

Department of Veterans' Affairs
Budget No. 321
Senate Bill Nos. 2025 and 2265

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriations	10.00	\$3,499,804	\$5,008,162	\$8,507,966
2025-27 base budget	9.00	1,916,604	1,449,214	3,365,818
Legislative increase (decrease) to base budget	1.00	\$1,583,200	\$3,558,948	\$5,142,148

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2025-27 legislative appropriations	\$2,499,804	\$1,000,000	\$3,499,804
2023-25 legislative appropriations	1,916,604	19,066	1,935,670
2025-27 legislative increase (decrease) to 2023-25 appropriations	\$583,200	\$980,934	\$1,564,134
Percentage increase (decrease) to 2023-25 appropriations	30.4%	5,144.9%	80.8%

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS
Changes to Base Budget

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted federal funding for base payroll changes for the state approving agency			\$51,826	\$51,826
Added funding to provide employee salary increases of 3 percent on July 1, 2025, and 3 percent on July 1, 2026		\$71,636	11,382	83,018
Added funding for employee health insurance premiums to reflect a revised premium estimate of \$1,893 per month		53,047	7,006	60,053
Added funding to replace the 2023-25 biennium new and vacant FTE funding pool, including \$99,966 for new positions and \$23,441 for vacant positions		120,383	3,024	123,407
Added funding for an FTE veterans benefit specialist position, including \$6,270 for operating expenses	1.00	176,498		176,498
Transferred \$170,228 for 1 new FTE position from the veterans' affairs line item to the new and vacant FTE pool line item and reduced the amount to \$153,205 resulting in the savings as shown		(17,023)		(17,023)

Transferred \$71,002 for estimated savings from vacant FTE positions from the veterans' affairs line item and the state approving agency line item to the new and vacant FTE pool line item and reduced the amount to \$49,702 resulting in the savings as shown	(18,463)	(2,837)	(21,300)
Added funding for veterans' service officer salary equity increases	50,000		50,000
Added funding for operating expenses	84,000		84,000
Added funding for information technology rate increases	8,922	3,426	12,348
Added funding for posttraumatic stress disorder service dog program	50,000		50,000
Added federal funding for the highly rural transportation grant program		193,621	193,621
Added funding for the nonhighly rural transportation van replacement program	4,200		4,200
Added one-time funding , of which \$265,000 is from federal funds and \$26,500 is from the Melvin Norgard memorial fund, for the Veterans' Home cemetery grant program for repairing and maintaining the cemetery located on the Veterans' Home campus		291,500	291,500
Added one-time funding for homeless veterans' services to prevent and eliminate veteran homelessness	500,000		500,000
Added one-time funding as a transfer to the veterans' postwar trust fund for the benefit of veterans	500,000		500,000
Added one-time funding from a line of credit from the Bank of North Dakota for a Veterans' National Cemetery grant (Senate Bill No. 2265)		3,000,000	3,000,000
Total	1.00	\$1,583,200	\$3,558,948

FTE Changes

The Legislative Assembly approved 10 FTE positions for the Department of Veterans' Affairs for the 2025-27 biennium, an increase of 1 FTE position from the 2023-25 biennium level of 9 FTE positions. The Legislative Assembly added 1 FTE veterans benefit specialist position.

One-Time Funding

The Legislative Assembly appropriated \$4,291,500 of one-time funding to the Department of Veterans' Affairs for the 2025-27 biennium, as follows:

	General Fund	Other Funds	Total Funds
Homeless veterans' services	\$500,000		\$500,000
Veterans' Home cemetery grant program ¹		\$291,500	291,500
Veterans' National Cemetery grant (Senate Bill No. 2265) ²		3,000,000	3,000,000

Transfer to veterans' postwar trust fund	500,000		500,000
Total	\$1,000,000	\$3,291,500	\$4,291,500
¹ Funding for the Veterans' Home Cemetery grant program is from federal funds (\$265,000) and the Melvin Norgard memorial fund (\$26,500).			
² Funding for the Veterans' National Cemetery grant is from a Bank of North Dakota line of credit.			

Other Sections in Senate Bill No. 2025

New and vacant FTE pool - Section 3 provides guidelines for the use of funding in the new and vacant FTE pool line item.

