

**Department 540 - Adjutant General, including the National Guard and Department of Emergency Services
Senate Bill No. 2016**

Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	224.00	\$42,638,487	\$116,081,868	\$158,720,355
2017-19 Legislative Appropriations ¹	234.00	25,886,422	198,468,480	224,354,902
Increase (Decrease)	(10.00)	\$16,752,065	(\$82,386,612)	(\$65,634,547)

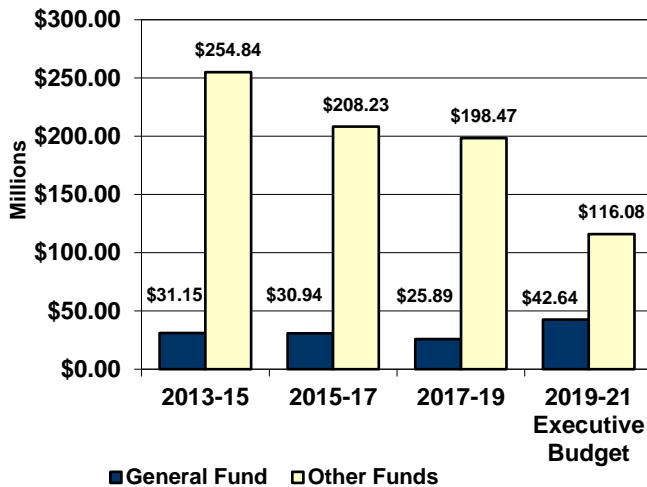
¹The 2017-19 biennium agency appropriation amounts have not been adjusted for additional special funds authority of \$25,010,112 resulting from Emergency Commission action during the 2017-19 biennium, including:

- \$10 million of federal funds to repay Bank of North Dakota loans for expenses related to the Dakota Access Pipeline protests;
- \$5 million of Bank of North Dakota loan proceeds for expenses related to the Dakota Access Pipeline protests;
- \$1.5 million of Bank of North Dakota loan proceeds for an emergency hay transportation program;
- A \$110,000 transfer from the state contingency line for National Guard tuition assistance; and
- \$8,400,112 (including \$7,211,842 of federal funds and \$1,188,270 from Bank of North Dakota loan proceeds) for spring 2017 flooding.

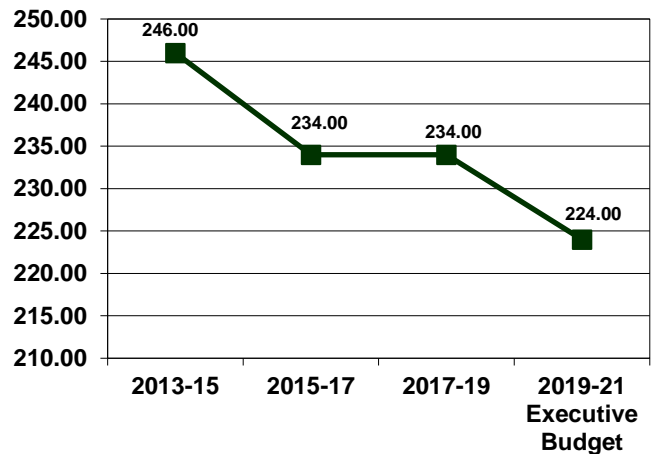
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$27,457,487	\$15,181,000	\$42,638,487
2017-19 Legislative Appropriations	25,886,422	0	25,886,422
Increase (Decrease)	\$1,571,065	\$15,181,000	\$16,752,065

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$42,638,487	\$116,081,868	\$158,720,355
2019-21 Base Level	25,886,422	143,599,480	169,485,902
Increase (Decrease)	\$16,752,065	(\$27,517,612)	(\$10,765,547)

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$1,447,598 is for salary increases, \$810,607 is for health insurance increases, and \$173,497 is for retirement contribution increases	\$961,709	\$1,469,993	\$2,431,702

