

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

GOVERNMENT ADMINISTRATION COMMITTEE

Wednesday, January 22, 2020
Roughrider Room, State Capitol
Bismarck, North Dakota

Senator Randy Burckhard, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Randy Burckhard, John Grabinger, Joan Heckaman, Richard Marcellais, Scott Meyer, Kristin Roers; Representatives Pamela Anderson, Glenn Bosch, Karen Karls, Ben Koppelman, Jon O. Nelson, Austen Schauer

Members absent: Senator Jay Elkin; Representative Cynthia Schreiber-Beck

Others present: Allen H. Knudson, Legislative Council, Bismarck
See [Appendix A](#) for additional persons present.

It was moved by Senator Grabinger, seconded by Representative Schauer, and carried on a voice vote that the minutes of the October 15, 2019, meeting be approved as distributed.

STUDY OF ACCESSIBILITY OF THE STATE CAPITOL
Office of Management and Budget

Mr. John Boyle, Director, Facility Management Division, Office of Management and Budget, presented information ([Appendix B](#)) regarding plans ([Appendix C](#)) for changes to the south entrance to the Capitol and its effect on accessibility. On December 13, 2019, he said, the Capitol Grounds Planning Commission approved design plans for the Capitol south entrance remodeling project. He said the project will be bid in February 2020 and is scheduled to be completed by December 1, 2020. He said the project will provide additional accessible parking spaces at a closer proximity to the building.

Mr. Boyle said during the remodel of the south entrance, the west entrance will become the temporary public entrance. He said additional accessible parking spaces will be added in the west parking lot during that time. He said the goal is to become compliant with the most recent Americans with Disabilities Act (ADA) standards, which were updated in 2010.

Mr. Boyle said the Office of Management and Budget (OMB) hired J2 Studio Architecture + Design, PC, to work with the Capitol accessibility workgroup to assess accessibility of the Capitol and compliance with the ADA.

Mr. James Devine, President, J2 Studio Architecture + Design, PC, presented a report ([Appendix D](#)) with improvement suggestions for accessibility of Capitol facilities. He said the report provides a summary of ADA accessibility concerns of the House and Senate Chambers, legislative committee meeting rooms, restrooms, the cafeteria, the Supreme Court, and other areas accessible to the public on the ground, first, and second floors of the Capitol.

Mr. Devine said changes necessary for ADA compliance include installing braille signage at room entrances, mounting fire extinguishers at appropriate heights, changing door knobs to door levers, installing assisted listening devices in committee rooms, adjusting doors to require a maximum push-pull effort of five pounds, and moving chairs and furniture clear of doors and aisles.

Mr. Devine said additional ADA compliance changes needed include installing trap and supply covers on restroom sinks, replacing restroom stall handles with ADA-compliant handles, reconstructing ADA restroom stalls with correct dimensions, installing and labeling lockers for ADA accessibility, adding an ADA-compliant booth in the cafeteria, and replacing cafeteria cooler handles with ADA-compliant handles.

Mr. Devine said many committee rooms have two 30-inch doors. He said the ADA requires a minimum of 36 inches for doorways. He said the report includes a recommendation to replace these doors with one 36-inch door and one 24-inch door for each committee room. He said the 24-inch door should be kept in a fixed and closed position unless being used for specific situations, such as moving furniture in or out of the room or for evacuation purposes.

Mr. Devine said the report includes a recommendation to replace the wheelchair lift located in the Brynhild Haugland room with a new lift that has a maximum weight capacity of 1,500 pounds. He said there is no wheelchair accessibility to the podiums in the House and Senate Chambers and suggested a temporary ramp be installed in each chamber. He said bariatric seating in committee rooms and a family restroom on the ground floor is recommended.

In response to a question from Representative Koppelman, Mr. Devine said having committee room doors open outward into the hallway is problematic because they would block the walkway when open. He said an outward swinging door may be unsafe for some committee rooms in an emergency situation. He said if wing walls were added in the hallway for the doors to swing against, that may alleviate some of the safety concerns.

In response to a question from Representative Nelson, Mr. Devine said ADA standards for an auditorium of similar size as the House and Senate Chambers require wheelchair accessibility at the top and bottom levels, with accessibility recommended for a middle level. He said due to the length, number of steps, and narrow aisles, remodeling the chambers to become ADA compliant would be challenging. He said if desks near the aisles were removed, remodeling for ADA compliance may be easier.

In response to a question from Senator Marcellais, Mr. Boyle said the J2 Studio report identifies ADA compliance concerns on the ground, first, and second floors of the legislative wing, Capitol tower, and judicial wing. He said the remaining floors in the Capitol tower will be evaluated at a later date.

