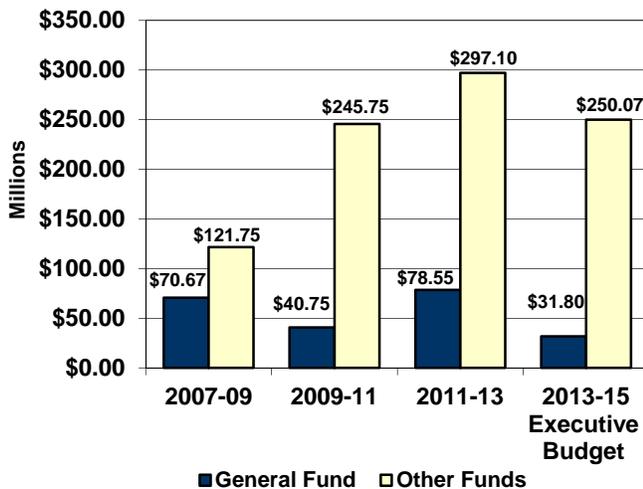


Department 540 - Adjutant General, including National Guard and Department of Emergency Services
House Bill No. 1016

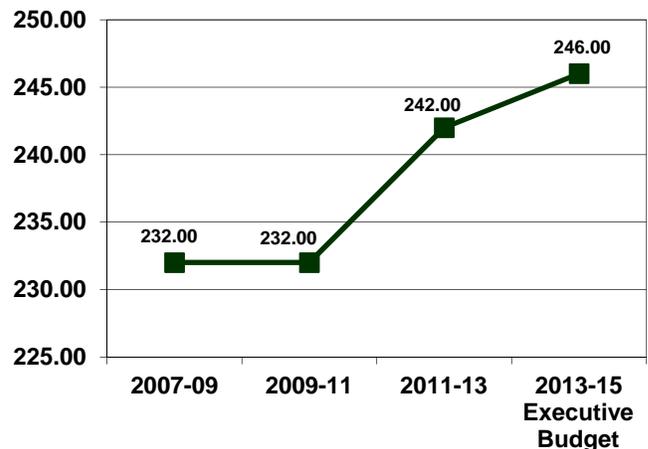
	FTE Positions	General Fund	Other Funds	Total
2013-15 Executive Budget	246.00	\$31,795,634	\$250,073,683	\$281,869,317
2011-13 Legislative Appropriations	242.00	78,553,555	297,104,378	375,657,933 ¹
Increase (Decrease)	4.00	(\$46,757,921)	(\$47,030,695)	(\$93,788,616)

¹The 2011-13 appropriation amounts do not include \$16,045,074 of carryover from the 2009-11 biennium and \$329,600,000 of additional special funds authority resulting from Emergency Commission action during the 2011-13 biennium.

Agency Funding



FTE Positions



Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2013-15 Executive Budget	\$26,494,394	\$5,301,240	\$31,795,634
2011-13 Legislative Appropriations	24,035,127	54,518,428	78,553,555
Increase (Decrease)	\$2,459,267	(\$49,217,188)	(\$46,757,921)

First House Action

Attached is a summary of the first house changes.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
National Guard			
1. Adds 1 FTE maintenance position for the Fargo Armed Services Center	\$39,027	\$79,236	\$118,263
2. Deletes 1 vacant FTE position		(\$117,513)	(\$117,513)
3. Adds funding for a temporary employee for administration of the military funeral honors program	\$130,020		\$130,020
4. Adds funding for a temporary FTE position for support at the Veterans' Cemetery		\$83,160	\$83,160
5. Increases funding for the National Guard tuition program from \$2,407,500 to \$2,517,500	\$110,000		\$110,000
6. Provides ongoing funding for city-owned armory rental payments. The Legislative Assembly provided \$60,000 of one-time funding for the 2011-13 biennium for increased city-owned armory rental payments.	\$60,000		\$60,000

7. Provides additional funding for special assessment and tax payments, including \$35,900 for an increase in special assessments in Bismarck, \$2,000 for a new special assessment in Williston, and \$5,000 for an increase in the payment in lieu of taxes at Camp Grafton	\$42,900		\$42,900
8. Provides one-time funding to continue the veterans' bonus program for the 2013-15 biennium	\$600,000		\$600,000
9. Provides funding for federal construction projects approved through the National Guard Bureau		\$30,000,000	\$30,000,000
10. Provides funding for state employee salary increases, of which \$1,548,288 relates to performance increases and \$653,145 is for market equity adjustments. The House added funding of \$184,745 to correct the executive compensation package and reduced funding for performance and market equity adjustments by \$945,256.	\$748,487	\$1,452,946	\$2,201,433

