

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1016

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide a report; to provide legislative intent; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, replace lines 1 and 2 with:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|------------------------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages | \$6,833,766 | \$317,263 | \$7,151,029 |
| Operating expenses | 2,767,321 | 280,992 | 3,048,313 |
| Capital assets | 224,046 | 21,500,000 | 21,724,046 |
| Grants | 210,916 | 0 | 210,916 |
| Civil air patrol | 305,134 | 4,365 | 309,499 |
| Tuition, recruiting, and retention | 4,782,072 | (1,739,837) | 3,042,235 |
| Air guard contract | 8,571,129 | (74,738) | 8,496,391 |
| Army guard contract | 46,940,013 | 1,686,682 | 48,626,695 |
| Veterans' cemetery | 1,151,906 | 174,648 | 1,326,554 |
| Reintegration program | <u>1,051,168</u> | <u>(124,701)</u> | <u>926,467</u> |
| Total all funds | \$72,837,471 | \$22,024,674 | \$94,862,145 |
| Less estimated income | <u>54,214,657</u> | <u>23,911,970</u> | <u>78,126,627</u> |
| Total general fund | \$18,622,814 | (\$1,887,296) | \$16,735,518" |

Page 2, replace lines 5 through 14 with:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages | \$10,986,431 | \$986,330 | \$11,972,761 |
| Operating expenses | 8,060,574 | (1,458,240) | 6,602,334 |
| Capital assets | 0 | 660,000 | 660,000 |
| Grants | 16,273,425 | (1,723,425) | 14,550,000 |
| Disaster costs | <u>36,555,085</u> | <u>12,430,330</u> | <u>48,985,415</u> |
| Total all funds | \$71,875,515 | \$10,894,995 | \$82,770,510 |
| Less estimated income | <u>63,108,132</u> | <u>13,276,877</u> | <u>76,385,009</u> |
| Total general fund | \$8,767,383 | (\$2,381,882) | \$6,385,501" |

Page 2, replace lines 17 through 22 with:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|--------------------|------------------------------------|----------------------|
| Grand total general fund | \$27,390,173 | (\$4,269,178) | \$23,121,019 |
| Grand total special funds | <u>117,322,789</u> | <u>37,188,847</u> | <u>154,511,636</u> |
| Grand total all funds | \$144,712,986 | \$32,919,669 | \$177,632,655 |
| Full-time equivalent positions | 222.00 | (2.00) | 220.00" |

Page 2, line 23, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY"

Page 2, line 24, after "biennium" insert "and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, remove lines 26 through 31

Page 3, replace lines 1 through 3 with:

| | | |
|--------------------------------------------------|------------------|-------------------|
| "Fraine Barracks automation system | \$0 | \$320,000 |
| Emergency response equipment and supplies | 0 | 100,000 |
| Fargo Readiness Center equipment | 0 | 100,000 |
| Dickinson Readiness Center project | 0 | 15,500,000 |
| Bridge training site | 0 | 6,000,000 |
| Emergency response equipment | 660,000 | 0 |
| Camp Grafton expansion | 600,000 | 0 |
| Uninterruptible power supply battery replacement | 20,000 | 0 |
| Computer-aided dispatch equipment | 516,000 | 0 |
| Message switch system upgrade | 335,000 | 0 |
| Dispatching service fee shortfall | <u>1,212,253</u> | <u>0</u> |
| Total all funds | \$3,343,253 | \$22,020,000 |
| Total other funds | <u>3,162,253</u> | <u>21,790,000</u> |
| Total general fund | \$181,000 | \$230,000 |

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The adjutant general shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION - NORTH DAKOTA MILITARY MUSEUM. The adjutant general may accept up to \$10,000,000 from other funds, including private and federal funds, the sum of which is appropriated to the adjutant general for the construction of a North Dakota military museum during the period beginning with the effective date of this Act, and ending June 30, 2023. The adjutant general, with the approval of the governor, may enter into an agreement with the director of the parks and recreation department or the state historical society for the construction of a new facility, the renovation of an existing property, and the operations and maintenance of a military museum. The funding provided in this section is considered a one-time funding item."

