

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

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriation	10.00	\$3,499,804 ¹	\$5,008,162	\$8,507,966
2023-25 legislative appropriation	9.00	1,935,670 ²	2,541,550	4,477,220
2025-27 appropriation increase (decrease) to 2023-25 appropriation	1.00	\$1,564,134	\$2,466,612	\$4,030,746

¹This amount includes \$1,000,000 of one-time funding. Excluding this amount, the agency's ongoing General Fund appropriation is \$2,499,804.

²This amount includes \$19,066 of one-time funding. Excluding this amount, the agency's ongoing General Fund appropriation is \$1,916,604.

Item Description

Full-time equivalent 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 authorization of 9 FTE positions. The Legislative Assembly added 1 FTE veterans benefit specialist position.

New and vacant FTE pool - The Legislative Assembly transferred \$241,230 for estimated savings from new and vacant FTE positions from the salaries and wages line item to the new and vacant FTE pool line items and reduced the amount to \$202,907 for estimated savings from new and vacant FTE positions. This amount includes \$753,205 for the new FTE position.

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

Program	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

¹Funding for the Veterans' Home Cemetery Grant Program is from federal funds (\$265,000) and the Melvin Norgard Memorial Fund (\$26,500).

²Funding for the Veterans' National Cemetery grant is from a Bank of North Dakota line of credit.

Status/Result

The Department of Veterans' Affairs filled the FTE veterans benefit specialist position in July 2025.

Through March 2026, the department received \$170,228 from the new and vacant FTE pool to fill the new FTE veterans benefit specialist position. Through January 2026, the department had estimated vacant FTE position savings of \$22,696. The number of vacancies in the agency has ranged from 0 to 1 FTE with an average monthly vacancy rate of 0.29 FTE positions.

The following is a summary of the status of the department's one-time funding items:

Homeless veterans' services	Through March 2026, the department has approved approximately \$82,000 in grants for homeless veterans' services. The department anticipates spending the entire appropriation by the end of the biennium.
Veterans' Home Cemetery Grant Program	This funding is for a program to repair and maintain the cemetery located on the Veterans' Home campus. Through March 2026, the department has not received the federal funding for this program. It is unknown if the funding will be received during the 2025-27 biennium.
Veterans' National Cemetery grant	Construction on the Veterans' National Cemetery has not yet begun. The department is unable to determine at this time whether it will need to access the line of credit during the 2025-27 biennium.
Transfer to Veterans' Postwar Trust Fund	The Office of Management and Budget transferred \$500,000 from the General Fund to the Veterans' Postwar Trust Fund in August 2025.

Veterans' service dog training - The 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. Funding was not provided for this program for the 2023-25 biennium due to the availability of prior biennium authority. 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 Van Replacement Program - The 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, an increase of \$4,200 from the 2023-25 biennium appropriation of \$18,800.

Highly Rural Transportation Grants Program - The Legislative Assembly appropriated \$1,319,706 from federal funds for the Highly Rural Transportation Grant Program in the 2025-27 biennium and 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.

Military honors funerals - The Military Honors Funeral Reimbursement Program was established in House Bill No. 1182 (2023). The Legislative Assembly appropriated \$135,000 from the General Fund to the department for providing reimbursement to veterans' service organizations that provide funeral services at military honors funerals.

Exemption - State Fiscal Recovery Fund - During the November 2021 special legislative session, the Legislative Assembly appropriated \$647,000 to the department for a grant to assist in the construction of the Fisher House at the Fargo Veterans Affairs Medical Center (\$500,000) and to improve and expand veterans' medical transportation (\$147,000). During the 2023 regular legislative session, the Legislative Assembly appropriated \$500,000 to assist in the construction of the Fisher House at the Fargo Veterans Affairs Medical Center.

In Section 13 of Senate Bill No. 2025, the Legislative Assembly provided the department an exemption to continue this funding into the 2025-27 biennium.

Through March 2026, the department spent \$12,500 on the program. Three additional applications for service dogs have been received.

In fall 2025, the department spent the entire appropriation to purchase one transport van.

Through March 2026, the department had spent \$278,739 of the \$1,319,706 appropriation for the 2025-27 biennium. During the first 9 months of the biennium, the vans had transported 433 veterans on 2,151 trips totaling approximately 228,000 miles. During the 2023-25 biennium, the department spent \$1,199,725 of the \$1,326,085 authorized for the biennium. The department anticipates spending the entire appropriation during the 2025-27 biennium.

Through March 2026, the department has spent \$8,600 on the Military Honors Funeral Reimbursement Program. There are 18 Honor Guard teams enrolled in the program, which have provided services for 172 funerals during the first 9 months of the 2025-27 biennium.

In April 2025, the department provided all funding available to assist in the construction of the Fisher House at the Fargo Veterans Affairs Medical Center to the Fisher House Foundation.

Of the \$147,000 available to improve and expand veterans' medical transportation, \$5,440 was continued into the 2025-27 biennium. As of March 2026, the department had spent all available funding.