Department of Emergency Services

11. Adds 4 FTE communication specialist positions in the State Radio Dispatch Center	\$386,048	\$42,894	\$428,942
12. Adds funding for one temporary information technology technician to assist with the rollout of the computer-aided dispatch functionality to local public safety agencies	\$91,520		\$91,520
13. Provides funding for increased Civil Air Patrol operational costs due to fuel and equipment use increases as well as maintenance on existing equipment	\$40,000		\$40,000
14. Removes a one-time transfer from the general fund to the state disaster relief fund provided in the 2011-13 biennium	(\$48,700,000)		(\$48,700,000)
15. Provides funding from the state disaster relief fund for contracted volunteer disaster management services and long-term case management throughout the state. The House reduced funding for volunteer disaster response coordination by \$200,000.		\$400,000	\$400,000
16. Provides one-time funding for a State Radio facilities and equipment expansion project	\$1,201,240		\$1,201,240
17. Provides one-time funding for a computer-aided dispatch upgrade	\$340,000		\$340,000
18. Provides one-time funding for completion of the statewide seamless base map project. The House reduced general fund appropriations for the statewide seamless base map project by \$650,000.	\$1,300,000	\$500,000	\$1,800,000
19. Provides one-time funding for construction of four to six new State Radio towers. The House reduced funding for new State Radio towers by \$600,000 to provide total funding of \$900,000.	\$1,500,000		\$1,500,000
20. Adds funding to provide for maintenance for new State Radio towers completed in the 2011-13 biennium and the first year of the 2013-15 biennium	\$360,000		\$360,000
21. Provides one-time funding for a State Radio voice and incident recorder	\$150,000		\$150,000
22. Provides one-time funding for replacement of the current fire suppression systems in the State Radio Communications Center with a chemical-based system	\$210,000		\$210,000
23. Provides funding from the state disaster relief fund for contracted services to provide technical assistance and support to state and local government agencies with emergency management needs		\$1,500,000	\$1,500,000

Other Sections in Bill

Veterans' Cemetery maintenance fund - Section 3 provides an additional appropriation for any funds which are received and deposited in the Veterans' Cemetery maintenance fund pursuant to North Dakota Century Code Sections 37-03-14 and 39-04-10.10 for the operation of the North Dakota Veterans' Cemetery for the 2013-15 biennium.

Maintenance and repairs transfers - Section 4 provides that the Adjutant General may transfer up to \$500,000 from various line items to the operating expenses and capital assets line items for the maintenance and repair of state-owned armories during the 2013-15 biennium. Any amounts transferred must be reported to the Office of Management and Budget.

Employee compensation increase transfers - Section 5 authorizes the Adjutant General to transfer funds between line items and subdivisions in Section 1 of the bill as it relates to state employee compensation increases authorized by the 63rd Legislative Assembly.

Exemption - Computer-aided dispatch project - Section 6 provides that any unexpended general fund appropriations for the computer-aided dispatch project contained in 2009 House Bill No. 1016 are not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2013-15 biennium.

Exemption - Veterans' bonus program - Section 5 amends Section 7 of 2005 House Bill No. 1017 to provide that any unexpended general fund appropriation authority relating to the \$5 million appropriated for the payment of adjusted compensation to veterans during the 2005-07, 2007-09, 2009-11, 2011-13, and 2013-15 bienniums is not subject to the provisions of Section 54-44.1-11 and must be transferred to the Veterans' Cemetery trust fund during the 2015-17 biennium.

Exemption - State Radio towers and statewide seamless base map - Section 8 provides that any unexpended general fund or special funds appropriation authority in the capital assets line item relating to State Radio towers and the statewide seamless base map for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2013-15 biennium.

Exemption - Flood relief and disaster mitigation - Section 9 provides that any unexpended general fund or special funds appropriation authority in 2011 Senate Bill No. 2369 relating to flood relief, disaster mitigation, and grants to political subdivisions for matching federal funds on road grade raising projects and federal emergency relief funding for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2013-15 biennium.

Exemption - Flood-impacted housing rehabilitation - Section 10 provides that any unexpended general fund or special funds appropriation authority in 2011 Senate Bill No. 2371 relating to grants to cities and counties for flood-impacted housing rehabilitation for the 2011-13 biennium is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2013-15 biennium.

Continuing Appropriations

National Guard emergency fund - Section 37-01-04.1 - This fund allows the National Guard to respond to state emergencies.

National Guard military grounds fund - Section 37-03-13 - This fund is used for collecting rental revenues to be used for purchasing military training grounds.

Veterans' Cemetery maintenance fund - Section 37-03-14 - This fund is used to support the operations of the North Dakota Veterans' Cemetery. The fund receives \$5 from the issuance of each veteran's license plate, grave opening and closing fees, and private and federal funds for operation of the Veterans' Cemetery.

Veterans' Cemetery trust fund - Section 39-04-10.10 - This fund receives \$5 from the issuance of each veteran's license plate and donations. The interest in the fund is to be deposited in the Veterans' Cemetery maintenance fund for the purpose of providing funding for salaries and maintenance at the cemetery.

Major Related Legislation

House Bill No. 1056 - National Guard pay enhancement - Provides each National Guard commissioned officer or enlisted member with a pay enhancement of \$100 for every 14 consecutive days spent on state active duty

House Bill No. 1057 - Adjutant General coins and retirement flags - Authorizes the Adjutant General to present an Adjutant General coin or disaster response coin to individuals providing exceptional service during times of disaster or emergency in the state. The bill also provides that a North Dakota state flag may be presented to retiring members of the North Dakota National Guard who have provided 20 or more years of service.

Senate Bill No. 2292 - State disaster relief fund uses - Allows funds from the state disaster relief fund to be used for wide area search and rescue activities

Senate Bill No. 2334 - Statewide seamless base map fees continuing appropriation - Provides a continuing appropriation to the Division of State Radio for any access fees received related to the statewide seamless base map

Senate Bill No. 2353 - Statewide interoperability board - Creates a statewide interoperability board to develop an integrated radio system in the state and provides a \$100,000 general fund appropriation to the Adjutant General for a grant to the board

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Funding Summary

	Executive Budget	House Changes	House Version
Adjutant General			
Salaries and wages	\$7,844,116	(\$1,167,105)	\$6,677,011
Operating expenses	4,062,891		4,062,891
Capital assets	1,370,632		1,370,632
Grants	1,109,514		1,109,514
Civil Air Patrol	290,771	(3,320)	287,451
Tuition, recruiting, and retention	2,517,500		2,517,500
Air Guard contract	11,748,127	(264,969)	11,483,158
Army Guard contract	58,533,992	(351,321)	58,182,671
Veterans' Cemetery	662,824	(15,819)	647,005
Reintegration program	1,501,593	(14,613)	1,486,980
Accrued leave payments		812,098	812,098
Total all funds	\$89,641,960	(\$1,005,049)	\$88,636,911
Less estimated income	70,547,829	(662,150)	69,885,679
General fund	\$19,094,131	(\$342,899)	\$18,751,232
FTE	178.00	0.00	178.00
Department of Emergency Services			
Salaries and wages	\$10,571,028	(\$272,108)	\$10,298,920
Operating expenses	9,919,488	(200,000)	9,719,488
Capital assets	923,240		923,240
Grants	19,373,247		19,373,247
Disaster costs	147,730,354	(11,787)	147,718,567
Radio communications	3,710,000	(1,250,000)	2,460,000
Accrued leave payments		283,895	283,895
Total all funds	\$192,227,357	(\$1,450,000)	\$190,777,357
Less estimated income	179,525,854	(200,000)	179,325,854
General fund	\$12,701,503	(\$1,250,000)	\$11,451,503
FTE	68.00	0.00	68.00
Bill Total			
Total all funds	\$281,869,317	(\$2,455,049)	\$279,414,268
Less estimated income	250,073,683	(862,150)	249,211,533
General fund	\$31,795,634	(\$1,592,899)	\$30,202,735
FTE	246.00	0.00	246.00