In response to a question from Senator Heckaman, Mr. Boyle said OMB has designs for a potential remodeling project of the Brynhild Haugland room. He said the project would remove the stage and replace the wheelchair lift with a ramp. He said OMB is evaluating the cost of the project and anticipates requesting funding for the project from the 2021 Legislative Assembly.

Mr. Boyle said the cost to implement all the changes identified in the J2 Studio report are unknown, but OMB will provide a cost estimate to the committee at a future meeting. He said it is possible the changes may be too costly to implement in 1 biennium, but some of the critical changes could be prioritized. He said minor changes that cost less than \$1,000 may be implemented during the 2019-20 interim with funding available in OMB's 2019-21 biennium appropriation. He said more costly changes would need an appropriation from the 2021 Legislative Assembly. He said a 2021-23 biennium appropriation for ADA compliance changes may be appropriated entirely to OMB or the cost of the changes may be appropriated to the appropriate branch of government for changes in each branch's areas of the Capitol.

In response to a question from Senator Roers, Mr. Boyle said the funding needed to implement the changes identified in the J2 Studio report likely would be appropriated from the general fund or the Capitol building fund.

In response to a question from Representative Nelson, Mr. Boyle said OMB would need legislative approval before major changes are made to the areas of the Capitol under the control of the legislative branch.

In response to a question from Representative Nelson, Mr. Devine said the estimated cost of installing automatic door openers is approximately \$5,000 for each door, or \$10,000 for a double-door committee room.

Chairman Burckhard requested the Legislative Council staff to draft an appropriation bill for committee consideration at its next meeting to implement changes identified in the J2 Studio report related to ADA compliance concerns of the Capitol, using cost estimates prepared by OMB.

Highway Patrol

Sergeant Tim Coughlin, Highway Patrol, presented information ([Appendix E](#)) regarding the State Capitol grounds, including federal Department of Homeland Security requirements and any conflicts with the ADA. He said the Highway Patrol security strategy includes physical presence and screening visitors at the south entrance of the Capitol. He said the security equipment includes magnetometers, wands, and a bag scanner.

Sergeant Coughlin said if members of the public are visiting the Capitol and require assistance, Capitol Security will assist them to their destination, including assisting individuals through exterior entrances not usually open to the public. He said if a member of the public is allowed to enter an exterior entrance not usually open to the public, the individual will go through the security screening process at that entrance. He said each entrance into the Capitol is equipped with a call box for members of the public to contact Capitol Security if they require accessibility assistance.

In response to a question from Senator Heckaman, Sergeant Coughlin said the Highway Patrol has the security equipment necessary for an additional door to be monitored for public entrance into the Capitol during legislative sessions. He said if Capitol Security had to monitor the south entrance and an additional entrance, more staff would be needed.

Department of Commerce

Mr. Bruce Hagen, Program Manager, Department of Commerce, presented information ([Appendix F](#)) regarding the State Building Code, ADA requirements related to the State Capitol grounds, and statements of ADA conformance submitted to the department pursuant to North Dakota Century Code (NDCC) Section 54-21.3-04.1. He said the Department of Commerce (DOC) Division of Community Services' primary role in administering the State Building Code is to work with the State Building Code Advisory Committee to develop and publish the code. He said the State Building Code is adopted every 3 years after international codes are published. He said the most recent State Building Code became effective January 1, 2020.

Mr. Hagen said pursuant to NDCC Section 54-21.3-04.1, a state agency or the governing body of a political subdivision must require vendors preparing plans and specifications for buildings or other facilities to submit an ADA conformance statement to the DOC Division of Community Services. He said DOC receives an average of 150 statements each year. He said while there are more than 150 building permits issued statewide each year, DOC is not authorized to inspect or enforce the conformance statement process. He said each state or local agency must ensure the conformance statement requirement is completed.

In response to a question from Senator Heckaman, Mr. Hagen said local agencies have the authority to enforce compliance with State Building Code requirements.

Comments by Interested Persons

Ms. Carel Two Eagle, Bismarck, said there are handicap stall doors in restrooms of the Capitol that only can be opened with a strap attached to the door. She said the doors are difficult to open and often require assistance from another individual. She said ice on sidewalks near the public entrance of the Capitol makes accessibility of the Capitol challenging. She said additional seating is needed in the hallways between the legislative and judicial wings.

Ms. Julian Schaible said floors of the Capitol above the second floor should be reviewed for ADA compliance. She said online video and audio access to legislative meetings would be beneficial for individuals with accessibility challenges.

