

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Funding Summary

	Base Budget	House Changes	House Version
Adjutant General			
Salaries and wages	\$7,745,742	(\$4,089,855)	\$3,655,887
New and vacant FTE pool		1,943,664	1,943,664
Operating expenses	3,214,211	(1,618,997)	1,595,214
Capital assets	224,046	47,749,954	47,974,000
Grants	470,692		470,692
Civil Air Patrol	330,642	215,254	545,896
Tuition, recruiting, and retention	3,362,235		3,362,235
Air Guard contract	8,928,725	606,916	9,535,641
Army Guard contract	49,586,921	19,080,973	68,667,894
Veterans' Cemetery	1,401,147	62,469	1,463,616
Reintegration program	900,634	(900,634)	
Total all funds	\$76,164,995	\$63,049,744	\$139,214,739
Less estimated income	58,308,741	59,963,868	118,272,609
General fund	\$17,856,254	\$3,085,876	\$20,942,130
FTE	156.08	3.00	159.08
Department of Emergency Services			
Salaries and wages	\$13,562,188	\$1,793,521	\$15,355,709
New and vacant FTE pool		725,676	725,676
Operating expenses	6,815,567	745,316	7,560,883
Capital assets		660,000	660,000
Grants	27,790,000		27,790,000
Disaster costs	74,249,944	78,561,155	152,811,099
Radio communications		1,020,000	1,020,000
Total all funds	\$122,417,699	\$83,505,668	\$205,923,367
Less estimated income	114,662,611	81,550,506	196,213,117
General fund	\$7,755,088	\$1,955,162	\$9,710,250
FTE	76.92	0.00	76.92
Bill total			
Total all funds	\$198,582,694	\$146,555,412	\$345,138,106
Less estimated income	172,971,352	141,514,374	314,485,726
General fund	\$25,611,342	\$5,041,038	\$30,652,380
FTE	233.00	3.00	236.00

House Bill No. 1016 - Adjutant General - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$7,745,742	(\$4,089,855)	\$3,655,887
New and vacant FTE pool		1,943,664	1,943,664
Operating expenses	3,214,211	(1,618,997)	1,595,214
Capital assets	224,046	47,749,954	47,974,000
Grants	470,692		470,692
Civil Air Patrol	330,642	215,254	545,896
Tuition, recruiting, and retention	3,362,235		3,362,235
Air Guard contract	8,928,725	606,916	9,535,641
Army Guard contract	49,586,921	19,080,973	68,667,894
Veterans' Cemetery	1,401,147	62,469	1,463,616
Reintegration program	900,634	(900,634)	
Total all funds	\$76,164,995	\$63,049,744	\$139,214,739
Less estimated income	58,308,741	59,963,868	118,272,609
General fund	\$17,856,254	\$3,085,876	\$20,942,130
FTE	156.08	3.00	159.08

Department 540 - Adjutant General - Detail of House Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds Funding to Replace 2023-25 New and Vacant FTE Pool ³	Adds Funding for FTE Positions ⁴	Transfers Funding for 2025-27 New and Vacant FTE Pool ⁵	Adjusts Base Budget Funding ⁶
Salaries and wages	(\$3,996,388)	\$182,209	\$426,513		(\$226,704)	(\$475,485)
New and vacant FTE pool					1,943,664	
Operating expenses						(2,401,308)
Capital assets						(224,046)
Grants						
Civil Air Patrol	(21,741)	12,025	7,857		(11,054)	21,741
Tuition, recruiting, and retention						
Air Guard contract	(136,758)	389,696	408,127		(366,809)	312,660
Army Guard contract	4,268,247	1,427,574	887,086	\$980,528	(1,581,383)	7,098,921
Veterans' Cemetery	(396,722)	74,713	49,722	360,344	(436,091)	410,503
Reintegration program			43,641			(944,275)
Total all funds	(\$283,362)	\$2,086,217	\$1,822,946	\$1,340,872	(\$678,377)	\$3,798,711
Less estimated income	(534,588)	1,511,431	1,243,343	979,454	(484,577)	4,568,379
General fund	\$251,226	\$574,786	\$579,603	\$361,418	(\$193,800)	(\$769,668)
FTE	0.00	0.00	0.00	3.00	0.00	0.00

	Adds Funding for Infrastructure Matching and Insurance ⁷	Adds One-Time Funding ⁸	Total House Changes
Salaries and wages			(\$4,089,855)
New and vacant FTE pool			1,943,664
Operating expenses	\$782,311		(1,618,997)
Capital assets		\$47,974,000	47,749,954
Grants			
Civil Air Patrol		206,426	215,254
Tuition, recruiting, and retention			
Air Guard contract			606,916
Army Guard contract	1,500,000	4,500,000	19,080,973
Veterans' Cemetery			62,469
Reintegration program			(900,634)
Total all funds	\$2,282,311	\$52,680,426	\$63,049,744
Less estimated income	0	52,680,426	59,963,868
General fund	\$2,282,311	\$0	\$3,085,876
FTE	0.00	0.00	3.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$347,285	\$830,155	\$1,177,440
Health insurance increase	<u>227,501</u>	<u>681,276</u>	<u>908,777</u>
Total	\$574,786	\$1,511,431	\$2,086,217

