

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1016 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Department of Emergency Services			
Salaries and wages	\$6,821,939	\$6,578,155	(\$243,784)
Operating expenses	3,325,844	3,325,844	
Capital assets	4,957,923	4,957,923	
Grants	46,962,054	46,962,054	
Salaries and wages pool		213,493	213,493
Loan proceeds		900,000	900,000
Total all funds	<u>\$62,067,760</u>	<u>\$62,937,469</u>	<u>\$869,709</u>
Less estimated income	<u>56,961,521</u>	<u>57,847,292</u>	<u>885,771</u>
General fund	\$5,106,239	\$5,090,177	(\$16,062)
FTE	54.00	54.00	0.00
Bill Total			
Total all funds	\$62,067,760	\$62,937,469	\$869,709
Less estimated income	<u>56,961,521</u>	<u>57,847,292</u>	<u>885,771</u>
General fund	\$5,106,239	\$5,090,177	(\$16,062)
FTE	54.00	54.00	0.00

House Bill No. 1016 - Department of Emergency Services - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$6,821,939	(\$23,801)	\$6,798,138
Operating expenses	3,325,844		3,325,844
Capital assets	4,957,923		4,957,923
Grants	46,962,054		46,962,054
Total all funds	<u>\$62,067,760</u>	<u>(\$23,801)</u>	<u>\$62,043,959</u>
Less estimated income	<u>56,961,521</u>	<u>(11,290)</u>	<u>56,950,231</u>
General fund	\$5,106,239	(\$12,511)	\$5,093,728
FTE	54.00	0.00	54.00

Department No. 512 - Department of Emergency Services - Detail of House Changes

	Reduces Compensation Package to 3/4	Total House Changes
Salaries and wages	(\$23,801)	(\$23,801)
Operating expenses		
Capital assets		
Grants		
Total all funds	<u>(\$23,801)</u>	<u>(\$23,801)</u>
Less estimated income	<u>(11,290)</u>	<u>(11,290)</u>
General fund	(\$12,511)	(\$12,511)
FTE	0.00	0.00

This amendment also:

- Adds a new section to the bill to require the State Auditor to conduct a performance audit of the fees collected for 911 services and the utilization of such fees.
- Adds a new section to the bill to provide the Division of Emergency Management with the authority to borrow funds from the Bank of North Dakota up to \$900,000 for expenses associated with the migration of the State Radio Communications system from analog to digital.
- Adds a new section to the bill to require the Division of Emergency Management to implement a review process relating to the allocation of federal homeland security funds, and the division report to an appropriate committee of the Legislative Council regarding uses of federal homeland security funds at the state and local level and any discrepancies relating to the needs assessment completed by the division and purchases made with federal homeland security funds.
- Adds a new section to the bill to provide that the Division of Emergency Management shall require political subdivisions to spend a portion of federal homeland security funding allocations on costs associated with the migration of the State Radio Communications system from analog to digital.

House Bill No. 1016 - Department of Emergency Services - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$6,821,939	\$6,798,138	(\$219,983)	\$6,578,155
Operating expenses	3,325,844	3,325,844		3,325,844
Capital assets	4,957,923	4,957,923		4,957,923
Grants	46,962,054	46,962,054		46,962,054
Total all funds	\$62,067,760	\$62,043,959	(\$219,983)	\$61,823,976
Less estimated income	56,961,521	56,950,231	(213,455)	56,736,776
General fund	\$5,106,239	\$5,093,728	(\$6,528)	\$5,087,200
FTE	54.00	54.00	0.00	54.00

Department No. 512 - Department of Emergency Services - Detail of Senate Changes

	Reduces Recommended Funding for Health Insurance ¹	Reduces Funding for Salaries and Wages ²	Total Senate Changes
Salaries and wages	(\$6,490)	(\$213,493)	(\$219,983)
Operating expenses			
Capital assets			
Grants			
Salaries and wages pool			
Loan proceeds			
Total all funds	(\$6,490)	(\$213,493)	(\$219,983)
Less estimated income	(2,939)	(210,516)	(213,455)
General fund	(\$3,551)	(\$2,977)	(\$6,528)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

² This amendment reduces funding for salaries and wages by \$213,493, of which \$2,977 is from the general fund to remove funding related to continuing salary increases provided to Division of Emergency Management employees not directly affiliated with homeland security and state radio responsibilities during the 2003-05 biennium.