Department of Emergency Services

2. Removes 5 FTE positions, including 4 communications specialists and 1 geographic information systems specialist	(\$581,885)	(\$48,591)	(\$630,476)
3. Transfers 4 FTE positions to the Information Technology Department for the information technology unification initiative and adjusts related operating costs	\$21,428	\$14,706	\$36,134
4. Reduces funding for operating expenses, including information technology, miscellaneous supplies, and professional services	(\$177,482)	\$0	(\$177,482)
5. Increases funding from the radio communications fund for State Radio operating expenses	\$0	\$542,338	\$542,338
6. Reduces funding for emergency services grants	\$0	(\$615,734)	(\$615,734)
7. Reduces funding for disaster costs, to provide a total of \$32,467,562 for disaster costs, of which \$48,978 is from the general fund, \$3,023,161 is from the state disaster relief fund, and \$29,395,423 is from federal funds	\$0	(\$18,708,053)	(\$18,708,053)
8. Adds one-time funding from the strategic investment and improvements fund for an anticipated 911 dispatching service revenue shortfall	\$0	\$1,212,253	\$1,212,253
9. Adds one-time funding, including funding from the strategic investment and improvements fund, for information technology upgrades	\$181,000	\$690,000	\$871,000
10. Adds one-time funding from federal funds for emergency services equipment	\$0	\$660,000	\$660,000

National Guard

11. Adds funding and 3 FTE positions for the Fargo Readiness Center	\$131,028	\$131,029	\$262,057
12. Removes 4 FTE positions, including 1 carpenter, 1 security officer, and 2 veterans benefits specialists	(\$435,261)	(\$129,932)	(\$565,193)
13. Reclassifies 1 FTE security officer position as a project manager position for the Camp Grafton expansion	\$221,598	(\$132,379)	\$89,219
14. Increases funding for Air Guard and Army Guard contract operating expenses	\$475,000	\$0	\$475,000
15. Increases funding for tuition assistance to provide a total of \$4,617,500 from the general fund for tuition assistance	\$2,000,000	\$0	\$2,000,000
16. Reduces funding for operating expenses, including travel, utilities, repairs, and information technology	(\$762,245)	\$0	(\$762,245)
17. Reduces funding for grants for city-owned armories relating to the closure of armories in Mayville, Bottineau, Carrington, Grafton, Mott, and Rugby during the 2017-19 biennium	(\$107,637)	\$0	(\$107,637)
18. Reduces federal funding for the Army Guard contract	\$0	(\$12,000,000)	(\$12,000,000)
19. Adds one-time funding for the Camp Grafton expansion	\$15,000,000	\$0	\$15,000,000

**Other Sections Recommended to be Added in the Executive Budget
(As Detailed in the Attached Appendix)**

Veterans' Cemetery maintenance fund - Section 3 would appropriate any funds which are received and deposited in the Veterans' Cemetery maintenance fund pursuant to North Dakota Century Code Sections 37-03-14 and 39-04-10.10 for the operation of the Veterans' Cemetery for the 2019-21 biennium.

Maintenance and repairs - Section 4 would authorize the Adjutant General to transfer up to \$500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2019-21 biennium. Any amounts transferred must be reported to the Office of Management and Budget.

Line item transfers - Section 5 would authorize the Adjutant General to transfer up to 10 percent of its total appropriation between line items.

Exemption - Radio communications - Section 6 would provide that any unexpended general fund or special funds appropriation authority carried over in the radio communications line item relating to the State Radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Exemption - Tuition, recruiting, and retention - Section 7 would provide that any unexpended general fund or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2017-19 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Exemption - Veterans' bonus - Section 8 would provide that any unexpended general fund or special funds appropriation authority carried over in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2019-21 biennium.

Exemption - Mobile repeaters and programming radios - Section 9 would provide that any unexpended general fund or special funds appropriation authority carried over in the Department of Emergency Services operating expenses line item relating to one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios for the 2017-19 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Exemption - Disaster costs - Section 10 would provide that any unexpended general fund or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

National Guard training area and facility development trust fund - Section 11 would amend Section 37-07.3-03 relating to the National Guard training area and facility development trust fund to allow the fund to be used for the proposed expansion of Camp Grafton. The section disallows the use of eminent domain in the acquisition of property for the expansion.