Mr. Royce Schultze, Executive Director, Dakota Center for Independent Living, Bismarck, said he is a member of the Capitol accessibility workgroup. He said the size of podiums in committee rooms restrict committee members and the audience from seeing a wheelchair-bound individual testify. He said signs are needed outside to direct the public to the appropriate entrance of the Capitol and for direction to accessible parking.

Committee Discussion

In response to a question from Senator Roers, Mr. Allen H. Knudson, Legislative Budget Analyst and Auditor, Legislative Council, said minor ADA compliance changes may be implemented using available funding in OMB's operating budget. He said if major changes costing more than \$1,000 need to be completed during the 2019-20 interim, OMB could request the Emergency Commission to provide funding from the state contingency fund; however, that fund typically is reserved for major emergencies or state disasters.

In response to a question from Representative Nelson, Mr. Knudson said the Legislative Procedure and Arrangements Committee would need to review and approve any changes made to areas of the Capitol under the control of the legislative branch during the 2019-20 interim.

Representative Anderson suggested the committee and OMB prioritize remodeling an existing restroom into a family restroom.

Senator Roers said restroom concerns should be a higher priority than committee room concerns. She requested OMB prioritize the concerns identified in the J2 Studio report and provide the list to the committee at a future meeting.

It was moved by Representative Nelson, seconded by Senator Meyer, and carried on a roll call vote to ask the Legislative Management Chairman to encourage OMB and the Legislative Procedure and Arrangements Committee to begin implementing, to the extent possible, the recommendations included in the J2 Studio Architecture + Design, PC, report during the 2019-20 interim, specifically related to legislative

committee rooms and restrooms. Senators Burckhard, Grabinger, Heckaman, Marcellais, Meyer, and Roers and Representatives Anderson, Bosch, Karls, Koppelman, Nelson, and Schauer voted "aye." No negative votes were cast.

STUDY OF OTHER USES OF THE VETERANS' HOME FACILITIES

The Legislative Council staff presented a memorandum entitled [Alcohol Consumption in Veterans' Home Facilities](#). He said NDCC Section 48-05-06 and North Dakota Administrative Code Section 86-03-05-04 preclude residents of the Veterans' Home from consuming alcohol in Veterans' Home facilities or on Veterans' Home grounds unless the administrator of the Veterans' Home provides authorization.

In response to a question from Representative Koppelman, Mr. Mark B. Johnson, Administrator, Veterans' Home, said he defers to physicians when determining if a resident is allowed to have alcohol in Veterans' Home facilities. He said some residents are recovering alcoholics, have medical conditions that would make alcohol consumption dangerous for residents and staff, or take medication that cannot be combined with alcohol. He said some residents are allowed to consume alcohol, in moderation, at the Veterans' Home if approved by a physician. He said residents are allowed to consume alcohol off the Veterans' Home campus. He said approximately 30 to 40 percent of residents are recovering alcoholics.

Veterans' Home Governing Board

Mr. Gary Skarphol, Chairman, Veterans' Home Governing Board, presented information ([Appendix G](#)) regarding the committee's study of other uses of the Veterans' Home facilities, including any concerns or suggestions for other revenue-generating uses of the Veterans' Home.

Mr. Skarphol said the United States Department of Veterans Affairs (VA) provides federal per diem funding for basic care, skilled nursing home care, and adult day care services. He said the Veterans' Home receives federal funding for basic care and skilled care. He said the Veterans' Home has determined an adult day care program would not be profitable because of the lack of demand for adult day care services in the areas near the Veterans' Home. He said increasing the number of skilled beds would not be profitable because the Veterans' Home has vacant skilled beds and no skilled care waiting list. He said these options also would be challenging because the Veterans' Home has several vacant positions it is unable to fill, primarily due to Veterans' Home wages being lower than those of medical facilities in the area.

Mr. Skarphol said other revenue-generating uses of the Veterans' Home many include leasing a portion of the Veterans' Home to third parties, but the state would have to reimburse the VA for all federal funding used to construct the Veterans' Home. He said the VA provided \$14,684,000 for the Veterans' Home and \$670,000 for the resident workshop, for a total of \$15,354,000.

In response to a question from Representative Anderson, Mr. Skarphol said it is difficult to recruit nurses near Lisbon. He said in the medical profession, it is common for workers to move between organizations in pursuit of higher paying jobs. He said this combination has led to a worker shortage at the Veterans' Home.

