

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Adjutant General			
Salaries and wages	\$6,833,766	\$7,150,489	\$316,723
Operating expenses	2,767,321	4,048,313	1,280,992
Capital assets	224,046	21,724,046	21,500,000
Grants	210,916	210,916	
Civil air patrol	305,134	309,125	3,991
Tuition, recruiting, and retention	4,782,072	3,042,235	(1,739,837)
Air guard contract	8,571,129	8,490,161	(80,968)
Army guard contract	46,940,013	48,623,473	1,683,460
Veterans' cemetery	1,151,906	1,325,998	174,092
Reintegration program	1,051,168	925,524	(125,644)
Military museum		10,000,000	10,000,000
Camp Grafton expansion		3,500,000	3,500,000
Total all funds	\$72,837,471	\$109,350,280	\$36,512,809
Less estimated income	54,214,657	90,866,564	36,651,907
General fund	\$18,622,814	\$18,483,716	(\$139,098)
FTE	154.00	152.00	(2.00)
Department of Emergency Services			
Salaries and wages	\$10,986,431	\$12,232,240	\$1,245,809
Operating expenses	8,060,574	6,602,334	(1,458,240)
Capital assets		660,000	660,000
Grants	16,273,425	14,550,000	(1,723,425)
Disaster costs	36,555,085	51,485,736	14,930,651
Total all funds	\$71,875,515	\$85,530,310	\$13,654,795
Less estimated income	63,108,132	79,151,794	16,043,662
General fund	\$8,767,383	\$6,378,516	(\$2,388,867)
FTE	68.00	70.00	2.00
Bill total			
Total all funds	\$144,712,986	\$194,880,590	\$50,167,604
Less estimated income	117,322,789	170,018,358	52,695,569
General fund	\$27,390,197	\$24,862,232	(\$2,527,965)
FTE	222.00	222.00	0.00

House Bill No. 1016 - Adjutant General - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$6,833,766	\$317,263	\$7,151,029
Operating expenses	2,767,321	280,992	3,048,313
Capital assets	224,046	21,500,000	21,724,046
Grants	210,916		210,916
Civil air patrol	305,134	4,365	309,499
Tuition, recruiting, and retention	4,782,072	(1,739,837)	3,042,235
Air guard contract	8,571,129	(74,738)	8,496,391
Army guard contract	46,940,013	1,686,682	48,626,695
Veterans' cemetery	1,151,906	174,648	1,326,554
Reintegration program	1,051,168	(124,701)	926,467
Military museum		10,000,000	10,000,000
Total all funds	\$72,837,471	\$32,024,674	\$104,862,145
Less estimated income	54,214,657	33,911,970	88,126,627
General fund	\$18,622,814	(\$1,887,296)	\$16,735,518
FTE	154.00	(2.00)	152.00

Department 540 - Adjutant General - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Adjustments²	Removes Positions³	Adds Funding for Fargo Readiness Center Operations⁴	Adjusts Funding for the National Guard⁵	Reduces Funding for Tuition Assistance⁶
Salaries and wages	\$156,861	\$160,402				
Operating expenses						
Capital assets						
Grants						
Civil air patrol	778	4,365				
Tuition, recruiting, and retention						(\$1,739,837)
Air guard contract	(212,321)	137,583				
Army guard contract	955,404	336,410	(\$285,132)	\$340,000		
Veterans' cemetery	(1)	21,827				
Reintegration program	44,121	22,554	(191,376)			
Military museum						
Camp Grafton expansion						
Total all funds	\$944,842	\$683,141	(\$476,508)	\$340,000	\$0	(\$1,739,837)
Less estimated income	654,882	450,664	0	170,000	808,320	0
General fund	\$289,960	\$232,477	(\$476,508)	\$170,000	(\$808,320)	(\$1,739,837)
FTE	0.00	0.00	(2.00)	0.00	0.00	0.00