Continuing Appropriations

National Guard emergency fund - Section 37-01-04.1 - This fund allows the National Guard to respond to state emergencies.

National Guard military grounds fund - Section 37-03-13 - This fund is used for collecting rental revenues to be used for purchasing military training grounds.

Veterans' Cemetery maintenance fund - Section 37-03-14 - This fund is used to support the operations of the Veterans' Cemetery. The fund receives \$5 from the issuance of each veteran's license plate, grave opening and closing fees, and private and federal funds for the operation of the Veterans' Cemetery.

Veterans' Cemetery trust fund - Section 39-04-10.10 - This fund receives \$5 from the issuance of each veteran's license plate and donations. The interest in the fund is to be deposited in the Veterans' Cemetery maintenance fund for the purpose of providing funding for salaries and maintenance at the cemetery.

Deficiency Appropriation

The executive budget recommendation includes a deficiency appropriation of \$15,698,089 from the general fund to repay Bank of North Dakota loans for the state's share of disaster costs (\$488,822), emergency hay transportation (\$1,584,619), and law enforcement costs relating to unlawful activity associated with the construction of the Dakota Access Pipeline (\$13,624,648).

Significant Audit Findings

There were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1046 - Clarifies law relating to National Guard tuition waivers.

House Bill Nos. 1053 and 1061 - Provide for an income tax deduction relating to retired military personnel benefits.

House Bill No. 1091 - Increases the number of members on the Department of Emergency Services Advisory Committee from 11 members to 12. Eliminates language identifying the operational sections of the Division of Homeland Security under the Department of Emergency Services.

House Bill No. 1095 - Amends the definition of a volunteer emergency responder to include volunteer members of the National Guard of any state.

Senate Bill No. 2095 - Eliminates the need for Emergency Commission and Budget Section approval to expend moneys from the state disaster relief fund that have been appropriated by the Legislative Assembly. The bill also provides for a quarterly report to the Budget Section detailing expenditures from the appropriation.

Senate Bill No. 2096 - Amends law relating to mutual aid agreements.

**Adjutant General, including the National Guard and the Department of
Emergency Services - Budget No. 540
Senate Bill No. 2016
Base Level Funding Changes**

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2019-21 Biennium Base Level	234.00	\$25,886,422	\$143,599,480	\$169,485,902
2019-21 Ongoing Funding Changes				
Base payroll changes		(\$175,188)	(\$603,242)	(\$778,430)
Salary increase		580,067	867,531	1,447,598
Health insurance increase		307,642	502,965	810,607
Retirement contribution increase		74,000	99,497	173,497
Add funding for Fargo Readiness Center FTE positions and related operating expenses and equipment	3.00	131,028	131,029	262,057
Remove 9 FTE positions, including 4 communications specialists, 1 geographic information systems specialist, 1 carpenter, 1 security officer, and 2 veterans benefits specialists	(9.00)	(1,017,146)	(178,523)	(1,195,669)
Reclassify a security officer FTE position as a project manager FTE position for the Camp Grafton expansion		221,598	(132,379)	89,219
Transfer FTE positions for the information technology (IT) unification initiative	(4.00)	(310,746)	(366,744)	(677,490)
Funding adjustment to reflect IT unification error		(111,903)	77,027	(34,876)
Increase funding for operating expenses related to the IT unification initiative		444,077	304,423	748,500
Increase funding for National Guard contract lines		475,000		475,000
Increase funding for National Guard tuition assistance		2,000,000		2,000,000
Reduce funding for National Guard operating expenses, including travel, utilities, repairs, and IT		(762,245)		(762,245)
Reduce funding for city-owned armory grants due to the closure of armories in Mayville, Bottineau, Carrington, Grafton, Mott, and Rugby during the 2017-19 biennium		(107,637)		(107,637)
Reduce funding for emergency services operating expenses, including IT, miscellaneous supplies, and professional services		(177,482)		(177,482)
Increase funding from the radio communications fund for State Radio operating expenses, including IT, repairs, and professional services			542,338	542,338