In response to a question from Representative Anderson, Mr. Johnson said Veterans' Home wages are less than nearby facilities in part because state employees did not receive salary increases during the 2017-19 biennium. He said the Veterans' Home has competitive employee benefits but private organizations are beginning to offer benefits comparable to the state. He said nurses living near Lisbon are willing to drive to a larger city, such as Valley City or Fargo, for a higher salary.

In response to a question from Representative Nelson, Mr. Johnson said the state benefit package is the primary reason the Veterans' Home has retained a portion of its staff. He said the longer employees are employed with the state, the less likely it is employees will leave for a higher paying position at a different organization due to the value of the state benefit package. However, he said, many employees quit before realizing the value of the benefit package. He said younger workers often only consider the salary level offered rather than the entire benefit package.

In response to a question from Representative Schauer, Mr. Johnson said the Veterans' Home offers employees a \$5 per hour salary increase if they decline the state benefit package, which has helped with employee recruitment and retention.

In response to a question from Representative Nelson, Mr. Johnson said the Veterans' Home began using contract nursing in 2019. He said all nursing homes near Lisbon are using contract nursing services.

In response to a question from Representative Bosch, Mr. Johnson said the Veterans' Home's low census is due to a lack of area workers available to work at the Veterans' Home and a lack of veterans applying for residency. He said 4 years ago the basic care census was nearly 100 percent, but several World War II and Korean War residents have died. He said the Veterans' Home anticipates more Vietnam War veterans will start applying for residency at the Veterans' Home, which will increase the number of basic care and skilled care residents.

Veterans' Home

Mr. Johnson presented information ([Appendix H](#)) regarding the resident pharmacy program, costs of the program, and federal per diem funding provided from the VA for the program. He said the VA pays the Veterans' Home a daily per diem for each day a veteran is present in the Veterans' Home. He said the VA also pays per diem for resident leave of absences less than 96 hours for basic care residents or 10 days for skilled care residents. He said the current VA per diem rates are \$48.50 for basic care and \$112.36 for skilled care.

Mr. Johnson said veteran residents were allowed to receive medication from the VA Medical Center in Fargo at no cost to the resident, other than copays. He said in January 2005, the VA began requiring state veterans' homes to pay for the costs of pharmaceutical and primary medical care while providing the federal daily per diem rate to assist states. He said the Veterans' Home decided the most cost-effective method of providing medication to residents was to establish a pharmacy at the Veterans' Home rather than using the North Dakota State Hospital Pharmacy or using a local private sector pharmacy. He said by utilizing an onsite pharmacy and the VA federal supply schedule pricing, the Veterans' Home can purchase medications for approximately 40 percent of retail price. He said because the Veterans' Home uses VA contracts to purchase medications, the Veterans' Home can provide medications only to veterans.

Mr. Johnson said resident copays for medications are either \$5, \$8, or \$11. He said the estimated biennial income from resident copays is between \$90,000 and \$100,000. He said the Veterans' Home 2019-21 biennium pharmacy budget is \$1.16 million.

STUDY OF STATE AND FEDERAL VETERANS' PROGRAMS

Vietnam Veterans of America

Mr. Dan Stenvold, President, Vietnam Veterans of America, presented information ([Appendix I](#)) regarding the organization's mission and role, services available to veterans, recent membership trends, collaboration with federal and state agencies and programs, and ways to improve the care, assistance, and benefits available to veterans. He said the United States Vietnam Veterans of America (VVA) has experienced a recent increase in membership from 50,000 to 85,000 due to changing the membership dues structure by offering lifetime memberships. He said the North Dakota VVA membership has varied between 990 members in the early 1980s to 256 members in 1999. He said the current North Dakota VVA membership fluctuates between 400 to 450 members.

In response to a question from Representative Bosch, Mr. Stenvold said many North Dakota VVA members discuss becoming residents of the Veterans' Home if they require basic care or skilled care services. He said VVA members throughout the country often become residents of veterans' homes in their home states.

Mr. Stenvold said of the approximately 2.7 million United States soldiers deployed in Vietnam, approximately 850,000 are still alive. He said approximately 400,000 Vietnam War veterans have died from the effects of Agent Orange.

Mr. Stenvold distributed information ([Appendix J](#)) provided to veterans and their families regarding service-connected disability compensation for exposure to Agent Orange.

In response to a question from Chairman Burckhard, Mr. Stenvold said Agent Orange has affected four generations of United States Vietnam War veterans and five generations of Vietnam residents.

In response to a question from Representative Schauer, Mr. Stenvold said the VVA has had children of Vietnam War veterans affected by Agent Orange complete VA claim forms describing generational symptoms, conditions, and issues experienced as a result of a parent or grandparent being exposed to Agent Orange. He said the claims have been sent to the VA but there has been no action on the claims.