	Adds Funding for the Veterans' Cemetery⁷	Adds Funding to Expand Camp Grafton⁸	Adjusts Funding for Miscellaneous Expenses⁹	Adds One-Time Funding¹⁰	Total House Changes
Salaries and wages					\$317,263
Operating expenses		\$280,000	\$992		280,992
Capital assets				\$21,500,000	21,500,000
Grants					
Civil air patrol			(778)		4,365
Tuition, recruiting, and retention					(1,739,837)
Air guard contract					(74,738)
Army guard contract			(80,000)	420,000	1,686,682
Veterans' cemetery	\$152,822				174,648
Reintegration program					(124,701)
Military museum				10,000,000	10,000,000
Camp Grafton expansion					
Total all funds	\$152,822	\$280,000	(\$79,786)	\$31,920,000	\$32,024,674
Less estimated income	77,822	0	(39,718)	31,790,000	33,911,970
General fund	\$75,000	\$280,000	(\$40,068)	\$130,000	(\$1,887,296)
FTE	0.00	0.00	0.00	0.00	(2.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250 for both years, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$230,183	\$445,848	\$676,031
Health insurance increase	2,294	4,816	7,110
Total	\$232,477	\$450,664	\$683,141

³ Funding is reduced by \$476,508 from the general fund to remove 2 FTE positions, including 1 FTE facility services position and 1 FTE human services position, and related operating expenses.

⁴ Funding of \$340,000, including \$170,000 from the general fund and \$170,000 from federal funds, is added for Fargo Readiness Center operations.

⁵ Funding for the National Guard is adjusted to reduce funding by \$808,320 from the general fund and increase funding by \$808,320 from federal funds.

⁶ Funding for tuition assistance is reduced by \$1,739,837 to provide a total of \$3,042,235 from the general fund for tuition, recruiting, and retention.

⁷ Funding of \$152,822, including \$75,000 from the general fund and \$77,822 from other funds, is added for the Veterans' Cemetery. This increase includes \$75,000 from the general fund to provide total ongoing funding of \$250,000 from the general fund for the costs of interring veterans' spouses and dependents who are eligible for interment at the Veteran's Cemetery.

⁸ Funding of \$280,000 from the general fund is added to lease land for the expansion of Camp Grafton.

⁹ Funding for miscellaneous expenses is adjusted as follows:

	General Fund	Other Funds	Total
Adds funding for Microsoft Office 365 licensing expenses	\$710	\$282	\$992
Reduces funding for National Guard equipment	(40,000)	(40,000)	(80,000)
Reduces funding for Civil Air Patrol	(778)	0	(778)
Total	(\$40,068)	(\$39,718)	(\$79,786)

¹⁰ One-time funding is added for the following:

	General Fund	Other Funds	Total
Fraine Barracks automation system	\$80,000	\$240,000	\$320,000
Fargo Readiness Center equipment	50,000	50,000	100,000
North Dakota Military Museum	0	10,000,000	10,000,000
Dickinson Readiness Center project	0	15,500,000	15,500,000
Bridge training site	0	6,000,000	6,000,000
Total	\$130,000	\$31,790,000	\$31,920,000

House Bill No. 1016 - Adjutant General - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$6,833,766	\$7,151,029	(\$540)	\$7,150,489
Operating expenses	2,767,321	3,048,313	1,000,000	4,048,313
Capital assets	224,046	21,724,046		21,724,046
Grants	210,916	210,916		210,916
Civil air patrol	305,134	309,499	(374)	309,125
Tuition, recruiting, and retention	4,782,072	3,042,235		3,042,235
Air guard contract	8,571,129	8,496,391	(6,230)	8,490,161
Army guard contract	46,940,013	48,626,695	(3,222)	48,623,473
Veterans' cemetery	1,151,906	1,326,554	(556)	1,325,998
Reintegration program	1,051,168	926,467	(943)	925,524
Military museum		10,000,000		10,000,000
Camp Grafton expansion			3,500,000	3,500,000
Total all funds	\$72,837,471	\$104,862,145	\$4,488,135	\$109,350,280
Less estimated income	54,214,657	88,126,627	1,739,937	89,866,564
General fund	\$18,622,814	\$16,735,518	\$2,748,198	\$19,483,716
FTE	154.00	152.00	0.00	152.00

Department 540 - Adjutant General - Detail of Senate Changes

	Adjusts Funding for Salary Increases ¹	Adds One- Time Funding to Expand Camp Grafton ²	Adds One- Time Funding for Deferred Maintenance ³	Total Senate Changes
Salaries and wages	(\$540)			(\$540)
Operating expenses			\$1,000,000	1,000,000
Capital assets				
Grants				
Civil air patrol	(374)			(374)
Tuition, recruiting, and retention				
Air guard contract	(6,230)			(6,230)
Army guard contract	(3,222)			(3,222)
Veterans' cemetery	(556)			(556)
Reintegration program	(943)			(943)
Military museum				
Camp Grafton expansion		\$3,500,000		3,500,000
Total all funds	(\$11,865)	\$3,500,000	\$1,000,000	\$4,488,135
Less estimated income	(10,063)	1,750,000	0	1,739,937
General fund	(\$1,802)	\$1,750,000	\$1,000,000	\$2,748,198
FTE	0.00	0.00	0.00	0.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² One-time funding of \$1,750,000 from the general fund is transferred to the National Guard training area and facility development trust fund. The funding is also appropriated from the National Guard training area and facility development trust fund to the Adjutant General for the expansion of Camp Grafton.