³ Funding is added to replace the 2023-25 biennium new and vacant FTE funding pool as follows:

	General Fund	Other Funds	Total
2023-25 new FTE pool	\$61,780	\$204,418	\$266,198
2023-25 vacant FTE pool	<u>517,823</u>	<u>1,038,925</u>	<u>1,556,748</u>
Total	\$579,603	\$1,243,343	\$1,822,946

⁴ Funding is added for 3 new FTE positions, 3 FTE positions that were partially funded during the 2023-25 biennium, and 1 FTE position that was unfunded as follows:

	FTE Positions	General Fund	Other Funds	Total
Dickinson Readiness Center custodial supervisor position (new)	1.00	\$90,416	\$90,416	\$180,832
Veterans' Cemetery administrative position (new)	1.00	0	179,512	179,512
Veterans' Cemetery maintenance position (new)	1.00	0	180,832	180,832
Dickinson Readiness Center director position and maintenance position (previously partially funded)	0.00	186,618	186,616	373,234
Camp Grafton maintenance position (previously partially funded)	0.00	84,384	84,384	168,768
Construction coordinator position (previously unfunded)	<u>0.00</u>	<u>0</u>	<u>257,694</u>	<u>257,694</u>
Total	3.00	\$361,418	\$979,454	\$1,340,872

⁵ Funding of \$2,622,041 is removed for estimated savings from new and vacant 2025-27 FTE positions and \$1,943,664 is added for a new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
New FTE positions	(\$90,416)	(\$450,760)	(\$541,176)
Vacant FTE positions	<u>(615,862)</u>	<u>(1,465,003)</u>	<u>(2,080,865)</u>
Total	(\$706,278)	(\$1,915,763)	(\$2,622,041)
New and vacant FTE pool line item	<u>512,478</u>	<u>1,431,186</u>	<u>1,943,664</u>
Net savings	(\$193,800)	(\$484,577)	(\$678,377)

⁶ Base budget adjustments are made as follows:

	General Fund	Other Funds	Total
Adjusts funding for land and buildings	\$0	\$2,781,796	\$2,781,796
Adjusts funding for repairs	86,900	1,129,416	1,216,316
Adjusts funding for temporary salaries	(1,097,595)	575,991	(521,604)
Adjusts funding for overtime	150	20,000	20,150
Adjusts funding for professional fees and services	55,671	(345,204)	(289,533)
Adjusts funding for rental expenses	279,800	5,000	284,800
Adjusts funding for supplies	125,647	37,930	163,577
Adjusts funding for information technology (IT) expenses	42,877	210,000	252,877
Adjusts funding for operating expenses, including utilities, insurance, and equipment	(139,072)	153,450	14,378
Adjusts funding for special assessments and property taxes	(124,046)	0	(124,046)
Moves reintegration program to salaries and operating line items	<u>0</u>	<u>0</u>	<u>0</u>
Total	(\$769,668)	\$4,568,379	\$3,798,711

⁷ Adds \$1,500,000 for critical infrastructure state matching funds and \$782,311 for infrastructure insurance.

⁸ One-time funding is added as follows:

- \$34 million from federal fund for an addition to the Camp Grafton Regional Training Institute.
- \$2.5 million from the strategic investment and improvements fund (SIIF) for the Williston Readiness Center design.
- \$4.5 million from SIIF is added for critical infrastructure matching funds.
- \$206,426 from SIIF for a Civil Air Patrol statewide interoperable radio network (SIRN) upgrade.
- \$3,674,000 from federal funds for the line of communication bridge training site.
- \$5.8 million from federal funds for the completion of the Dickinson Readiness Center.
- \$2 million from federal funds for the construction of a Camp Grafton fitness facility.

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

	Base Budget	House Changes	House Version
Salaries and wages	\$13,562,188	\$1,793,521	\$15,355,709
New and vacant FTE pool		725,676	725,676
Operating expenses	6,815,567	745,316	7,560,883
Capital assets		660,000	660,000
Grants	27,790,000		27,790,000
Disaster costs	74,249,944	78,561,155	152,811,099
Radio communications		1,020,000	1,020,000
Total all funds	\$122,417,699	\$83,505,668	\$205,923,367
Less estimated income	114,662,611	81,550,506	196,213,117
General fund	\$7,755,088	\$1,955,162	\$9,710,250
FTE	76.92	0.00	76.92