Reduce federal funding for Army Guard contract		(12,000,000)	(12,000,000)
Reduce funding from the disaster relief fund (\$5.4 million) and federal funds (\$13.3 million) for disaster costs		(18,708,053)	(18,708,053)
Reduce federal funding for emergency services grants		(615,734)	(615,734)
Total ongoing funding changes	(10.00)	\$1,571,065	(\$30,079,865)
One-time funding items			
Add one-time funding for the Camp Grafton expansion		\$15,000,000	\$15,000,000
Add one-time funding from the strategic investment and improvements fund (SIIF) for a 911 dispatching service revenue shortfall		1,212,253	1,212,253
Add one-time funding for IT upgrades, including funding from SIIF		181,000	690,000
Add one-time funding from federal funds for emergency services equipment		660,000	660,000
Total one-time funding changes	0.00	\$15,181,000	\$2,562,253
Total Changes to Base Level Funding	(10.00)	\$16,752,065	(\$27,517,612)
2019-21 Total Funding	224.00	\$42,638,487	\$116,081,868

Other Sections for Adjutant General, including the National Guard and the Department of Emergency Services - Budget No. 540

	Executive Budget Recommendation
Veterans' Cemetery maintenance fund	Section 3 would appropriate any funds which are received and deposited in the Veterans' Cemetery maintenance fund pursuant to North Dakota Century Code Sections 37-03-14 and 39-04-10.10 for the operation of the Veterans' Cemetery for the 2019-21 biennium.
Maintenance and repairs	Section 4 would authorize the Adjutant General to transfer up to \$500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2019-21 biennium. Any amounts transferred must be reported to the Office of Management and Budget.
Line item transfers	Section 5 would authorize the Adjutant General to transfer up to 10 percent of its total appropriation between line items.
Exemption - Radio communications	Section 6 would provide that any unexpended general or special funds appropriation authority carried over in the radio communications line item relating to the State Radio tower package for the 2013-15 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.
Exemption - Tuition, recruiting, and retention	Section 7 would provide that any unexpended general or special funds appropriation authority in the tuition, recruiting, and retention line item for the 2017-19 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

**Other Sections for Adjutant General, including the National Guard and the Department of
Emergency Services - Budget No. 540**

Executive Budget Recommendation

Exemption - Veterans' bonus

Section 8 would provide that any unexpended general or special funds appropriation authority carried over in the grants line item relating to payment of adjusted compensation to veterans for the 2015-17 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium. Any unexpended funds from this appropriation must be transferred to the Veterans' Cemetery trust fund during the 2019-21 biennium.

Exemption - Mobile repeaters and programming radios

Section 9 would provide that any unexpended general or special funds appropriation authority carried over in the Department of Emergency Services operating expenses line item relating to one-time funding from the strategic investment and improvements fund for mobile repeaters and programming radios for the 2017-19 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Exemption - Disaster costs

Section 10 would provide that any unexpended general or special funds appropriation authority in the disaster costs line item relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

National Guard training area and facility development trust fund

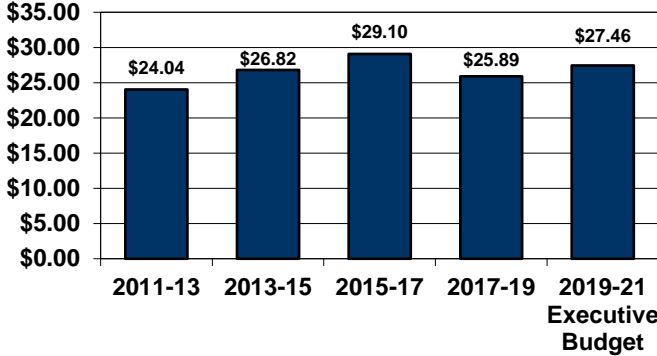
Section 11 would amend Section 37-07.3-03 relating to the National Guard training area and facility development trust fund to allow the fund to be used for the proposed expansion of Camp Grafton. The section disallows the use of eminent domain in the acquisition of property for the expansion.