³ One-time funding of \$1,000,000 from the general fund is added for National Guard deferred maintenance projects, including building sealant repairs, air handler replacement, building automation system repairs and upgrades, asphalt repairs, and other projects.

House Bill No. 1016 - Adjutant General - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$6,833,766	\$7,151,029	(\$540)	\$7,150,489	\$7,150,489	
Operating expenses	2,767,321	3,048,313	1,000,000	4,048,313	4,048,313	
Capital assets	224,046	21,724,046		21,724,046	21,724,046	
Grants	210,916	210,916		210,916	210,916	
Civil air patrol	305,134	309,499	(374)	309,125	309,125	
Tuition, recruiting, and retention	4,782,072	3,042,235		3,042,235	3,042,235	
Air guard contract	8,571,129	8,496,391	(6,230)	8,490,161	8,490,161	
Army guard contract	46,940,013	48,626,695	(3,222)	48,623,473	48,623,473	
Veterans' cemetery	1,151,906	1,326,554	(556)	1,325,998	1,325,998	
Reintegration program	1,051,168	926,467	(943)	925,524	925,524	
Military museum		10,000,000		10,000,000	10,000,000	
Camp Grafton expansion			3,500,000	3,500,000	3,500,000	
Total all funds	\$72,837,471	\$104,862,145	\$4,488,135	\$109,350,280	\$109,350,280	\$0
Less estimated income	54,214,657	88,126,627	2,739,937	90,866,564	89,866,564	1,000,000
General fund	\$18,622,814	\$16,735,518	\$1,748,198	\$18,483,716	\$19,483,716	(\$1,000,000)
FTE	154.00	152.00	0.00	152.00	152.00	0.00

Department 540 - Adjutant General - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adds One- Time Funding to Expand Camp Grafton ²	Adds One- Time Funding for Deferred Maintenance ³	Total Conference Committee Changes
Salaries and wages	(\$540)			(\$540)
Operating expenses			\$1,000,000	1,000,000
Capital assets				
Grants				
Civil air patrol	(374)			(374)
Tuition, recruiting, and retention				
Air guard contract	(6,230)			(6,230)
Army guard contract	(3,222)			(3,222)
Veterans' cemetery	(556)			(556)
Reintegration program	(943)			(943)
Military museum				
Camp Grafton expansion		\$3,500,000		3,500,000
Total all funds	(\$11,865)	\$3,500,000	\$1,000,000	\$4,488,135
Less estimated income	(10,063)	1,750,000	1,000,000	2,739,937
General fund	(\$1,802)	\$1,750,000	\$0	\$1,748,198
FTE	0.00	0.00	0.00	0.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate version. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² One-time funding of \$1.75 million from the general fund is transferred to the National Guard training area and facility development trust fund. The funding is also appropriated from the National Guard training area and facility development trust fund to the Adjutant General for the expansion of Camp Grafton. The Senate version also included this funding.

³ One-time funding of \$1 million from the strategic investment and improvements fund is added for National Guard deferred maintenance projects, including building sealant repairs, air handler replacement, building automation system repairs and upgrades, asphalt repairs, and other projects. The Senate version added the funding from the general fund.

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

	Base Budget	House Changes	House Version
Salaries and wages	\$10,986,431	\$986,330	\$11,972,761
Operating expenses	8,060,574	(1,458,240)	6,602,334
Capital assets		660,000	660,000
Grants	16,273,425	(1,723,425)	14,550,000
Disaster costs	36,555,085	12,430,330	48,985,415
Total all funds	\$71,875,515	\$10,894,995	\$82,770,510
Less estimated income	63,108,132	13,276,877	76,385,009
General fund	\$8,767,383	(\$2,381,882)	\$6,385,501
FTE	68.00	0.00	68.00