This amendment also:

- Removes Section 6 of the engrossed bill added by the House that provides the Division of Emergency Management the authority to borrow funds from the Bank of North Dakota for expenses associated with the migration of the State Radio Communications system from analog to digital.

- Removes Section 8 of the engrossed bill added by the House providing that the Division of Emergency Management shall require political subdivisions to spend a portion of federal homeland security funding allocations on costs associated with the migration of the State Radio Communications system from analog to digital.
- Revises the section of the bill providing for a performance audit to broaden the scope of the audit to the entire Division of Emergency Management including fees collected for 911 services and the utilization of such fees.
- Creates a new Division of Homeland Security and State Radio Communications.

House Bill No. 1016 - Department of Emergency Services - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$6,821,939	\$6,798,138	(\$219,983)	\$6,578,155	\$6,578,155	
Operating expenses	3,325,844	3,325,844		3,325,844	3,325,844	
Capital assets	4,957,923	4,957,923		4,957,923	4,957,923	
Grants	46,962,054	46,962,054		46,962,054	46,962,054	
Salaries and wages pool			213,493	213,493		213,493
Loan proceeds			900,000	900,000		900,000
Total all funds	\$62,067,760	\$62,043,959	\$893,510	\$62,937,469	\$61,823,976	\$1,113,493
Less estimated income	56,961,521	56,950,231	897,061	57,847,292	56,736,776	1,110,516
General fund	\$5,106,239	\$5,093,728	(\$3,551)	\$5,090,177	\$5,087,200	\$2,977
FTE	54.00	54.00	0.00	54.00	54.00	0.00

Department No. 512 - Department of Emergency Services - Detail of Conference Committee Changes

	Reduces Recommended Funding for Health Insurance	Reduces Funding for Salaries and Wages and Creates a Salaries and Wages Pool ¹	Authorizes the Borrowing of Funds ²	Total Conference Committee Changes
Salaries and wages	(\$6,490)	(\$213,493)		(\$219,983)
Operating expenses				
Capital assets				
Grants				
Salaries and wages pool		213,493		213,493
Loan proceeds			900,000	900,000
Total all funds	(\$6,490)	\$0	\$900,000	\$893,510
Less estimated income	(2,939)	0	900,000	897,061
General fund	(\$3,551)	\$0	\$0	(\$3,551)
FTE	0.00	0.00	0.00	0.00

¹ The conference committee agreed to create a salaries and wages pool of \$213,493, of which \$2,977 is from the general fund, with funding from the salaries and wages line item. The funding is available to the department for providing salary increases to positions affected by the department's reorganization subject to approval by the Budget Section. The Senate had reduced funding for salaries and wages by \$213,493, of which \$2,977 is from the general fund, to remove funding relating to continuing salary increases provided to Division of Emergency Management employees during the 2003-05 biennium.

² The conference committee agreed with the House amendment to authorize the department to borrow up to \$900,000 from the Bank of North Dakota for expenses associated with the migration of the State Radio Communications system from analog to digital. The loan, including accrued interest, is to be repaid with federal funds made available from the United States Department of Homeland Security. The Senate had removed this borrowing authority from the bill.

This amendment also:

- Revises Section 5 of the engrossed bill added by the House to broaden the scope of the audit to the entire department, including fees collected for 911 services and the utilization of such fees. These changes were also made by the Senate.

- Revises Section 8 of the engrossed bill added by the House to provide legislative intent that political subdivisions spend a portion of federal homeland security funding allocations on costs associated with the migration of the State Radio Communications system from analog to digital instead of requiring political subdivisions to spend a portion of federal homeland security funding allocations on the migration. The Senate had removed this section from the bill.
- Adds a section to the bill providing legislative intent that the Office of Management and Budget address all remaining costs associated with the State Radio Communications system migration project in the department's budget request for the 2007-09 biennium. This section was not included in either the House or the Senate version of the bill.
- Provides for the reorganization of the Division of Emergency Management to the Department of Emergency Services, including a division of state radio and a division of homeland security, and the establishment of an advisory committee to the department. The Senate had reorganized the agency into the Division of Emergency Management and the Division of Homeland Security and State Radio Communications.