North Dakota Legislative Council
Prepared for the Government Finance Committee
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LAW ENFORCEMENT AND CORRECTIONAL OFFICER RECRUITMENT AND RETENTION STUDY - BACKGROUND MEMORANDUM

STUDY OVERVIEW

House Bill No. 1494 (2021) provides for a Legislative Management study of the recruitment, retention, turnover, and training of law enforcement and correctional officers employed by state agencies and political subdivisions. The study may include a review of current and historical rates of retention and turnover, the training and professional development offered and required of law enforcement and correctional officers, and an analysis of the compensation and benefits of law enforcement and correctional officers employed by state agencies, political subdivisions, and comparable positions in other states within the region.

As introduced, House Bill No. 1494 included an appropriation of $250,000 from the general fund to the Department of Commerce for the development of a grant program to assist law enforcement agencies with the retention of officers. The grant program would have required law enforcement agencies to provide $2 of matching funds for each $1 of grant funding received, and an officer would have been eligible for a retention bonus if the officer had been employed with the agency for at least 1 year and had not received a retention bonus in the past 2 years. The Department of Commerce would have been required to submit a report each biennium regarding the status of the grant program.

OTHER STATUTORY RECRUITMENT AND RETENTION PROGRAMS

Recruitment and Retention Bonuses

Pursuant to North Dakota Century Code Section 15-10-48.1, the State Board of Higher Education may award up to $250,000, subject to legislative appropriation, to the University of North Dakota School of Law for clinical legal education or the recruitment and retention of faculty. The University of North Dakota or its foundation must provide $2 of matching funds for each $1 of grant funding received.

Section 15-52-04 requires the University of North Dakota's School of Medicine and Health Sciences Advisory Council to provide a report to various agencies, associations, and institutions along with the Legislative Council regarding the strategic plans for the School of Medicine and Health Sciences. The strategic plan may include recommendations for the recruitment and retention of physicians and other health care professionals. The interim Higher Education Committee received a report in September 2020 on the strategic plans for the School of Medicine and Health Sciences.

The North Dakota Early Childhood Council is required to provide a biennial report to the Governor and the Legislative Assembly pursuant to Section 50-11.1-26. The council is required to identify ways to assist with the recruitment and retention of individuals interested in working as providers of early childhood services.

The state employee recruitment and retention bonus program is codified in Section 54-06-31 and allows state agencies to provide bonuses to recruit and retain employees in hard-to-fill occupations. Any bonuses provided by a state agency must be within the appropriation limits of the agency's salaries and wages budget. A state agency must have a written policy identifying the eligible positions and the provisions for awarding bonuses. The Human Resource Management Services division of the Office of Management and Budget (OMB) is required to provide periodic reports to the Legislative Management regarding recruitment and retention bonuses. The interim Employee Benefits Programs Committee received a report on the recruitment and retention bonuses in October 2020.

Student Loan Forgiveness Program

Section 15.1-02-22 requires the Superintendent of Public Instruction to administer a student loan forgiveness program to address teacher shortages or critical teaching needs based on content areas or geographical

locations. Up to two teachers in a school district per school year may receive loan forgiveness under the program. An individual may receive up to $3,000 per year for 4 consecutive years in student loan forgiveness if the individual is teaching in a position identified as a critical need in a nonrural school district. An individual may receive up to $4,500 per year for 4 consecutive years in student loan forgiveness if the individual is teaching at a rural school district or a remote town school district with fewer than 1,000 students. An individual may receive up to $6,500 per year for 4 consecutive years in student loan forgiveness if the individual is teaching in a position identified as a critical need in a rural school district or a remote town school district with fewer than 1,000 students. Teachers were eligible to qualify for the student loan forgiveness only during the 2018-19 school year.

Training and Professional Development

Many professional organizations require individuals to complete a certain level of training to be certified or licensed with the professional organization. Some professional organizations also require the completion of ongoing professional development to renew the certification or licensure. Pursuant to Section 39-03-13.1, the Superintendent of the Highway Patrol is responsible for operating a law enforcement training center to provide basic and advanced peace officer training. The training programs offered must meet the certification criteria and curriculum standards established by the Peace Officer Standards and Training Board.

OTHER COMPENSATION STUDIES

Recent Prior Studies

The Commission on Alternatives to Incarceration received information during the 2013-14 interim on the challenges of hiring and retaining addiction counselors in North Dakota. The Department of Human Services implemented various recruitment and retention strategies to address the workforce shortage. The strategies included recruitment bonuses, paying moving expenses for new hires, assisting in the licensure and reciprocity process, providing retention bonuses, reviewing compensation and classifications for addiction counselor positions, and paying for training through a tuition reimbursement program.