Page 3, after line 17, insert:

"SECTION 6. EXEMPTION. Any amounts continued from the strategic investment and improvements fund pursuant to section 14 of chapter 41 of the 2019 Session Laws, which are unexpended as of June 30, 2021, are not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete the mobile repeaters and programming radios, and for technology upgrade costs required to implement the statewide interoperable radio network during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 7. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide tuition assistance, recruiting, and retention incentives to eligible members of the North Dakota national guard during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 8. EXEMPTION. The sum of \$450,000 from the strategic investment and improvements fund and \$66,000 from the general fund appropriated for computer-aided dispatch equipment in subdivision 2 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used for computer-aided dispatch equipment during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 9. EXEMPTION. The sum of \$240,000 from the strategic investment and improvements fund and \$95,000 from the general fund appropriated for the message switch upgrade in subdivision 2 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete the message switch upgrade project during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 10. EXEMPTION. The amount of \$600,000 from the strategic investment and improvements fund appropriated in the camp Grafton expansion line item in subdivision 1 of section 1 of chapter 41 of the 2019 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to continue the expansion of camp Grafton during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 11. LEGISLATIVE INTENT - CAMP GRAFTON EXPANSION. It is the intent of the sixty-seventh legislative assembly that:

1. The adjutant general purchase options during the biennium beginning July 1, 2021, and ending June 30, 2023, for the purchase or long-term lease of land for the camp Grafton expansion, including the purchase of no more than one thousand six hundred acres and the long-term lease of the remainder, not to exceed six thousand acres in total.
2. If the adjutant general secures options to purchase or lease all necessary land for the camp Grafton expansion, the sixty-eighth legislative assembly provide funding and authority for the purchase or long-term lease of land for the camp Grafton expansion during the biennium beginning July 1, 2023, and ending June 30, 2025.
3. The adjutant general not use eminent domain for the expansion of camp Grafton.

SECTION 12. EMERGENCY. Section 3 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Summary of House Action

| | Base Budget | House Changes | House Version |
|-----------------------|----------------|------------------|------------------|
| Adjutant General | | | |
| Total all funds | \$72,837,471 | \$32,024,674 | \$104,862,145 |
| Less estimated income | 54,214,657 | 33,911,970 | 88,126,627 |
| General fund | \$18,622,814 | (\$1,887,296) | \$16,735,518 |
| FTE | 154.00 | (2.00) | 152.00 |

| | | | |
|----------------------------------|---------------|---------------|---------------|
| Department of Emergency Services | | | |
| Total all funds | \$71,875,515 | \$10,894,995 | \$82,770,510 |
| Less estimated income | 63,108,132 | 13,276,877 | 76,385,009 |
| General fund | \$8,767,383 | (\$2,381,882) | \$6,385,501 |
| FTE | 68.00 | 0.00 | 68.00 |
| Bill total | | | |
| Total all funds | \$144,712,986 | \$42,919,669 | \$187,632,655 |
| Less estimated income | 117,322,789 | 47,188,847 | 164,511,636 |
| General fund | \$27,390,197 | (\$4,269,178) | \$23,121,019 |
| FTE | 222.00 | (2.00) | 220.00 |

House Bill No. 1016 - Adjutant General - House Action

| | Base Budget | House Changes | House Version |
|------------------------------------|--------------|---------------|---------------|
| Salaries and wages | \$6,833,766 | \$317,263 | \$7,151,029 |
| Operating expenses | 2,767,321 | 280,992 | 3,048,313 |
| Capital assets | 224,046 | 21,500,000 | 21,724,046 |
| Grants | 210,916 | | 210,916 |
| Civil air patrol | 305,134 | 4,365 | 309,499 |
| Tuition, recruiting, and retention | 4,782,072 | (1,739,837) | 3,042,235 |
| Air guard contract | 8,571,129 | (74,738) | 8,496,391 |
| Army guard contract | 46,940,013 | 1,686,682 | 48,626,695 |
| Veterans' Cemetery | 1,151,906 | 174,648 | 1,326,554 |
| Reintegration program | 1,051,168 | (124,701) | 926,467 |
| Military museum | | 10,000,000 | 10,000,000 |
| Total all funds | \$72,837,471 | \$32,024,674 | \$104,862,145 |
| Less estimated income | 54,214,657 | 33,911,970 | 88,126,627 |
| General fund | \$18,622,814 | (\$1,887,296) | \$16,735,518 |
| FTE | 154.00 | (2.00) | 152.00 |