Highly rural transportation grants program - 2023-25 biennium appropriation - Section 4 provides for a 2023-25 biennium federal funds appropriation of \$200,000 for the highly rural transportation grants program.

Transfer to veterans' postwar trust fund - Section 5 requires the Office of Management and Budget to transfer \$500,000 from the general fund to the veterans' postwar trust fund.

Administrative Committee on Veterans' Affairs governance authority - Sections 6 through 12 transfer governance authority for the Department of Veterans' Affairs and the Veterans' Home from the Administrative Committee on Veterans' Affairs to the Governor.

Exemption - Federal State Fiscal Recovery Fund - Subsections 1, 2, 4, and 5 of Section 13 authorizes the continuation of unspent State Fiscal Recovery Fund appropriation authority into the 2025-27 biennium for the Fisher House (\$1 million), the document scanning project (\$100,836), and to improve and expand veterans' medical transportation (\$147,000).

Exemption - Accrued leave - Subsection 3 of Section 13 authorizes the continuation of \$19,066 of unspent general fund appropriation authority into the 2025-27 biennium for the payout of accrued leave.

Emergency - Section 14 provides that Section 4, relating to the 2023-25 biennium appropriation for the highly rural transportation grants program, is declared to be an emergency measure.

Service Dogs

The 2025 Legislative Assembly appropriated \$50,000 from the general fund for the posttraumatic stress disorder service dog program, the same as provided for the 2021-23 biennium. The 2023 Legislative Assembly did not provide an appropriation for this program for the 2023-25 biennium due to the availability of prior biennium appropriations. The funding is for the purpose of training up to four service dogs to assist North Dakota veterans with posttraumatic stress disorder. Funding provided for training each service dog is \$12,500, or approximately 50 percent of the total cost of training.

Nonhighly Rural Transport Vans

The 2025 Legislative Assembly appropriated \$23,000 from the general fund for the purchase of one nonhighly rural transport van to transport veterans to medical appointments at the veterans hospital in Fargo during the 2025-27 biennium, an increase of \$4,200 from the 2023-25 biennium appropriation of \$18,800.

Highly Rural Transportation Grant Program

The highly rural transportation grant program is a federal grant program that provides funding to the Department of Veterans' Affairs to purchase transport vans and to provide transportation to medical appointments for veterans of highly rural counties. The primary purpose of using the vans must be for medical reasons, although vans are generally allowed to transport veterans to other locations, such as grocery stores or other locations, as long as the additional stop is reasonable and does not require an unreasonable amount of time. The department pays for all maintenance, gas, insurance, and other costs associated with the transport vans using federal funds.

The 2025 Legislative Assembly appropriated \$1,319,706 of federal funds to the Department of Veterans' Affairs for the highly rural transportation grant program for the 2025-27 biennium. The 2025 Legislative Assembly authorized a 2023-25 biennium federal funds appropriation of \$200,000 for the highly rural transportation grants program to provide a total appropriation of \$1,326,085 for the 2023-25 biennium. Through April 2025, the department spent \$1,149,086 of the \$1,326,085 appropriation for the 2023-25 biennium. During the 2021-23 biennium, the department spent \$1,050,020 of the \$1,220,000 authorized for the biennium.

Related Legislation

House Bill No. 1135 - Veterans' aid fund loan limit - This bill increases the loan limit under the veterans' aid fund from \$5,000 to \$8,000.

House Bill No. 1293 - Burial medallion program - This bill creates a program to provide a medallion for a National Guard or National Guard Reserve Member, not buried in the Veterans' Cemetery, who does not qualify for another medallion from the state or federal Department of Veterans Affairs.

House Bill No. 1504 - Veterans' postwar trust fund - This bill allows veterans organizations to donate funds to the veterans' postwar trust fund for homeless veterans' services to prevent and eliminate veteran homelessness.

Senate Bill No. 2265 - Veterans' National Cemetery line of credit - This bill authorizes a line of credit of \$3 million to provide a grant to a nonprofit organization for costs associated with the construction of a welcome center, parking lot, and related infrastructure at a Veterans' National Cemetery in the state.