

**FIRST ENGROSSMENT
with House Amendments**

ENGROSSED SENATE BILL NO. 2025

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 veterans' affairs; to amend and reenact sections 37-15-03, 37-15-07, 37-15-16, 37-18-01, and
3 37-18-07, subsection 1 of section 37-18-12, and section 37-18.1-03 of the North Dakota
4 Century Code, relating to the administrative committee on veterans' affairs; to provide for a
5 transfer; to provide an exemption; and to declare an emergency.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from other funds derived from federal funds, to the
10 department of veterans' affairs for the purpose of defraying the expenses of the department of
11 veterans' affairs, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
14 Veterans' affairs	\$1,897,804	\$832,713	\$2,730,517
15 State approving agency	323,129	67,207	390,336
16 New and vacant FTE pool	0	202,907	202,907
17 Grants - transportation program	1,126,085	193,621	1,319,706
18 Transport vans	18,800	4,200	23,000
19 Service dogs	0	50,000	50,000
20 Veterans' home cemetery	<u>0</u>	<u>291,500</u>	<u>291,500</u>
21 Total all funds	\$3,365,818	\$1,642,148	\$5,007,966
22 Less other funds	<u>1,449,214</u>	<u>558,948</u>	<u>2,008,162</u>

1	Total general fund	\$1,916,604	\$1,083,200	\$2,999,804
2	Full-time equivalent positions	9.00	1.00	10.00

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

4 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
5 items included in the appropriation in section 1 of this Act which are not included in the entity's
6 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
7 committees of the seventieth legislative assembly regarding the use of this funding:

8	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
9	Homeless veterans' services	\$500,000	\$0	\$500,000
10	Veterans' home cemetery	<u>0</u>	<u>291,500</u>	<u>291,500</u>
11	Total	\$500,000	\$291,500	\$791,500

12 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
13 department of veterans' affairs may not spend funds appropriated in the new and vacant FTE
14 pool line item in section 1 of this Act, but may request the office of management and budget to
15 transfer funds from the new and vacant FTE pool line item to the veterans' affairs and state
16 approving agency line items in accordance with the guidelines and reporting provisions included
17 in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

18 **SECTION 4. APPROPRIATION - TRANSPORTATION GRANT PROGRAM - FEDERAL**
19 **FUNDS - 2023-25 BIENNIUM.** There is appropriated from federal funds, the sum of \$200,000,
20 or so much of the sum as may be necessary, to the department of veterans' affairs for the highly
21 rural transportation grants program, for the period beginning with the effective date of this
22 section and ending June 30, 2025.

23 **SECTION 5. APPROPRIATION - TRANSFER TO VETERANS' POSTWAR TRUST FUND -**
24 **ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in the state
25 treasury, not otherwise appropriated, the sum of \$500,000, which the office of management and
26 budget shall transfer to the veterans' postwar trust fund, for the biennium beginning July 1,
27 2025, and ending June 30, 2027. The appropriation in this section is considered a one-time
28 funding item.

29 **SECTION 6. AMENDMENT.** Section 37-15-03 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **37-15-03. Government of veterans' home.**

2 The general supervision and government of the veterans' home is vested in the
3 ~~administrative committee on veterans' affairs~~governor.

4 **SECTION 7. AMENDMENT.** Section 37-15-07 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **37-15-07. Administrator of veterans' home - Appointment - Qualifications.**

7 The appointment, qualifications, term of office, and salary of the administrator of the
8 veterans' home must be as prescribed in ~~section 37-18-1-03~~by the governor. The ~~administrative-~~
9 ~~committee on veterans' affairs~~governor may designate the administrator as commandant of the
10 veterans' home if the administrator is an honorably discharged veteran.

11 **SECTION 8. AMENDMENT.** Section 37-15-16 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **37-15-16. Administrator shall take charge of unclaimed estates of small value.**

14 If a member of the veterans' home dies leaving property of the value of three thousand
15 dollars or less, the administrator immediately shall take charge of the property. If within forty-five
16 days of the date of death a valid claim of any heir or devisee is not made for the property and
17 an application or petition has not been filed for issuance of letters of administration, the
18 administrator shall convert the property into cash without probate or other proceedings and
19 make payment first toward reasonable funeral expenses and second toward reasonable and
20 necessary medical and hospital expenses of the last illness of the decedent. If any cash
21 remains, the administrator shall deposit the cash with the state treasurer who shall credit it to
22 the veterans' home operating fund. The administrator shall make a report of the administrator's
23 action to the administrative committee on veterans' affairs and the governor. The report must be
24 audited by, and included in the records of, the committee.

25 **SECTION 9. AMENDMENT.** Section 37-18-01 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **37-18-01. Department established - Commissioner.**

28 There is hereby established a department of veterans' affairs under the supervision and
29 control of a commissioner known as commissioner of veterans' affairs, hereinafter referred to as
30 the commissioner. The commissioner must be a bona fide resident of the state, and must qualify

1 as a veteran as defined in section 37-01-40. The commissioner shall serve at the pleasure of
2 the governor.

3 **SECTION 10. AMENDMENT.** Section 37-18-07 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **37-18-07. Commissioner - Appointment - Qualifications - Term - Salary.**

6 The appointment, qualifications, term of office, and salary of the commissioner must be as
7 prescribed ~~in section 37-18.1-03~~ by the governor. The commissioner must be allowed such
8 amounts for travel, clerkhire, and expenses as may be prescribed from time to time by
9 legislative appropriations.