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

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adds Funding to Replace 2023-25 New and Vacant FTE Pool³	Transfers Funding for 2025-27 New and Vacant FTE Pool⁴	Adjusts Base Budget Funding⁵	Adds Emergency Response Funding⁶
Salaries and wages	(\$295,759)	\$938,304	\$1,816,158	(\$948,519)	\$283,337	
New and vacant FTE pool				725,676		
Operating expenses					140,206	
Capital assets						
Grants						
Disaster costs	(259,402)	89,457	55,126	(88,161)	9,005,351	\$2,000,000
Radio communications						
Total all funds	(\$555,161)	\$1,027,761	\$1,871,284	(\$311,004)	\$9,428,894	\$2,000,000
Less estimated income	321,718	626,487	580,632	(186,818)	8,736,302	2,000,000
General fund	(\$876,879)	\$401,274	\$1,290,652	(\$124,186)	\$692,592	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Information Technology Expenses⁷	Adds Funding for Infrastructure Insurance⁸	Adjusts Base Budget Funding for Disaster Grants⁹	Adds One-Time Funding¹⁰	Total House Changes
Salaries and wages					\$1,793,521
New and vacant FTE pool					725,676
Operating expenses	\$596,568	\$8,542			745,316
Capital assets				\$660,000	660,000
Grants					
Disaster costs			\$26,158,784	41,600,000	78,561,155
Radio communications				1,020,000	1,020,000
Total all funds	\$596,568	\$8,542	\$26,158,784	\$43,280,000	\$83,505,668
Less estimated income	0	0	26,192,185	43,280,000	81,550,506
General fund	\$596,568	\$8,542	(\$33,401)	\$0	\$1,955,162
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$221,116	\$364,232	\$585,348
Health insurance increase	180,158	262,255	442,413
Total	\$401,274	\$626,487	\$1,027,761

³ Funding is added to replace the 2023-25 biennium new and vacant FTE funding pool as follows:

	General Fund	Other Funds	Total
2023-25 new FTE pool	\$978,006	\$102,182	\$1,080,188
2023-25 vacant FTE pool	<u>312,646</u>	<u>478,450</u>	<u>791,096</u>
Total	\$1,290,652	\$580,632	\$1,871,284

⁴ Funding of \$1,036,680 is removed for estimated savings from new and vacant 2025-27 FTE positions and \$725,676 is added for a new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	(\$413,952)	(\$622,728)	(\$1,036,680)
New and vacant FTE pool line item	<u>289,766</u>	<u>435,910</u>	<u>725,676</u>
Net savings	(\$124,186)	(\$186,818)	(\$311,004)

⁵ Base budget adjustments are made as follows:

	General Fund	Other Funds	Total
Adjusts funding for operating fees and services	\$5,393	\$9,176,186	\$9,181,579
Adjusts funding for IT expenses	562,589	(443,923)	118,666
Adjusts funding for overtime	67,770	135,567	203,337
Adjusts funding for temporary salaries	0	(119,597)	(119,597)
Adjusts funding for other operating expenses, including travel, supplies, and equipment	<u>56,840</u>	<u>(11,931)</u>	<u>44,909</u>
Total	\$692,592	\$8,736,302	\$9,428,894

⁶ Adds ongoing funding from the state disaster relief fund for emergency response funding.

⁷ Adds \$87,336 for the North Dakota response website and \$509,232 for IT operations and maintenance costs.

⁸ Adds funding for infrastructure insurance.

⁹ Adjusts base funding for disaster grants, including an increase of \$28,394,107 from federal funds, a decrease of \$2,201,922 from special funds, and a decrease of \$33,401 from the general fund, to provide a total of \$96,489,908 for disaster grants.

¹⁰ One-time funding is added as follows:

- \$39.05 million, including \$35.5 million from federal funds and \$3.55 million from the disaster relief fund, for the Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act program.
- \$2.55 million, including \$2.25 million from federal funds and \$300,000 from the disaster relief fund, for wildland fire disaster assistance.
- \$660,000 from federal funds is added for disaster response equipment.
- \$525,000 from SIIF is added for a State Radio law enforcement redundant switch.
- \$495,000 from SIIF for SIRN costs.

House Bill No. 1016 - Other Changes - House Action

The amendment also adds sections to:

- Provide for the use of funding in the new and vacant FTE pool line item.
- Identify \$8,226,426 from SIIF, of which \$4,500,000 is for critical infrastructure state matching funds, \$2,500,000 is for the Williston readiness center design, \$206,426 for the civil air patrol statewide interoperable radio network upgrade, \$525,000 is for the State Radio law enforcement redundant switch, and \$495,000 is for statewide interoperable radio network costs.
- Allow the Adjutant General to accept gifts, grants, and donations, including those from private and federal sources, and remit the funding to the State Treasurer for deposit in the State Historical Society gifts and bequests fund for the construction of a North Dakota military museum.
- Provide exemptions to continue funding appropriated into the 2025-27 biennium. The exemptions relate to the Dickinson Readiness Center construction, line of communication bridge training site, Camp Grafton fitness facility, tuition assistance, Camp Grafton expansion, state active duty software and maintenance, cybersecurity grants, and flood mitigation grants.

- Provide legislative intent that the Adjutant General contract for the purchase or long-term lease of land for the Camp Grafton expansion, including the purchase of no more than 1,600 acres and the long-term lease of the remainder, not to exceed 6,000 acres in total. The Adjutant General may not use eminent domain for the expansion of Camp Grafton.
- Declare emergencies for critical infrastructure matching, the Civil Air Patrol SIRM upgrade, and the STORM Act program.