American Legion

Ms. Summer Kristianson, North Dakota Department Service Officer, American Legion, presented information ([Appendix K](#)) regarding the organization's mission and role, services available to veterans, recent membership trends, collaboration with federal and state agencies and programs, and ways to improve the care, assistance, and benefits available to veterans. She said the American Legion was chartered and incorporated by Congress in 1919 as a patriotic veterans organization devoted to mutual helpfulness. She said the American Legion is the largest

wartime veterans service organization, which is committed to mentoring youth and sponsorship of wholesome programs in local communities, advocating patriotism and honor, promoting strong national security, and continued devotion to service members and veterans.

Ms. Kristianson said the North Dakota American Legion works closely with the VA, national service officers, and the North Dakota Department of Veterans' Affairs (NDVA) regarding veteran programs and benefits.

Ms. Kristianson said veterans' claims assistance is available for service-connected disability benefits, survivors' benefits, pension benefits, education benefits and vocational rehabilitation, state benefits assistance, and burial and cemetery benefits. She said the North Dakota American Legion assisted 654 veterans in 2018 and 778 veterans in 2019 in all 53 North Dakota counties.

Ms. Kristianson said North Dakota American Legion membership has declined from 15,817 in 2015 to 13,166 in 2019.

Ms. Kristianson said ways to improve the care, assistance, and benefits available to veterans include increasing funding provided to veteran service organizations, authorizing additional NDVA staff, increasing programming and staff for the NDVA highly rural transportation program, and increasing advertising for veterans' programs.

In response to a question from Senator Heckaman, Ms. Kristianson said all veteran service organizations, including the American Legion, can file VA claims for veterans, regardless of whether the veteran is a member of the veteran service organization filing the claim.

In response to a question from Representative Anderson, Mr. Dean Overby, Chairman, Administrative Committee on Veterans' Affairs, said American Legion members participate in social activities at district meetings and other events. He said veterans of younger generations are beginning to participate in these activities, but often are not as involved as veterans of older generations. He said younger veterans usually are busy raising families, but once their children have grown, they become more active in veteran service organization activities.

In response to a question from Representative Nelson, Mr. Lonnie Wangen, Commissioner, Administrative Committee on Veterans' Affairs, Department of Veterans' Affairs, said as volunteers and membership of veteran service organizations decline, NDVA becomes responsible for filing additional VA claims that previously were filed by the veteran service organizations. He said NDVA represents eight veteran service organizations.

In response to a question from Representative Karls, Ms. Kristianson said if a veteran has a service-connected disability of 70 percent or more, the VA generally will pay for the cost of nursing home care for a veteran, but only if the veteran is a resident of a state-approved facility.

Disabled American Veterans

Mr. Matt Herrud, National Service Office Supervisor, Disabled American Veterans, presented information ([Appendix L](#)) regarding the organization's mission and role, services available to veterans, recent membership trends, collaboration with federal and state agencies and programs, and ways to improve the care, assistance, and benefits available to veterans. He said the Disabled American Veterans (DAV) was founded in 1920 by World War I veterans and was chartered by Congress as the voice for wartime-injured veterans in 1932.

Mr. Herrud said DAV focuses on veteran benefits advocacy, volunteering, employment, legislation, outreach, health care, women veterans, burn pit exposure, survivors benefits, Blue Water Navy Vietnam veterans, and VA funding. He said DAV has submitted more than 11.5 million claims for benefits since being chartered. He said DAV files more than 200,000 VA claims each year. He said DAV includes more than 1 million members, 52 departments, and 1,300 local chapters.

In response to a question from Representative Nelson, Mr. Herrud said in 2019, the North Dakota DAV filed 1,629 VA claims on behalf of North Dakota veterans. He said the North Dakota DAV's workload increased approximately 30 percent from 2018 to 2019.

Mr. Herrud said DAV and NDVA work together to transport veterans to medical appointments. He said DAV has 40 volunteers driving 9 nonhighly rural transport vans. He said 1,293 veterans, an average of 108 each month, were transported in 2019. He said the vans were driven 200,454 miles in 2019 while transporting veterans.

In response to a question from Senator Heckaman, Mr. Herrud said DAV and the VA established DAV's on-the-job training program, which is a 16-month program consisting of homework and tests to allow DAV members to become certified to file and appeal VA claims.

In response to a question from Senator Heckaman, Ms. Shelby Moen, National Service Officer, Disabled American Veterans, said while county veteran service officers and members of DAV and other veteran service organizations can file claims, if the VA denies a claim, it often is the veteran service organization that files an appeal on behalf of the veteran.

