



**Veterans' Affairs
Department No. 321
2025 Senate Bill No. 2025**

**EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM**

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Executive budget recommendation	9.00	\$2,380,673	\$2,013,543	\$4,394,216
Base level	9.00	1,916,604	1,449,214	3,365,818
Increase (decrease)	0.00	\$464,069	\$564,329	\$1,028,398
Percentage increase (decrease)	0.0%	24.2%	38.9%	30.6%

NOTE:

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Adds \$94,300 for salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Adds \$54,048 for a health insurance increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893, per employee
- Adds \$123,407, of which \$120,383 is from the general fund and \$3,024 is from federal funds, to replace the 2023-25 biennium new FTE pool (\$99,966) and 2023-25 biennium vacant FTE pool (\$23,441)
- Adds \$193,621 from federal funds for the highly rural transportation grant program
- Adds \$100,000 from the general fund for a commissioner salary equity increase
- Adds \$50,000 from the general fund for the posttraumatic stress disorder service dog program
- Adds **one-time funding** of \$291,500 from other funds for the Veterans' Home cemetery grant program

Deficiency Appropriations

The executive budget recommendation includes a deficiency appropriation of \$97,418 from the general fund for increased salary expenses.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency did not have any fees.

Major Related Legislation

As of the date of this report, there is no major related legislation for this agency.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



Department of Veterans' Affairs - Budget No. 321
Agency Worksheet - Senate Bill No. 2025

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	9.00	\$1,916,604	\$1,449,214	\$3,365,818
2025-27 Ongoing Funding Changes				
Base payroll changes			\$51,826	\$51,826
Salary increase		\$80,374	13,926	94,300
Health insurance increase		47,042	7,006	54,048
Adds funding to replace the 2023-25 new FTE pool		99,966		99,966
Adds funding to replace the 2023-25 vacant FTE pool		20,417	3,024	23,441
Adds funding for information technology rate increases		8,922	3,426	12,348
Adds funding for a commissioner salary equity increase		100,000		100,000
Adds funding for operating expenses		34,000		34,000
Adjusts base funding for highly rural transportation grant program			193,621	193,621
Adds funding for the nonhighly rural transport van replacement program		4,200		4,200
Adds funding for the posttraumatic stress disorder service dog program		50,000		50,000
Total ongoing funding changes	0.00	\$444,921	\$272,829	\$717,750
One-Time Funding Items				
Accrued leave of retiring staff		\$19,148		\$19,148
Veterans' Home cemetery grant program			\$291,500	291,500
Total one-time funding changes	0.00	\$19,148	\$291,500	\$310,648
Total Changes to Base Level Funding	0.00	\$464,069	\$564,329	\$1,028,398
2025-27 Total Funding	9.00	\$2,380,673	\$2,013,543	\$4,394,216

Federal funds included in other funds

\$1,987,043

Total ongoing changes - Percentage of base level

0.0%

23.2%

18.8%

21.3%

Total changes - Percentage of base level

0.0%

24.2%

38.9%

30.6%

Other Sections in Department of Veterans' Affairs - Budget No. 321

Section Description	Executive Budget
Exemption - Posttraumatic stress disorder service dog program	Section 3 would provide the department an exemption to continue any remaining funding of the \$50,000 appropriated from the general fund during the 2021-23 biennium and continued into the 2023-25 biennium for the posttraumatic stress disorder service dogs program into the 2025-27 biennium.
FTE position adjustments	Section 4 would authorize the department to increase or decrease authorized FTE positions subject to the availability of funds.

Sixty-ninth
Legislative Assembly
of North Dakota

**SENATE BILL NO. 2025
(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the department of veterans' affairs and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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 department of veterans' affairs for the purpose of defraying the expenses of the department of veterans' affairs, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Veterans' affairs	\$1,897,804	\$409,869	\$2,307,673
Transport vans	18,800	4,200	23,000
Service dogs	0	50,000	50,000
State approving agency	323,129	79,208	402,337
Grants – transportation program	1,126,085	193,621	1,319,706
Veteran's home cemetery	<u>0</u>	<u>291,500</u>	<u>291,500</u>
Total all funds	\$3,365,818	\$1,028,398	\$4,394,216
Less estimated income	<u>1,449,214</u>	<u>564,329</u>	<u>2,013,543</u>
Total general fund	\$1,916,604	\$464,069	\$2,380,673
Full-time equivalent positions	9.00	0.00	9.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Veterans' home cemetery	\$291,500	\$291,500
Fisher house construction assistance grant	500,000	0
Document scanning project	100,836	0
Accrued leave	<u>19,066</u>	<u>19,148</u>
Total All Funds	\$911,402	\$310,648
Less Estimated Income	<u>892,336</u>	<u>291,500</u>
Total General Fund	\$19,066	\$19,148

SECTION 3. EXEMPTION - POSTTRAUMATIC STRESS DISORDER SERVICE DOG PROGRAM. The \$50,000 appropriated from the general fund for the posttraumatic stress disorder service dogs program in section 1 of chapter 53 of the 2021 Sessions Laws, is not subject to section 54-44.1-11, and any unspent funds from this program are available for the program during the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 4. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding

any other provisions of law, the department of veterans' affairs may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The department of veterans' affairs shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.