Department 540 - Adjutant General - Detail of House Changes

| | Adjusts Funding for Base Payroll Changes ¹ | Adds Funding for Salary and Benefit Adjustments ² | Removes Positions ³ | Adds Funding for Fargo Readiness Center Operations ⁴ | Adjusts Funding for the National Guard ⁵ | Reduces Funding for Tuition Assistance ⁶ |
|------------------------------------|-------------------------------------------------------|--------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Salaries and wages | \$156,861 | \$160,402 | | | | |
| Operating expenses | | | | | | |
| Capital assets | | | | | | |
| Grants | | | | | | |
| Civil air patrol | 778 | 4,365 | | | | |
| Tuition, recruiting, and retention | | | | | | (\$1,739,837) |
| Air guard contract | (212,321) | 137,583 | | | | |
| Army guard contract | 955,404 | 336,410 | (\$285,132) | \$340,000 | | |
| Veterans' Cemetery | (1) | 21,827 | | | | |
| Reintegration program | 44,121 | 22,554 | (191,376) | | | |
| Military museum | | | | | | |
| Total all funds | \$944,842 | \$683,141 | (\$476,508) | \$340,000 | \$0 | (\$1,739,837) |
| Less estimated income | 654,882 | 450,664 | 0 | 170,000 | 808,320 | 0 |
| General fund | \$289,960 | \$232,477 | (\$476,508) | \$170,000 | (\$808,320) | (\$1,739,837) |
| FTE | 0.00 | 0.00 | (2.00) | 0.00 | 0.00 | 0.00 |

| | Adds Funding for the Veterans' Cemetery ⁷ | Adds Funding to Expand Camp Grafton ⁸ | Adjusts Funding for Miscellaneous Expenses ⁹ | Add One-Time Funding ¹⁰ | Total House Changes |
|------------------------------------|------------------------------------------------------|--------------------------------------------------|---------------------------------------------------------|------------------------------------|---------------------|
| Salaries and wages | | | | | \$317,263 |
| Operating expenses | | \$280,000 | \$992 | | 280,992 |
| Capital assets | | | | \$21,500,000 | 21,500,000 |
| Grants | | | | | |
| Civil air patrol | | | (778) | | 4,365 |
| Tuition, recruiting, and retention | | | | | (1,739,837) |
| Air guard contract | | | | | (74,738) |
| Army guard contract | | | (80,000) | 420,000 | 1,686,682 |
| Veterans' Cemetery | \$152,822 | | | | 174,648 |
| Reintegration program | | | | | (124,701) |
| Military museum | | | | 10,000,000 | 10,000,000 |
| Total all funds | \$152,822 | \$280,000 | (\$79,786) | \$31,920,000 | \$32,024,674 |
| Less estimated income | 77,822 | 0 | (39,718) | 31,790,000 | 33,911,970 |
| General fund | \$75,000 | \$280,000 | (\$40,068) | \$130,000 | (\$1,887,296) |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | (2.00) |

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250 for both years, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

| | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|---------------------------|---------------------|--------------------|--------------|
| Salary increase | \$230,183 | \$445,848 | \$676,031 |
| Health insurance increase | 2,294 | 4,816 | 7,110 |
| Total | \$232,477 | \$450,664 | \$683,141 |

³ Funding is reduced by \$476,508 from the general fund to remove 2 FTE positions, including 1 FTE facility services position and 1 FTE human services position, and related operating expenses.

⁴ Funding of \$340,000, including \$170,000 from the general fund and \$170,000 from federal funds, is added for Fargo Readiness Center operations.

⁵ Funding for the National Guard is adjusted to reduce funding by \$808,320 from the general fund and increase funding by \$808,320 from federal funds.

⁶ Funding for tuition assistance is reduced by \$1,739,837 to provide a total of \$3,042,235 from the general fund for tuition, recruiting, and retention.

⁷ Funding of \$152,822, including \$75,000 from the general fund and \$77,822 from other funds, is added for the Veterans' Cemetery. This increase includes \$75,000 from the general fund to provide total ongoing funding of \$250,000 from the general fund for the costs of interring veterans' spouses and dependents who are eligible for interment at the Veteran's Cemetery.

⁸ Funding of \$280,000 from the general fund is added to lease land for the expansion of Camp Grafton.

⁹ Funding for miscellaneous expenses is adjusted as follows:

| | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|----------------------------------------------------------|---------------------|--------------------|--------------|
| Adds funding for Microsoft Office 365 licensing expenses | \$710 | \$282 | \$992 |
| Reduces funding for National Guard equipment | (40,000) | (40,000) | (80,000) |
| Reduces funding for Civil Air Patrol | (778) | 0 | (778) |
| