

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2016**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the office of the  
2 adjutant general; to provide an appropriation to the state treasurer; to amend and reenact  
3 sections 37-07.1-03 and 37-07.2-01 and subsection 6 of section 57-51.1-07.5 of the North  
4 Dakota Century Code, relating to the national guard tuition waiver, national guard tuition grants,  
5 and the state share of oil and gas taxes deposited in the state disaster relief fund; to provide for  
6 a transfer; to provide for a report; to provide a statement of legislative intent; to provide an  
7 exemption; to provide an effective date; and to declare an emergency.

**8 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
10 as may be necessary, are appropriated out of any moneys in the general fund in the state  
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
12 other income, to the office of the adjutant general for the purpose of defraying the expenses of  
13 the office of the adjutant general, for the biennium beginning July 1, 2019, and ending June 30,  
14 2021, as follows:

## Subdivision 1.

## NATIONAL GUARD

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18 Salaries and wages	\$6,666,525	\$167,241	\$6,833,766
19 Operating expenses	3,525,934	(758,613)	2,767,321
20 Capital assets	224,046	0	224,046
21 Grants	318,553	(107,637)	210,916
22 Civil air patrol	299,580	5,554	305,134
23 Tuition, recruiting, and retention	2,617,500	2,164,572	4,782,072

Sixty-sixth  
Legislative Assembly

1	Air guard contract	8,098,582	472,547	8,571,129
2	Army guard contract	57,717,944	(10,777,931)	46,940,013
3	Veterans' cemetery	881,284	95,622	976,906
4	Reintegration program	1,261,384	(210,216)	1,051,168
5	Camp Grafton expansion	<u>0</u>	<u>600,000</u>	<u>600,000</u>
6	Total all funds	\$81,611,332	(\$8,348,861)	\$73,262,471
7	Less estimated income	<u>65,174,778</u>	<u>(10,360,121)</u>	<u>54,814,657</u>
8	Total general fund	\$16,436,554	\$2,011,260	\$18,447,814

9 Subdivision 2.

10 DEPARTMENT OF EMERGENCY SERVICES

11			Adjustments or	
12		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13	Salaries and wages	\$12,551,119	(\$1,564,688)	\$10,986,431
14	Operating expenses	6,988,451	2,370,376	9,358,827
15	Capital assets	0	660,000	660,000
16	Grants	16,889,159	(615,734)	16,273,425
17	Disaster costs	51,445,841	(14,890,756)	36,555,085
18	Radio communications	<u>0</u>	<u>785,000</u>	<u>785,000</u>
19	Total all funds	\$87,874,570	(\$13,255,802)	\$74,618,768
20	Less estimated income	<u>78,424,702</u>	<u>(12,754,317)</u>	<u>65,670,385</u>
21	Total general fund	\$9,449,868	(\$501,485)	\$8,948,383

22 Subdivision 3.

23 BILL TOTAL

24			Adjustments or	
25		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
26	Grand total general fund	\$25,886,422	\$1,509,775	\$27,396,197
27	Grand total special funds	<u>143,599,480</u>	<u>(23,114,438)</u>	<u>120,485,042</u>
28	Grand total all funds	\$169,485,902	(\$21,604,663)	\$147,881,239
29	Full-time equivalent positions	234.00	(12.00)	222.00

30 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-**  
 31 **SEVENTH LEGISLATIVE ASSEMBLY.** The following amounts reflect one-time funding items

Sixty-sixth  
Legislative Assembly

1 approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21  
2 biennium one-time funding items included in section 1 of this Act:

3	<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
4	National guard readiness center	\$33,000,000	\$0
5	Emergency response equipment	569,000	660,000
6	Camp Grafton expansion	0	600,000
7	Uninterruptible power supply battery replacement	0	20,000
8	Computer-aided dispatch equipment	0	516,000
9	Message switch system upgrade	0	335,000
10	Dispatching service fee shortfall	0	1,212,253
11	Dakota access pipeline law enforcement	21,000,000	0
12	Mobile repeaters and programming radios	<u>300,000</u>	<u>0</u>
13	Total all funds	\$54,869,000	\$3,343,253
14	Total other funds	<u>54,869,000</u>	<u>3,162,253</u>
15	Total general fund	\$0	\$181,000

16 The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget  
17 for the 2021-23 biennium. The adjutant general shall report to the appropriations committees of  
18 the sixty-seventh legislative assembly on the use of this one-time funding for the biennium  
19 beginning July 1, 2019, and ending June 30, 2021.