Department 542 - Department of Emergency Services - Detail of House Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Adjustments²	Adjusts Funding Sources³	Adjusts Funding for State Radio⁴	Transfers State Radio Towers⁵	Reduces Funding for Grants⁶
Salaries and wages	\$707,375	\$278,955				
Operating expenses				\$300,000	(\$1,858,240)	
Capital assets						
Grants						(\$1,723,425)
Disaster costs	<u>(859,711)</u>	<u>21,178</u>				
Total all funds	(\$152,336)	\$300,133	\$0	\$300,000	(\$1,858,240)	(\$1,723,425)
Less estimated income	<u>(152,337)</u>	<u>143,478</u>	<u>72,608</u>	<u>1,007,690</u>	<u>0</u>	<u>(1,723,425)</u>
General fund	\$1	\$156,655	(\$72,608)	(\$707,690)	(\$1,858,240)	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Disaster Costs⁷	Adds Funding for Equipment⁸	Total House Changes
Salaries and wages			\$986,330
Operating expenses		\$100,000	(1,458,240)
Capital assets		660,000	660,000
Grants			(1,723,425)
Disaster costs	<u>\$13,268,863</u>		<u>12,430,330</u>
Total all funds	\$13,268,863	\$760,000	\$10,894,995
Less estimated income	<u>13,268,863</u>	<u>660,000</u>	<u>13,276,877</u>
General fund	\$0	\$100,000	(\$2,381,882)
FTE	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250 for both years, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$155,047	\$141,758	\$296,805
Health insurance increase	<u>1,608</u>	<u>1,720</u>	<u>3,328</u>
Total	\$156,655	\$143,478	\$300,133

³ Funding for the Department of Emergency Services is adjusted to reduce funding from the general fund by \$72,608 and increase funding from other funds by \$72,608.

⁴ Funding for State Radio is increased by \$300,000, including a decrease of \$707,690 from the general fund and an increase of \$1,007,690 from other funds from state radio fees.

⁵ Funding of \$1,858,240 from the general fund is removed to transfer State Radio towers to the Information Technology Department.

⁶ Funding for grants, including emergency management, hazard mitigation, and hazardous material emergency preparation grants, is reduced by \$1,723,425 from federal funds.

⁷ Funding is increased by \$13,268,863 for disaster costs to provide a total of \$48,985,415 for disaster costs. This amount includes approximately \$44.4 million from federal funds and \$4.1 million from the state disaster relief fund for costs related to non-COVID disasters.

⁸ Funding of \$660,000 from federal funds is added for emergency services equipment, including damage assessment and documentation software and generators. One-time funding of \$100,000 from the general fund is added for emergency response equipment and supplies.

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

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$10,986,431	\$11,972,761	\$259,479	\$12,232,240
Operating expenses	8,060,574	6,602,334		6,602,334
Capital assets		660,000		660,000
Grants	16,273,425	14,550,000		14,550,000
Disaster costs	<u>36,555,085</u>	<u>48,985,415</u>	5,157,153	<u>54,142,568</u>
Total all funds	\$71,875,515	\$82,770,510	\$5,416,632	\$88,187,142
Less estimated income	<u>63,108,132</u>	<u>76,385,009</u>	<u>5,423,617</u>	<u>81,808,626</u>
General fund	\$8,767,383	\$6,385,501	(\$6,985)	\$6,378,516
FTE	68.00	68.00	2.00	70.00

Department 542 - Department of Emergency Services - Detail of Senate Changes

	Adjusts Funding for Salary Increases¹	Adds State Radio FTE Positions²	Increases Funding for Disaster Costs³	Total Senate Changes
Salaries and wages	(\$6,051)	\$265,530		\$259,479
Operating expenses				
Capital assets				
Grants				
Disaster costs	<u>321</u>		<u>\$5,156,832</u>	<u>5,157,153</u>
Total all funds	(\$5,730)	\$265,530	\$5,156,832	\$5,416,632
Less estimated income	<u>1,255</u>	<u>265,530</u>	<u>5,156,832</u>	<u>5,423,617</u>
General fund	(\$6,985)	\$0	\$0	(\$6,985)
FTE	0.00	2.00	0.00	2.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Funding of \$265,530 from the radio communications fund is added for 2 new FTE communication specialist positions for State Radio.

³ Funding for disaster costs is increased by \$5,156,832 from the state disaster relief fund for costs related to spring 2021 wildfires.