Department 540 - Adjutant General, including the National Guard and the Department of Emergency Services

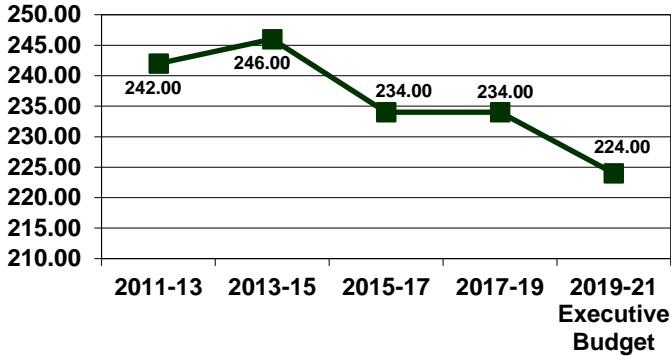
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$24,035,127	\$26,824,589	\$29,096,100	\$25,886,422	\$27,457,487
Increase (decrease) from previous biennium	N/A	\$2,789,462	\$2,271,511	(\$3,209,678)	\$1,571,065
Percentage increase (decrease) from previous biennium	N/A	11.6%	8.5%	(11.0%)	6.1%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	11.6%	21.1%	7.7%	14.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

- 1. Increased funding for the National Guard tuition program \$110,000
- 2. Added 4 FTE communication specialist positions in the State Radio dispatch center \$386,048
- 3. Added funding for State Radio tower maintenance \$360,000

2015-17 Biennium

- 1. Added funding for operating costs of the ND Cares Task Force \$260,000
- 2. Added funding for various maintenance items \$861,280
- 3. Added funding to realign State Radio dispatch positions within the employee classification system \$192,621
- 4. Added funding for mortuary response training (This item was affected by the August 2016 agency budget reductions) \$200,000

2017-19 Biennium

- 1. Reduced funding for operating expenses (\$2,307,572)
- 2. Increased funding for recruitment \$100,000
- 3. Reduced funding for National Guard armory grants (\$190,961)
- 4. Removed funding for mortuary response training (\$191,900)
- 5. Reduced funding for the reintegration program (\$716,075)

2019-21 Biennium (Executive Budget Recommendation)

- 1. Removes 9 FTE positions, including 4 communications specialists, 1 geographic information systems specialist, 1 carpenter, 1 security officer, and 2 veterans benefits specialists (\$1,017,146)
- 2. Increases funding for National Guard Air Guard and Army Guard contract operating expenses \$475,000
- 3. Reduces funding for operating expenses, including information technology, travel, utilities, repairs, miscellaneous supplies, and professional services (\$939,727)
- 4. Increases funding for National Guard tuition assistance, to provide a total of \$4,617,500 \$2,000,000

**GOVERNOR'S RECOMMENDATION FOR THE
ADJUTANT GENERAL AS SUBMITTED
BY THE OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the office of the adjutant general for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

Subdivision 1.

NATIONAL GUARD

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$6,666,525	\$230,662	\$6,897,187
Operating Expenses	3,525,934	(758,613)	2,767,321
Capital Assets	33,224,046	(18,000,000)	15,224,046
Grants	318,553	(107,637)	210,916
Civil Air Patrol	299,580	5,739	305,319
Tuition, Recruiting, and Retention	2,617,500	2,000,000	4,617,500
Air Guard Contract	8,098,582	494,501	8,593,083
Army Guard Contract	57,717,944	(10,669,870)	47,048,074
Veterans' Cemetery	881,284	100,566	981,850
Reintegration Program	<u>1,261,384</u>	<u>(200,357)</u>	<u>1,061,027</u>
Total all funds	<u>\$114,611,332</u>	<u>(\$26,905,009)</u>	<u>\$87,706,323</u>
Less estimated income	<u>98,174,778</u>	<u>(43,833,574)</u>	<u>54,341,204</u>
Total general fund	<u>\$16,436,554</u>	<u>\$16,928,565</u>	<u>\$33,365,119</u>

Subdivision 2.