House Bill No. 1016 - Adjutant General - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$7,844,116	(\$1,167,105)	\$6,677,011
Operating expenses	4,062,891		4,062,891
Capital assets	1,370,632		1,370,632
Grants	1,109,514		1,109,514
Civil Air Patrol	290,771	(3,320)	287,451
Tuition, recruiting, and retention	2,517,500		2,517,500
Air Guard contract	11,748,127	(264,969)	11,483,158
Army Guard contract	58,533,992	(351,321)	58,182,671
Veterans' Cemetery	662,824	(15,819)	647,005
Reintegration program	1,501,593	(14,613)	1,486,980
Accrued leave payments		812,098	812,098
Total all funds	\$89,641,960	(\$1,005,049)	\$88,636,911
Less estimated income	70,547,829	(662,150)	69,885,679
General fund	\$19,094,131	(\$342,899)	\$18,751,232
FTE	178.00	0.00	178.00

Department 540 - Adjutant General - Detail of House Changes

	Corrects Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Provides Separate Line Item for Accrued Leave Payments³	Total House Changes
Salaries and wages	184,745	(1,189,794)	(162,056)	(1,167,105)
Operating expenses				
Capital assets				
Grants				
Civil Air Patrol			(3,320)	(3,320)
Tuition, recruiting, and retention				
Air Guard contract			(264,969)	(264,969)
Army Guard contract			(351,321)	(351,321)
Veterans' Cemetery			(15,819)	(15,819)
Reintegration program			(14,613)	(14,613)
Accrued leave payments			812,098	812,098
Total all funds	\$184,745	(\$1,189,794)	\$0	(\$1,005,049)
Less estimated income	121,931	(784,081)	0	(662,150)
General fund	\$62,814	(\$405,713)	\$0	(\$342,899)
FTE	0.00	0.00	0.00	0.00

¹ Funding is added due to a calculation error in the executive compensation package.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

³ A portion of salaries and wages funding from the general fund (\$232,991) and from other funds (\$579,107) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

This amendment also:

- Adds a section to allow the Adjutant General to transfer funds between subdivisions in Section 1 of the bill as it relates to the state employee compensation package.

- Removes Section 9 of the bill which provides statutory changes to the uses of the state disaster relief fund.

House Bill No. 1016 - Department of Emergency Services - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$10,571,028	(\$272,108)	\$10,298,920
Operating expenses	9,919,488	(200,000)	9,719,488
Capital assets	923,240		923,240
Grants	19,373,247		19,373,247
Disaster costs	147,730,354	(11,787)	147,718,567
Radio communications	3,710,000	(1,250,000)	2,460,000
Accrued leave payments		283,895	283,895
Total all funds	<u>\$192,227,357</u>	<u>(\$1,450,000)</u>	<u>\$190,777,357</u>
Less estimated income	179,525,854	(200,000)	179,325,854
General fund	<u>\$12,701,503</u>	<u>(\$1,250,000)</u>	<u>\$11,451,503</u>
FTE	68.00	0.00	68.00

Department 542 - Department of Emergency Services - Detail of House Changes

	Provides Separate Line Item for Accrued Leave Payments¹	Reduces Funding for Volunteer Disaster Response Coordination²	Reduces Funding for Statewide Seamless Base Map Project³	Reduces Funding for State Radio Towers⁴	Total House Changes
Salaries and wages	(272,108)				(272,108)
Operating expenses		(200,000)			(200,000)
Capital assets					
Grants					
Disaster costs	(11,787)				(11,787)
Radio communications			(650,000)	(600,000)	(1,250,000)
Accrued leave payments	<u>283,895</u>				<u>283,895</u>
Total all funds	\$0	(\$200,000)	(\$650,000)	(\$600,000)	(\$1,450,000)
Less estimated income	<u>0</u>	<u>(200,000)</u>	<u>0</u>	<u>0</u>	<u>(200,000)</u>
General fund	<u>\$0</u>	<u>\$0</u>	<u>(\$650,000)</u>	<u>(\$600,000)</u>	<u>(\$1,250,000)</u>
FTE	0.00	0.00	0.00	0.00	0.00

¹ A portion of salaries and wages funding from the general fund (\$127,298) and from other funds (\$156,597) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

² Funding included in the executive budget recommendation from the state disaster relief fund for volunteer disaster management services is reduced from \$400,000 to \$200,000.

³ One-time funding from the general fund for the statewide seamless base map project is reduced from \$1,300,000 to \$650,000. The project also includes federal funding of \$500,000 which is not changed.

⁴ One-time funding from the general fund for new State Radio towers is reduced by \$600,000, from \$1,500,000 to \$900,000.

A section is also added to provide carryover authority into the 2013-15 biennium for any unexpended funds related to the computer-aided dispatch Phase 2 project.