20 **SECTION 3. VETERANS' CEMETERY MAINTENANCE FUND - APPROPRIATION.** In  
21 addition to the amount appropriated to the adjutant general in the veterans' cemetery line item  
22 in subdivision 1 of section 1 of this Act, there is appropriated any additional funds that are  
23 received and deposited in the veterans' cemetery maintenance fund pursuant to sections  
24 37-03-14 and 39-04-10.10 for the operation of the North Dakota veterans' cemetery for the  
25 biennium beginning July 1, 2019, and ending June 30, 2021.

26 **SECTION 4. APPROPRIATION - 2017-19 BIENNIUM - STATE DISASTER RELIEF FUND**  
27 **- STATE TREASURER - DISTRIBUTIONS TO NON-OIL-PRODUCING COUNTIES.** Due to  
28 extraordinary snowfall in 2019 in the eastern part of the state and due to the excessive cost of  
29 road maintenance in the western part of the state, there is appropriated out of any moneys in  
30 the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of  
31 \$8,100,000, or so much of the sum as may be necessary, to the state treasurer for the purpose

1 of providing distributions to non-oil-producing counties for the benefit of the organized and  
2 unorganized townships within each non-oil-producing county, for the period beginning with the  
3 effective date of this Act, and ending June 30, 2019. In June 2019, the state treasurer shall  
4 distribute \$8,100,000, or so much of the sum as may be necessary, to non-oil-producing  
5 counties for the benefit of the organized and unorganized townships within each  
6 non-oil-producing county. The distribution to each non-oil-producing county must provide for an  
7 allocation of \$5,000 to each organized and unorganized township within the county. The amount  
8 allocated to organized townships under this section must be paid by the county treasurer to  
9 each organized township. The amount allocated to unorganized townships under this section  
10 must be credited by the county treasurer to a special fund for unorganized township roads. The  
11 distributions under this section must be used for the maintenance and improvement of township  
12 paved and unpaved roads and bridges. A township is not eligible for an allocation of funds  
13 under this section if the township does not maintain any township roads. For the purposes of  
14 this section, a "non-oil-producing county" means a county that has received no allocation of  
15 funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than  
16 \$5,000,000 for the period beginning September 1, 2017, and ending August 31, 2018.

17 **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

18 **FUND.** The estimated income line item in subdivision 1 of section 1 of this Act includes  
19 \$600,000 of one-time funding from the strategic investment and improvements fund for the  
20 camp Grafton expansion. The estimated income line item in subdivision 2 of section 1 of this Act  
21 includes \$1,902,253 of one-time funding from the strategic investment and improvements fund  
22 for computer-aided dispatch equipment, message switch system upgrades, and 911 dispatching  
23 service operations due to a revenue shortfall.

24 **SECTION 6. CAMP GRAFTON EXPANSION - LEGISLATIVE INTENT.** It is the intent of the  
25 sixty-sixth legislative assembly that:

26 1. The adjutant general purchase options during the period beginning with the effective  
27 date of this Act and ending June 30, 2021, for the purchase or long-term lease of land  
28 for the camp Grafton expansion, including the purchase of no more than one thousand  
29 six hundred acres and the long-term lease of the remainder, not to exceed six  
30 thousand acres in total.

1           2.    If the adjutant general secures options to purchase or lease all necessary land for the  
2                    camp Grafton expansion, the sixty-seventh legislative assembly provide funding and  
3                    authority for the purchase or long-term lease of land for the camp Grafton expansion  
4                    during the biennium beginning July 1, 2021, and ending June 30, 2023.

5           3.    The adjutant general not use eminent domain for the expansion of camp Grafton.

6           **SECTION 7. AMENDMENT.** Section 37-07.1-03 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8           **37-07.1-03. Tuition waiver - Terms.**

9           A qualifying member of the national guard who enrolls in any state-controlled school,  
10 subject to rules adopted by the adjutant general, is entitled to receive a ~~twenty-five~~thirty-five  
11 percent waiver of the tuition from the state-controlled school, conditioned on the adjutant  
12 general having sufficient appropriations for tuition reimbursement under section 37-07.1-06.2.  
13 The tuition waiver is valid only so long as the member of the national guard maintains  
14 satisfactory performance with the guard, meets the qualification requirements of rules adopted  
15 by the adjutant general, and pursues a course of study in a manner that satisfies the normal  
16 requirements of the school.