DIVISION OF EMERGENCY SERVICES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$12,551,119	(\$1,123,134)	\$11,427,985
Operating Expenses	7,288,451	2,111,609	9,400,060
Capital Assets	569,000	91,000	660,000
Grants	16,889,159	(615,734)	16,273,425
Disaster Costs	51,445,841	(18,978,279)	32,467,562
Radio Communications	<u>0</u>	<u>785,000</u>	<u>785,000</u>
Total all funds	\$88,743,570	(\$17,729,538)	\$71,014,032
Less estimated income	<u>79,293,702</u>	<u>(17,553,038)</u>	<u>61,740,664</u>
Total general fund	\$9,449,868	(\$176,500)	\$9,273,368

Subdivision 3.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$25,886,422	\$16,772,065	\$42,638,487
Grant total special funds	<u>177,468,480</u>	<u>(61,386,612)</u>	<u>116,081,868</u>
Grant total all funds	\$203,354,902	(\$44,634,547)	\$158,720,355
Full-time equivalent positions	234.00	-10.00	224.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
ND national guard readiness center	\$33,000,000	\$0
Emergency Response equipment	569,000	0
Mobile repeaters and programming radios	300,000	0
State Radio operational increase	0	1,212,253
CAD upgrade	0	450,000
CAD monitor replacement	0	66,000
UPS battery replacement	0	20,000
Message switch hardware	0	240,000

Intergraph XML Change	0	95,000
Camp Grafton south expansion	0	15,000,000
Total all funds	\$33,869,000	\$17,083,253
Total special funds	33,869,000	16,902,253
Total general fund	\$0	\$181,000

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The adjutant general shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION. In addition to the amount appropriated to the adjutant general in the veterans' cemetery line item in subdivision 1 of section 1 of this Act, there is appropriated any additional funds which are received and deposited in the veterans' cemetery maintenance fund pursuant to sections 37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. MAINTENANCE AND REPAIRS - TRANSFERS. The adjutant general may transfer to the operating expenses and capital assets line items contained in section 1 of this Act up to the sum of \$500,000 from the various other line items contained in section 1 of this Act, as determined necessary by the adjutant general to provide for the maintenance and repair of state-owned armories in this state during the biennium beginning July 1, 2019, and ending June 30, 2021. Any amounts transferred pursuant to this section must be reported to the director of the office of management and budget.

SECTION 5. LINE ITEM TRANSFER. Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 6. EXEMPTION. Any amounts carried over in the radio communications line for the state radio tower package, in section 7 of chapter 15 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for completing these projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 7. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 15 of the 2017 Session Laws is not subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. EXEMPTION. Any amounts carried over pursuant to section 11 of chapter 15 of the 2017 Session Laws that is unexpended as of June 30, 2019 is not subject to section 54-44.1-11 and is available for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. EXEMPTION. The amount appropriated in the operating expenses line item in subdivision 2 of section 1 of chapter 15 of the 2017 Session Laws for one-time funding from the strategic investment and improvement fund for mobile repeaters and programming radios is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete this project, during the biennium beginning July 1, 2019 and ending June 30, 2021.

SECTION 10. EXEMPTION. Any amounts carried over in the disaster costs line for grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding pursuant to section 13 of chapter 15 of the 2017 Session Laws that is

unexpended as of June 30, 2019, is not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 11. AMENDMENT. Section 37-07.3-03 of the North Dakota Century Code is amended and reenacted as follows:

37-07.3-03. Trust fund use.

The principal, interest, and income from the national guard training area and facility development trust fund must be used by the adjutant general solely for training area acquisition, purchase or lease, and facility development; provided, that the principal, and any interest and income which the fund accrues from ~~July 1, 1985~~ July 1, 2019, through ~~June 30, 1989~~ June 30, 2029, must be used solely for the acquisition of land for national guard training purposes and the ~~expenditure, in conjunction with federal matching funds, for the construction of a new national guard armory on or adjacent to~~ expansion of the military reservation known as ~~Fraine Barracks~~ Camp Grafton. For the purpose of obtaining land for training purposes under this section, eminent domain shall not be used.

SECTION 12. EMERGENCY. The Tuition, recruiting, and retention line in section 1 of this Act is declared to be an emergency measure.