

**State Historical Society
Budget No. 701
House Bill Nos. 1018 and 1603**

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriation	85.50	\$23,911,227 ¹	\$90,815,680	\$114,726,907
2023-25 legislative appropriation	<u>83.50</u>	<u>22,507,188</u>	<u>27,389,264</u>	<u>49,896,452</u>
2025-27 appropriation increase (decrease) to 2023-25 appropriation	2.00	\$1,404,039	\$63,426,416	\$64,830,455

¹This amount includes \$317,725 of one-time funding. Excluding this amount, the agency's ongoing General Fund appropriation is \$23,593,502.

Item Description

Full-time equivalent changes - The Legislative Assembly approved 85.5 FTE positions for the State Historical Society for the 2025-27 biennium, an increase of 2 FTE positions from the 2023-25 biennium. The Legislative Assembly added 1 FTE exhibition preparator position and 1 FTE tribal liaison position.

New and vacant FTE pool - The Legislative Assembly transferred \$349,988 for 2 new FTE positions and \$584,288 for estimated savings from vacant FTE positions from the salaries and wages line item to the new and vacant FTE pool line item.

One-time funding - The Legislative Assembly appropriated \$87.8 million of one-time funding to the State Historical Society for the 2025-27 biennium, as follows:

	General Fund	Other Funds	Total
Temporary staff salaries and operating expenses ¹	\$10,225	\$52,011	\$62,236
Native American Graves Protection and Repatriation Act repatriation compliance costs	100,000		100,000
Pembina State Museum exhibit designs and objects ²		638,000	638,000
America 250 th celebration activities ²		2,000,000	2,000,000
Underrepresented Community Program ¹		75,000	75,000
Repayment of 2023-25 biennium line of credit for Military Gallery expansion project ^{2,3}		4,200,000	4,200,000
Military Gallery expansion project ^{2,3}		73,744,524	73,744,524
Inspiration Gallery updates ^{2,3}		700,000	700,000

Status/Result

The State Historical Society hired the 1 FTE exhibition preparator position and the 1 FTE tribal liaison position in January 2026.

Through January 2026, the State Historical Society had estimated vacant FTE position savings of \$480,631. The agency used \$91,376 for accrued leave payouts, extra salary increases, bonuses, reclassifications, extra temporary salary funding, and extra overtime funding. The agency had between 4 and 5 vacant FTE positions from July 2025 through January 2026. Through March 2026, the State Historical Society requested a transfer of \$307,288 from the new and vacant FTE pool line item to the salaries and wages line item for new FTE positions.

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

Temporary staff salaries and operating expenses	The State Historical Society hired a temporary collections manager position in April 2026 and intends to spend the entire appropriation for temporary salaries. Of the \$10,225 appropriated from the General Fund for operating expenses, the agency spent \$5,065 to purchase information technology hardware for temporary staff positions and intends to spend \$7,225 of the \$10,225 appropriation by the end of the 2025-27 biennium.
Native American Graves Protection and Repatriation Act repatriation compliance costs	Through March 2026, the State Historical Society has begun planning for this program but has not spent any funding. The agency anticipates spending the entire appropriation by the end of the 2025-27 biennium.
Pembina State Museum exhibit designs and objects	The State Historical Society budgeted this appropriation as follows: \$5,000 for advertising efforts; \$20,000 to produce a photo gallery exhibit for the Governor's Gallery after the ND250 th

Medora area planning ²		2,000,000	2,000,000
State archive storage updates	207,500		207,500
Historical structures and buildings improvements ²		3,000,000	3,000,000
Paul Bruhn historical revitalization grants ¹		750,000	750,000
Historic museum repairs grant ²		200,000	200,000
Historic armory restoration grant ²		100,000	100,000
Total	\$317,725	\$87,459,535	\$87,777,260

¹Other funds for this item is from federal funds.

²This funding is from the Strategic Investment and Improvements Fund (SIIF).

³Funding for the Military Gallery expansion project totals \$78,644,524, including \$4,200,000 to repay a 2023-25 biennium Bank of North Dakota line of credit, \$73,744,524 for the project, and \$700,000 for updates to the inspiration gallery after completion of the project. Of the \$73,744,524 for the project, \$15,000,000 is from SIIF, \$20,000,000 is from a Bank line of credit, and \$38,744,524 is from donations. Of the \$700,000 for updates to the inspiration gallery, \$350,000 is from SIIF and \$350,000 is from donations.

