organizations; support disaster recovery efforts resulting from presidentially declared disasters; improve state, county, and tribal mitigation and preparedness planning, law enforcement planning, intelligence analysis activities, interoperable communications and support regional response capabilities.
- c) For the Army and Air Guard federal funds, the majority must be disbursed within four years post appropriation's fiscal year. The only exception is Military Construction where the funding must be obligated within four years post appropriation's fiscal year and disbursed within ten years post appropriation's fiscal year. For the federal awards that fall under the Department of Emergency Services, the various awards have expiration dates ranging from April 2023 through September 2028. There are just under 40 different federal awards, and depending on the award the deadlines vary.
- d) The plan for spending the funds is that described in b) above.

16. Provide additional information as necessary.