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

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$10,986,431	\$11,972,761	\$259,479	\$12,232,240	\$12,232,240	
Operating expenses	8,060,574	6,602,334		6,602,334	6,602,334	
Capital assets		660,000		660,000	660,000	
Grants	16,273,425	14,550,000		14,550,000	14,550,000	
Disaster costs	<u>36,555,085</u>	<u>48,985,415</u>	<u>2,500,321</u>	<u>51,485,736</u>	<u>54,142,568</u>	<u>(\$2,656,832)</u>
Total all funds	\$71,875,515	\$82,770,510	\$2,759,800	\$85,530,310	\$88,187,142	(\$2,656,832)
Less estimated income	<u>63,108,132</u>	<u>76,385,009</u>	<u>2,766,785</u>	<u>79,151,794</u>	<u>81,808,626</u>	<u>(2,656,832)</u>
General fund	\$8,767,383	\$6,385,501	(\$6,985)	\$6,378,516	\$6,378,516	\$0
FTE	68.00	68.00	2.00	70.00	70.00	0.00

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

	Adjusts Funding for Salary Increases ¹	Adds State Radio FTE Positions ²	Increases Funding for Disaster Costs ³	Total Conference Committee Changes
Salaries and wages	(\$6,051)	\$265,530		\$259,479
Operating expenses				
Capital assets				
Grants				
Disaster costs	321		\$2,500,000	2,500,321
Total all funds	(\$5,730)	\$265,530	\$2,500,000	\$2,759,800
Less estimated income	1,255	265,530	2,500,000	2,766,785
General fund	(\$6,985)	\$0	\$0	(\$6,985)
FTE	0.00	2.00	0.00	2.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate version. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Funding of \$265,530 from the radio communications fund is added for 2 new FTE communication specialist positions for State Radio, the same as the Senate version.

³ Funding for disaster costs is increased by \$2,500,000 from Bank of North Dakota loan proceeds for costs related to wildfire response. The Senate added \$5,157,153 from the state disaster relief fund for costs related to wildfire response.

House Bill No. 1016 - Other Changes - House Action

This amendment also:

- Adds sections to provide carryover authority for unexpended appropriations for mobile repeaters and programming radios related to the statewide interoperable radio network, tuition assistance, computer-aided dispatch equipment, the message switch upgrade project, and the purchase of options to purchase or lease land for the expansion of Camp Grafton.
- Adds a section to continue legislative intent for the Adjutant General to purchase options for the purchase or lease of land for the expansion of Camp Grafton.
- Adds a section to authorize the Adjutant General to accept and spend \$10 million from other funds for a North Dakota military museum.

House Bill No. 1016 - Other Changes - Senate Action

This amendment also:

- Adds a section to provide for the transfer of \$1,750,000 from the general fund to the National Guard training area and facility development trust fund, the sum of which is appropriated to the Adjutant General for the expansion of Camp Grafton.
- Adds a section to provide that the disaster costs line item includes \$5,156,832 from the state disaster relief fund for personnel, equipment, materials, supplies, and intrastate and interstate mutual aid reimbursement for wildfire response costs.
- Amends legislative intent relating to the expansion of Camp Grafton to remove intent for the purchase of options and instead provide that the Adjutant General contract for the purchase or long-term lease of land.

House Bill No. 1016 - Other Changes - Conference Committee Action

This amendment also:

- Adds a section to provide for the transfer of \$1.75 million from the general fund to the National Guard training area and facility development trust fund, the sum of which is appropriated to the Adjutant General for the expansion of Camp Grafton, the same as the Senate version.

- Adds a section to provide that the disaster costs line item includes \$2,500,000 from Bank of North Dakota loan proceeds for personnel, equipment, materials, supplies, and intrastate and interstate mutual aid reimbursement for wildfire response costs. The Senate version included \$5,156,832 from the state disaster relief fund for wildfire response costs.
- Adds a section to identify \$1 million for National Guard deferred maintenance is from the strategic investment and improvements fund. The Senate version included \$1 million from the general fund.
- Adds a section to amend North Dakota Century Code Section 37-17.1-14.6 relating to the northern emergency management assistance compact. Neither the House version nor the Senate version included this section.
- Amends legislative intent relating to the expansion of Camp Grafton to remove intent for the purchase of options and instead provide that the Adjutant General contract for the purchase or long-term lease of land, the same as the Senate version.
- Adds a section to provide for a report to the Budget Section regarding land purchased for the expansion of Camp Grafton. Neither the House version nor the Senate version included this section.