America 250th celebration activities

Underrepresented community program

Repayment of 2023-25 biennium line of credit for Military Gallery expansion project

Military Gallery expansion project

Inspiration Gallery updates

Medora area planning

Exhibit is removed in 2027; and \$613,000 for exhibit design and carpet replacement at the Pembina State Museum. Through March 2026, \$145 in advertisement expenses have been incurred and no funding has been spent on the photo gallery exhibit or Pembina State Museum updates. Of the \$613,000 for the Pembina State Museum, approximately \$150,000 to \$200,000 will be dedicated for an exhibit that will focus on fossils found in the Pembina Gorge. The agency anticipates spending the entire \$638,000 appropriation by the end of the 2025-27 biennium.

See the **America 250th celebration activities** section below.

Funding for the underrepresented community program was to be from federal National Park Service funding that would have been used for survey and context development of integrated baseball players and fields in the state. The State Historical Society did not receive funding for this grant program and does not anticipate receiving funding for the program during the 2025-27 biennium.

See the **Military Gallery expansion project** section below.

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The State Historical Society budgeted this appropriation as follows: \$100,000 for a temporary exhibit and \$100,000 to update the railing and panel system at the Chateau de Mores State Historic Site, \$50,000 for the printing of interpretive panels, and \$1.75 million for an addition to the Chateau Interpretive Center that will focus on the history of hunting and conservation in the state, and for designing and constructing a walking trail that connects Chimney Park to the Theodore Roosevelt National Park. Through April 2026, the State Historical Society has not spent funding on these initiatives but anticipates spending the entire appropriation. The exhibit on display in the Governor's Gallery at the Heritage Center will be moved to Medora in fall 2026. The panels for the Chateau de Mores State Historic Site will be installed in fall 2026. It is unknown when the railing, Chateau Interpretive Center addition, and walking trail projects will be complete.

State archive storage updates	A structural review was completed in February 2026. Through April 2026, the agency was in the process of issuing a request for proposal for the shelving needed for the storage upgrades. The State Historical Society anticipates the project will begin in fall 2026 and will be completed before the end of the 2025-27 biennium. The agency anticipates using the entire appropriation.
Historical structures and buildings improvements	Through March 2026, the State Historical Society has spent \$260,869, including repairs and upgrades at the Former Governor's Mansion (\$28,012), Camp Hancock (\$91,150), the Chateau de Mores Interpretive Center (\$15,600), Fort Totten State Historic Site (\$116,082), and the Oscar-Zero Missile Alert Facility (\$10,025). The agency has contracts in place totaling \$1,756,898 in additional repairs and deferred maintenance needs at historic sites across in the state and anticipates using the entire \$3,000,000 appropriation during the 2025-27 biennium. The State Historical Society reported the agency has approximately \$20,000,000 in historic site improvements needs.
Paul Bruhn historical revitalization grants	The State Historical Society applied for federal funding under this program but was not awarded funding. The agency has been encouraged by the National Park Service to apply for funding again for the next federal fiscal year's grant allocation.
Historic museum repairs grant	The State Historical Society has signed a contract with Sargent County for the repair of the Sargent County Museum. Through April 2026, the agency has not received requests from Sargent County for reimbursement on the project. It is unknown when the project will be complete, but the agency anticipates the entire appropriation will be spent by the end of the 2025-27 biennium.
Historic armory restoration grant	Through April 2026, the State Historical Society was in the process of finalizing a contract with the city of Williston for restoration of the Williston Old Armory. It is unknown when the project will be complete, but the agency anticipates the entire appropriation will be spent by the end of the 2025-27 biennium.

America 250th celebration activities - In Senate Bill No. 2018 (2023), the Legislative Assembly appropriated \$250,000 of one-time funding from the General Fund to the State Historical Society for America 250th celebration activities.

In House Bill No. 1018, the Legislative Assembly appropriated \$2 million of one-time funding from SIIF to the State Historical Society for America 250th celebration activities. Section 6 of the bill provided of the \$2 million appropriation, \$1 million is for state-related activities and \$1 million is for a grant to assist in Medora-related activities.

The State Historical Society spent \$30,447 on America 250th celebration activities during the 2023-25 biennium and continued \$219,553 into the 2025-27 biennium pursuant to continuing appropriation authority under North Dakota Century Code Section 54-44.1-11. Through April 2026, the agency awarded \$169,995 of this funding for grants to 25 local communities for America 250th celebration activities during the 2025-27 biennium.