In response to a question from Representative Schauer, Mr. Herrud said DAV national service officers are required to complete tests related to veteran suicide prevention. He said national service officers are trained to "ACE," meaning they should "Ask" if a veteran feels suicidal, "Care" for the veteran, and "Escort" the veteran to professional help, if necessary. He said there is a link on the DAV website to a suicide prevention hotline and suicide prevention information.

Ms. Moen said ways to improve the care, assistance, and benefits available to veterans include authorizing additional NDVA staff to process veteran VA claims, providing new transport vans for the nonhighly rural transportation program, and encouraging veterans to talk to a county veteran service officer to learn about veteran programs and benefits available to them.

Task Force for Veterans Affairs

Mr. Robert Fode, Chairman, Task Force for Veterans Affairs, presented information ([Appendix M](#)) regarding the task force's mission and role, and how the task force has collaborated with other organizations to improve the care, assistance, and benefits available to veterans. He said the task force was established by an executive order issued by Governor Doug Burgum. He said the executive order required the task force to:

- Examine the current structure of veterans affairs governance and service delivery, evaluating strengths and weaknesses in the current system;
- Identify areas for increased collaboration, communication, and efficiencies in and among existing programs, state agencies, and other resources utilized for the services of veterans in the state; and
- Provide recommendations to improve the current governance structure and services for veterans in North Dakota.

Mr. Fode said the task force has received information from the NDVA, Administrative Committee on Veterans Affairs, North Dakota National Guard, North Dakota Cares Coalition, and the VA. He said the task force is discussing the state veteran population, current services, future services, and the potential creation of a cabinet-level position for veterans affairs. He said the cabinet-level position being discussed would help with legislative budgeting and would increase collaboration, communication, and efficiency among existing programs in other cabinet agencies.

Mr. Fode said the task force is exploring veteran system changes to have veterans be able to call medical providers for posttraumatic stress disorder, suicide, and other services rather than calling a hotline.

Mr. Fode said approximately 48 percent of North Dakota veterans are not members of one of the five major veteran service organizations. He said the task force has discussed ways to encourage these veterans to be more involved with veteran programs and services and to assist other veterans.

Mr. Fode said the task force has not formally provided recommendations to Governor Burgum but intends to finalize recommendations by March 2020.

Tax Commissioner

Income Tax Benefits

Mr. Joseph Becker, Auditor III, Research and Education Section, Tax Department, presented information ([Appendix N](#)) regarding the state income tax benefits available to North Dakota veterans' and recent veterans tax credit trends. He said North Dakota Century Code provides for two direct income tax benefits to North Dakota military veterans:

- The mobilized National Guard/Reserve member pay exclusion; and
- The military retirement pay exclusion.

Mr. Becker said the mobilized National Guard/Reserve member pay exclusion was created in 2003, is available to National Guard or Reserve service members mobilized for federal active duty, and allows for a deduction of 100 percent of federal active duty compensation on the North Dakota income tax return. He said no deduction is allowed for exempt combat pay or pay for basic military training, annual training, or professional military or developmental education. He said the deduction was claimed on 204 returns for tax year 2017 and 165 returns for tax year 2018.

Mr. Becker said the military retirement pay exclusion was created in 2019 and is available to retired members of the United States armed forces or its reserves, Army National Guard, or Air National Guard, or a surviving spouse of a deceased retired service member. He said a deduction of 100 percent of military retirement pay is allowed on the North Dakota tax return. He said there are approximately 6,000 retired North Dakota veterans receiving military retirement pay, including approximately 570 surviving spouses of deceased retired service members.

Mr. Becker said an indirect income tax benefit for North Dakota veterans is allowing taxpayers to voluntarily contribute to the veterans' postwar trust fund when filing their North Dakota tax return. He said the benefit was created in 2019. He said there are two nonveteran-related funds that receive voluntary tax return contributions and each fund averages between \$30,000 to \$35,000 in contributions each year.

Mr. Becker said another indirect income tax benefit is an income tax credit for employers who continue to pay a part of a mobilized military employee's wages. He said the benefit was created in 2009 and allows for a credit of 25 percent of the lesser of either the reduction in compensation resulting from mobilization or the amount of civilian compensation the employer continues to pay. He said the maximum credit allowed for each eligible employee is \$1,000.