17           **SECTION 8. AMENDMENT.** Section 37-07.2-01 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19           **37-07.2-01. National guard ~~tuition~~member grants and tuition waivers - Terms of**  
20 **grants.**

21           Any

22           1.    ~~Subject to legislative appropriation and rules adopted by the adjutant general, a~~  
23                    qualifying member of the national guard who enrolls in an accredited postsecondary  
24                    institution in North Dakota which is not controlled by the state may, ~~subject to the~~  
25                    ~~limitations of available appropriated funds and subject to national guard rules adopted~~  
26                    ~~by the adjutant general,~~ receive a grant in an amount not to exceed the cost of tuition  
27                    and fees for similar courses and credit hours for ~~each~~a qualifying member of the  
28                    national guard who is enrolled ~~at an~~in the North Dakota university system  
29                    ~~school~~institution with the highest tuition and fee rate.

30           2.    Any accredited postsecondary institution that ~~agrees to participate in such~~is not  
31                    ~~controlled by the state and which participates in the national guard member grant~~

1           program ~~must~~shall waive twenty-five percent of the tuition ~~for that otherwise would be~~  
2           charged to each enrolled, qualifying member of the national guardsmenguard. These  
3           ~~grants must be distributed according to rules promulgated by the adjutant general and~~  
4           ~~are available only so~~

5           3. The adjutant general shall adopt rules for distributing grants under this section and  
6           establishing qualification requirements for grant recipients.

7           4. A member of the national guard may receive a grant under this section only as long as  
8           the member maintains satisfactory performance with the national guard, meets the  
9           qualification requirements of the rules adopted under this section, and pursues a  
10          course of study ~~which satisfiessatisfying~~ the normal requirements of the  
11          ~~school~~postsecondary institution in which the member is enrolled.

12          5. For purposes of calculating the grant amount under subsection 1, the "cost of tuition  
13          and fees for similar courses and credit hours for a qualifying member of the national  
14          guard who is enrolled in the North Dakota university system institution with the highest  
15          tuition and fee rate" may not be reduced by more than twenty-five percent pursuant to  
16          section 37-07.1-03.

17          **SECTION 9. AMENDMENT.** Subsection 6 of section 57-51.1-07.5 of the North Dakota  
18          Century Code is amended and reenacted as follows:

19          6. The next ~~twenty~~fifteen million dollars into the state disaster relief fund, but not in an  
20          amount that would bring the unobligated balance in the fund to more than  
21          ~~twenty~~fifteen million dollars; and

22          **SECTION 10. MAINTENANCE AND REPAIRS - TRANSFERS.** The director of the office of  
23          management and budget may transfer up to \$500,000 of appropriation authority to the  
24          operating expenses and capital assets line items contained in section 1 of this Act from the  
25          various other line items contained in section 1 of this Act, as requested by the adjutant general  
26          to provide for the maintenance and repair of state-owned armories in this state during the  
27          biennium beginning July 1, 2019, and ending June 30, 2021. The adjutant general shall notify  
28          the legislative council of any transfers made pursuant to this section.

29          **SECTION 11. EXEMPTION.** Any amounts carried over in the radio communications line  
30          item for the state radio tower package, in section 7 of chapter 15 of the 2017 Session Laws is  
31          not subject to section 54-44.1-11 and any unexpended funds are available for completing these

1 projects or for technology upgrade costs required to implement the statewide interoperable  
2 radio network during the biennium beginning July 1, 2019, and ending June 30, 2021.

3 **SECTION 12. EXEMPTION.** The amount appropriated in the tuition, recruiting, and  
4 retention line item in subdivision 1 of section 1 of chapter 15 of the 2017 Session Laws is not  
5 subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used  
6 to provide tuition assistance, recruiting, and retention incentives to eligible members of the  
7 North Dakota national guard during the biennium beginning July 1, 2019, and ending June 30,  
8 2021.

9 **SECTION 13. EXEMPTION.** Any amounts carried over pursuant to section 11 of chapter 15  
10 of the 2017 Session Laws which are unexpended as of June 30, 2019, are not subject to  
11 section 54-44.1-11 and are available for payment of adjusted compensation to veterans. Any  
12 unexpended funds from this appropriation must be transferred to the veterans' cemetery trust  
13 fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

14 **SECTION 14. EXEMPTION.** The amount of \$300,000 from the strategic investment and  
15 improvements fund appropriated in the operating expenses line item in subdivision 2 of  
16 section 1 of chapter 15 of the 2017 Session Laws for mobile repeaters and programming radios  
17 is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be  
18 used to complete this project during the biennium beginning July 1, 2019, and ending June 30,  
19 2021.

20 **SECTION 15. EFFECTIVE DATE.** Section 9 of this Act is effective for taxable events  
21 occurring after June 30, 2019.

22 **SECTION 16. EMERGENCY.** Sections 4, 5, and 6 and the camp Grafton expansion and  
23 tuition, recruiting, and retention line items in subdivision 1 of section 1 of this Act are declared to  
24 be an emergency measure.