10 **SECTION 11. AMENDMENT.** Subsection 1 of section 37-18-12 of the North Dakota Century
11 Code is amended and reenacted as follows:

12 1. Except as otherwise provided by subsection 2, the department of veterans' affairs may
13 accept and expend funds from any source, including federal or private sources, to be
14 used to assist veterans or qualified veterans' spouses in obtaining assistance and to
15 pay other expenses authorized by law incurred in carrying out programs of benefit and
16 service for resident North Dakota veterans as authorized by the ~~administrative-~~
17 ~~committee on veterans' affairs~~ governor with the approval of the emergency
18 commission.

19 **SECTION 12. AMENDMENT.** Section 37-18.1-03 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **37-18.1-03. Powers and duties of committee - Creation of subcommittee and**
22 **governing board.**

23 The committee is responsible for advising the governor on the organization, policy, and
24 general administration of all veterans' affairs in the state of North Dakota. It has the following
25 powers ~~and, duties, and responsibilities:~~

26 1. The chairman and secretary of the committee, acting jointly, shall appoint a
27 seven-member governing board for advising the governor on administration of the
28 veterans' home, from within or outside the committee, subject to ratification of a
29 majority vote of the committee, and shall establish term lengths for service on the
30 governing board. ~~The governing board has all ordinary powers required of a governing~~
31 ~~board, including the power to establish qualifications for and selection of an~~

1 ~~administrator and to establish an appropriate salary structure, subject to limitations of~~
2 ~~legislative appropriation. The administrator serves at the pleasure of the governing~~
3 ~~board.~~

4 2. The chairman and secretary of the committee jointly shall appoint a subcommittee to
5 be responsible for advising the governor on the supervision and government of the
6 department of veterans' affairs. Once appointed, a subcommittee member may
7 continue to serve as long as the member remains a voting member of the committee,
8 unless removed from the subcommittee by joint action of the committee chairman and
9 secretary. A member of the subcommittee may not serve on the governing board of the
10 veterans' home. Each nominating organization listed in section 37-18.1-01 must have
11 at least one voting member nominated by the organization serving on the
12 subcommittee. The subcommittee shall select by majority vote of the members a
13 chairman to preside for the term of one year.

14 3. ~~The committee shall appoint the commissioner of the department of veterans' affairs.~~
15 ~~The commissioner must be a bona fide resident of the state, and must qualify as a~~
16 ~~veteran as defined in section 37-01-40. The commissioner serves at the pleasure of~~
17 ~~the committee. The committee shall determine the salary paid to the commissioner of~~
18 ~~the department of veterans' affairs within the limits of legislative appropriation. The~~
19 commissioner of veterans' affairs shall serve as the executive secretary for the
20 subcommittee. The commissioner has no vote in the affairs of the subcommittee.

21 4. The committee, under recommendation from the board or the subcommittee, shall
22 present any matters needing attention and action to the ~~appropriate board,~~
23 ~~commission, agency, or department of the state, and the North Dakota veterans'~~
24 ~~legislative council~~governor.

25 5. The committee shall ~~assure~~advise the governor regarding compliance with applicable
26 federal and state laws in the administration of both the department of veterans' affairs
27 and the North Dakota veterans' home and shall exercise its responsibilities in all things
28 necessary to ~~carry out the provisions of this chapter~~advise the governor in regard to
29 organization, policy, and general administration of the agencies served and involved in
30 the conduct of veterans' affairs. ~~The board governing the veterans' home and the~~
31 ~~subcommittee governing the department of veterans' affairs shall conduct an annual~~

1 ~~performance evaluation of the administrator and commissioner, respectively, with the~~
2 ~~evaluation presented to the committee. The board and subcommittee shall create and~~
3 ~~implement a strategic plan for the veterans' home and the department of veterans'~~
4 ~~affairs, respectively. The board and the subcommittee annually shall report as to the~~
5 ~~status of the respective strategic plan to the committee. After receiving a report, the~~
6 ~~committee shall submit the report to the governor.~~

7 **SECTION 13. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
8 appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended
9 funds may be continued into the biennium beginning July 1, 2025, and ending June 30, 2027:

- 10 1. The sum of \$500,000 continued in section 5 of chapter 25 of the 2023 Session Laws
11 appropriated from the federal state fiscal recovery fund for a grant to assist in the
12 construction of the Fisher house at the Fargo veterans' affairs medical center in
13 subsection 32 of section 1 of chapter 550 of the 2021 Session Laws;
- 14 2. The sum of \$147,000 continued in section 5 of chapter 25 of the 2023 Session Laws
15 appropriated from the federal state fiscal recovery fund for improving and expanding
16 veterans' medical transportation in subsection 33 of section 1 of chapter 550 of the
17 2021 Session Laws;
- 18 3. The sum of \$19,066 appropriated from the general fund for accrued leave of retiring
19 staff in section 1 of chapter 25 of the 2023 Session Laws;
- 20 4. The sum of \$100,836 appropriated from the federal state fiscal recovery fund for a
21 document scanning project in section 1 of chapter 25 of the 2023 Session Laws; and
- 22 5. The sum of \$500,000 appropriated from the federal state fiscal recovery fund for a
23 grant to assist in the construction of the Fisher house at the Fargo veterans' affairs
24 medical center in section 1 of chapter 26 of the 2023 Session Laws.

25 **SECTION 14. EMERGENCY.** Section 4 of this Act is declared to be an emergency
26 measure.