Property Tax Benefits

Ms. Linda Lies, State Supervisor of Assessments and Director, Property Tax Division, Tax Department, presented information ([Appendix O](#)) regarding the state property tax benefits available to North Dakota veterans and recent veterans tax credit trends. She said NDCC Section 57-02-08.8 provides a property tax credit for disabled veterans with a service-connected disability of 50 percent or greater. She said the credit was created in 2009 as an exemption and only considered the value of structures. She said the credit is now administered as a credit and includes the value of structures and land with a maximum value of \$150,000. She said the number of applicants has increased from 3,111 for tax year 2015 to 4,017 for tax year 2018.

Ms. Lies said NDCC Section 57-02-08(20)(a) provides a property tax exemption to a paraplegic disabled veteran up to a maximum of \$120,000 of the structures and improvements of the veteran's homestead.

STUDY OF THE STATEWIDE INTEROPERABLE RADIO NETWORK

Information Technology Department and the Statewide Interoperability Executive Committee

Mr. Duane Schell, Chief Technology Officer, Information Technology Department and Chairman, Statewide Interoperability Executive Committee, presented information ([Appendix P](#)) regarding the current statewide interoperable radio network (SIRN) governance, opportunities to improve emergency services communications, future statewide emergency services radio communication coverage as a result of SIRN, the Statewide Interoperability Executive Committee's (SIEC) role related to SIRN, suggestions regarding the consolidation of SIRN governance and public safety communications, and other committee duties not related to SIRN.

Governance

Mr. Schell said the governance of SIRN consists of the 20-member SIEC, a 12-member SIEC subcommittee, and 4 regional boards. He said SIEC includes representatives of state agencies, public safety entities, and legislators. He said SIEC is responsible for oversight of public safety interoperable communications.

Mr. Schell said the SIEC subcommittee includes 4 state agency representatives, 4 local urban representatives, and 4 local rural representatives. He said the SIEC subcommittee is responsible for management and implementation of public safety interoperable communication policies.

Mr. Schell said each regional board includes a tribal representative and 1 member from each 911 jurisdiction or county in the region. He said the regional boards are responsible for addressing local and regional interoperability issues while receiving local input to statewide initiatives.

Mr. Schell said SIEC has more than 75 volunteers working in 11 workgroups. He said the workgroups focus on simulcast, public information, fleet mapping, encryption, radio, fire, law enforcement, education and training, security, public safety answering points (PSAP) users, and emergency medical services and hospitals.

In response to a question from Representative Bosch, Mr. Schell said the SIEC, Statewide Information Technology Advisory Committee (SITAC), Emergency Services Communication Coordinating Committee (ESC3), and Department of Emergency Services have roles in North Dakota emergency services communications. He said while some emergency services communication duties may be similar between each organization, most duties are unique to each organization and do not conflict with the duties of another organization. He said the role of SITAC for emergency services communications primarily is related to prioritizing large information technology projects, including SIRN, for state government budgeting purposes.

Statewide Interoperable Radio Network

Mr. Schell said challenges of SIRN include a lack of public safety radio coverage, aging equipment, and interoperability. He said public safety radio service often is unreliable in buildings. He said 40 percent of public safety communications equipment no longer will be supported in 2020. He said the system includes fragmented radio systems with limited communication capabilities between jurisdictions.

Mr. Schell said SIRN will provide for 95 percent mobile coverage with 95 percent reliability and 85 percent portable coverage with 95 percent reliability. He said major highways, the 127 largest North Dakota cities, all county seats, and communities with law enforcement, fire, and emergency medical services will experience increased public safety communications.

Mr. Schell said the SIRN project will include two phases. He said Phase 1 will focus on SIRN core infrastructure and PSAPs. He said Phase 1 will consist of two groups that each include select counties, PSAPs, and local jurisdictions. He said the planned completion dates are July 2020 for group 1 and October 2020 for group 2.

Mr. Schell said Phase 2 will focus on radio network construction and will be split into four groups. He said group 1 will consist of working on 40 Department of Transportation (DOT) towers and is expected to be completed in June 2022. He said group 2 will consist of 5 DOT towers, 16 leased towers, and simulcast towers in Grand Forks, Minot, Williston, Bismarck, and Mandan. He said group 2 is expected to be completed in May 2021. He said groups 3 and 4 do not have estimated completion dates but will consist of 78 towers.

Statewide Interoperability Executive Committee Other Duties

Mr. Schell said other duties of SIEC not related to SIRN include broadband services, data interoperability, and establishing a statewide communications interoperability plan.