During the 2013-14 interim, the Health Care Reform Review Committee received information regarding programs to address health care workforce needs. North Dakota's Area Health Education Center cooperated with the School of Medicine and Health Science's Center for Rural Health to develop recruitment and retention ideas for primary health care providers in rural communities.

During the 2019-20 interim, the Education Policy Committee received information on the North Dakota Teacher Support System, which provides mentoring to new teachers. According to testimony received, it costs approximately $20,000 to replace a teacher when a teacher leaves a school district, but the North Dakota Teacher Support System could save school districts approximately $2 million over 5 years if all 1st-year teachers were retained.

Other Studies for the 2021-23 Biennium

The Employee Benefits Programs Committee is assigned to receive reports from OMB regarding state employee retention and recruitment bonuses, service awards, employer-paid training and educational courses, and employer-paid dues for memberships in professional organizations and service clubs.

For the 2021-23 biennium, the Government Finance Committee is assigned the responsibility to study the classified state employee compensation system, including a review of the development and determination of pay grades and classifications.

STATE AGENCY FUNDING

Targeted Market Equity Pool - 2015-17 Biennium

Section 4 of Senate Bill No. 2015 (2015) provided an appropriation of $3.75 million from the general fund and $740,000 from other funds to OMB for a state agency targeted market equity salary funding pool to provide compensation adjustments for state employees. The market equity increases were to address pay inequities, including recruitment and retention challenges. During the 2015-17 biennium, OMB made the following transfers from the targeted market equity fund:

Agency	General Fund Transfer	Other Funds Transfer	Total Appropriations
State Department of Health	$724,558		$724,558
Veterans' Home		$468,954	468,954
Department of Human Services	2,768,570	271,046	3,039,616
Protection and Advocacy Project	185,549		185,549
Adjutant General	71,323		71,323
Total	$3,750,000	$740,000	$4,490,000

Highway Patrol

The schedule below provides information on the Highway Patrol budget for the 2019-21 and 2021-23 bienniums. For the 2021-23 biennium, the Legislative Assembly added $2,092,500 from other funds for salary equity adjustments, location incentive pay, and on-call pay.

	2019-21 Biennium	2021-23 Biennium	Increase (Decrease)
General fund	$44,295,405	$36,327,762	($7,967,643)
Estimated income (other funds)	39,206,701[1]	30,483,652[2]	(8,723,049)
Total	$83,502,106	$66,811,414	($16,690,692)
Full-time equivalent positions	197.00	193.00	(4.00)

[1]The estimated income for the 2019-21 biennium includes $22,008,003 from federal coronavirus relief funds for law enforcement salaries from March 2020 through June 2021, personal protective equipment, and temperature scanning kiosks.

[2]The estimated income for the 2021-23 biennium includes $11,100,000 from federal coronavirus relief funds for law enforcement salaries from July 2021 to December 2021 and a remodel project at the Law Enforcement Training Academy.

Department of Corrections and Rehabilitation

The schedule below provides information on the Department of Corrections and Rehabilitation (DOCR) budget for the 2019-21 and 2021-23 bienniums. For the 2021-23 biennium, the Legislative Assembly did not specifically provide a funding increase or identify any funding for correctional officer recruitment and retention compensation.

	2019-21 Biennium	2021-23 Biennium	Increase (Decrease)
General fund	$229,678,076	$218,165,809	($11,512,267)
Estimated income (other funds)	96,814,143[1]	66,647,615[2]	(30,166,528)
Total	$326,492,219	$284,813,424	($41,678,795)
Full-time equivalent positions	899.79	907.79	8.00

[1]The estimated income for the 2019-21 biennium includes $54,585,254 from federal coronavirus relief funds for law enforcement-related salaries, payments to counties housing individuals sentenced to the department, telework equipment, and other costs related to the COVID-19 pandemic.

[2]The estimated income for the 2021-23 biennium includes $18,371,718 from federal coronavirus relief funds for law enforcement-related salaries from July 2021 to December 2021.

STUDY PLAN

The following is a proposed study plan for the committee's consideration of its study of law enforcement and correctional officer recruitment and retention:

1. Receive information from the Highway Patrol regarding law enforcement recruitment, retention, turnover, and training, including any challenges and efforts to address the challenges.
2. Receive information from DOCR regarding correctional officer recruitment, retention, turnover, and training, including any challenges and efforts to address the challenges.
3. Receive information from political subdivision law enforcement agencies regarding law enforcement recruitment, retention, turnover, and training, including any challenges and efforts to address the challenges.
4. Receive information regarding law enforcement compensation in other states within the region, including pay levels and any recruitment and retention programs.
5. Receive testimony from interested persons regarding the study.
6. Develop recommendations and any bill drafts necessary to implement the recommendations.
7. Prepare a final report for submission to the Legislative Management.