The State Historical Society has budgeted the 2025-27 biennium appropriation as follows: \$50,000 for a temporary communications position; \$75,000 to hire a consultant to produce programming materials and content; \$600,000 to produce an exhibit in the Governor's Gallery at the North Dakota Heritage Center; \$275,000 for state and local community programming to celebrate America's 250th anniversary; and \$1 million for events in Medora. Through March 2026, the State Historical Society spent \$28,563 on temporary salaries, \$20,791 for consultant

programming materials and content, and \$6,473 on the Governor's Gallery exhibit. The State Historical Society has collaborated with the Governor's office, the city of Medora, and other organizations to ensure the funding for Medora activities is spent on increased safety during summer 2026. The agency anticipates the entire appropriation will be spent by the end of 2026, primarily from May 2026 through July 2026.

The State Historical Society and the Bank of North Dakota agreed to a line of credit of \$4,200,000 of the \$20,000,000 authorized for the 2023-25 biennium. The State Historical Society used the \$4,200,000 SIF appropriation to repay the line of credit in May 2025, including \$4,107,172 of principal and \$92,828 of interest accrued on the line of credit.

The State Historical Society and the Adjutant General have collaborated on donation activities for the Military Gallery expansion project, which resulted in a Joint Military Museum Advisory Committee being formed for the purpose of multiple agencies being involved in project decision making. The advisory committee includes the Lieutenant Governor, Deputy Adjutant General, current and retired members of the North Dakota National Guard, the Office of Management and Budget's Director of Facility Management, and the Director and other representatives of the State Historical Society. Current and retired members of the North Dakota National Guard have provided input on the content that will be included in the Military Gallery exhibit and the designs of the North Dakota National Guard Regimental Room.

Through April 2026, the State Historical Society has accessed approximately \$18.8 million from the Bank of North Dakota line of credit for the project and anticipates the remaining \$1.2 million will be used in May 2026.

Through April 2026, the State Historical Society has received signed pledges totaling approximately \$4,000,000 in donations for the project. In April 2026, a representative of the State Historical Board traveled throughout the state to inform citizens and organizations of the project and highlight donating opportunities. It is unknown how much in donations will be received during the 2025-27 biennium. Because the State Historical Society has not received at least \$12,785,693 for the project, the agency has not been able to access funding appropriated from SIF. When donations meet or exceed \$12,785,693, the State Historical Society anticipates the \$15,000,000 from SIF will be spent on construction costs over approximately 4 to 6 months.

At the time of this report, the State Historical Society is exploring options to maintain construction on the project until enough donations have been collected to access SIF funding. The agency anticipates the entire \$38.7 million appropriated from donated funds will be collected but the timing of the donations and the effect on the timing of project construction is unknown.

The State Historical Society anticipates the project will be completed in fall 2027. Section 54-44.1-11 provides the State Historical Society a permanent exemption to allow the agency to continue unexpended funds into the subsequent

Military Gallery expansion project - In Senate Bill No. 2018 (2023), the Legislative Assembly appropriated \$20 million from a Bank of North Dakota line of credit to the State Historical Society for a North Dakota military museum and related expansion projects.

In House Bill No. 1018, the Legislative Assembly appropriated \$78,644,524 from special funds for the Military Gallery expansion project, as follows:

	SIF	Bank of North Dakota Line of Credit	Donations	Total
Repayment of 2023-25 biennium line of credit	\$4,200,000			\$4,200,000
Military Gallery expansion project	15,000,000	\$20,000,000	\$38,744,524	73,744,524
Inspiration Gallery updates	350,000		350,000	700,000
Total	\$19,550,000	\$20,000,000	\$39,094,524	\$78,644,524

In Section 6 of House Bill No. 1018, the Legislative Assembly provided the funding appropriated from SIF for the Military Gallery expansion project may be accessed only upon certification from the State Historical Society to the Office of Management and Budget that 33 percent, or \$12,785,693, of the \$38,744,524 appropriated from donated funds for the project have been pledged.

In Section 10 of the bill, the Legislative Assembly amended Section 55-01-02.1 to require the State Historical Society to collaborate with the Adjutant General on all public displays, signage, and museum content for the Military Gallery within the Heritage Center building and provides the regimental room be named the North Dakota National Guard Regimental Room.

biennium, allowing the agency to use any unspent funding appropriated during the 2025-27 biennium in the 2027-29 biennium.

The State Historical Society will collect donations for the Inspiration Gallery updates in conjunction with the Military Gallery expansion project, but the Inspiration Gallery updates will not begin until after the Military Gallery expansion project is substantially complete. The funding will be used for the conservation and transfer of military collections from the Inspiration Gallery to the Military Gallery. The agency anticipates the Inspiration Gallery updates will be completed during the 2027-29 biennium.