Emergency Services Communications Coordinating Committee

Mr. Jerry Bergquist, Chairman, Emergency Services Communications Coordinating Committee, presented information ([Appendix Q](#)) regarding the committee's role related to SIRN and other committee duties not related to SIRN. He said ESC3 has a responsibility of Next Generation 9-1-1 services in North Dakota. He said Next Generation 9-1-1 is a nationwide initiative to improve 911 services between the public and PSAPs. He said an example of ESC3's work with Next Generation 9-1-1 services is when North Dakota became the sixth state in the country to provide text-to-911 services in 2016.

Mr. Bergquist said while ESC3 focuses on Next Generation 9-1-1 services, SIEC has responsibility for SIRN and public safety communications. He said Next Generation 9-1-1 services receive incoming 911 calls and routes them to PSAPs. He said Next Generation 9-1-1 services and SIRN provide information to PSAP dispatchers to relay emergency messages to dispatch responders.

Mr. Bergquist said he does not support a merger of ESC3 and SIEC at this time. He said ESC3 has been developing Next Generation 9-1-1 services since 2001 while the Information Technology Department (ITD) and SIEC received the majority of the funding necessary for the SIRN project for the 2019-21 biennium. He said SIEC should focus on SIRN before considering a potential merger with ESC3. He said if ESC3 and SIEC merge, the committees will need to consider how the newly formed committee will be funded.

Mr. Bergquist said the main funding source for ESC3 to provide emergency services communications system services is through a fee levied on telecommunication services in the state. He said all 53 counties and 1 city impose this fee. As of July 2019, he said, 33 jurisdictions charge the maximum fee of \$1.50 per assessed communication service while 20 jurisdictions charge \$1.00. He said most local PSAP expenditures are paid from funding received from this fee, but other local funds also are collected for PSAP expenditures. He said no state or federal funds are used for local PSAP operations.

Mr. Bergquist said the funding for ITD and SIEC to implement SIRN includes requiring all jurisdictions to levy an additional emergency services communications system fee of \$0.50.

Mr. Bergquist said any proposal to merge ESC3 and SIEC must be done at the appropriate time, will require changes in governance structure and responsibilities, and must not harm the work already achieved by the committees.

North Dakota Association of Counties

Ms. Donnell Preskey, Government/Public Relations Specialist, North Dakota Association of Counties, presented information ([Appendix R](#)) regarding concerns or challenges related to SIRN, state and local training needs regarding SIRN, how the \$1,500 state cost-share will affect the number of radios purchased by political subdivisions, and suggestions regarding the consolidation of SIRN and public safety communications governance.

Ms. Preskey said public safety communications in North Dakota consist of more than 900 public safety organizations, including 114 law enforcement agencies, 175 emergency medical service departments, and 316 fire agencies. She said SIRN will include 21 PSAPs, 139 towers, and 20,000 radios.

Ms. Preskey said while the state has contributed substantial funding for the local cost of the SIRN project, local agencies still will have significant costs related to SIRN. She said funding provided for SIRN includes:

- \$90 million from the state for core infrastructure and radio frequency network;
- \$30 million from the state for local public safety radio devices;
- \$8.5 million from local agencies for PSAP equipment and training; and
- \$25 million to \$35 million from local agencies for local public safety radio devices.

Ms. Preskey said the 2019 Legislative Assembly authorized a \$1,500 cost-share for public safety radios. She said ITD is developing a survey for local agencies to complete to determine how many radios are being used by each local agency, the number of radios each agency will replace, and when each agency will purchase equipment. She said local agencies may purchase radios between April 2019 and January 2024, but most agencies likely will purchase radios during the 2022-23 biennium. She said local agencies must purchase the radios and submit receipts to the state for reimbursement.

Ms. Preskey said the estimated total number of mobile radios needed is 10,647, of which 9,589 is for local agencies and 1,058 for state agencies. She said the estimated total number of portable radios needed is 9,290, of which 8,870 is for local agencies and 420 for state agencies. She said mobile radios cost between \$2,000 and \$5,400 while portable radios cost between \$1,700 and \$5,400.

Ms. Preskey said training radio dispatchers and users will be important for the success of SIRN. She said Motorola will provide training for dispatchers after SIRN equipment is installed and again after the SIRN project is complete.

Ms. Preskey said local agencies are comfortable with SIRN and public safety communications governance structure. She said local agencies recommend delaying any governance changes until SIRN is complete and is operating statewide.

In response to a question from Representative Anderson, Ms. Preskey said while SIRN may not alleviate challenges related to recruitment of additional emergency services personnel, the project will reduce frustration among existing emergency services personnel that cannot communicate with each other using the current radio network.

No further business appearing, Chairman Burckhard adjourned the meeting at 3:45 p.m.

Levi Kinnischtzke
Fiscal Analyst

ATTACH:18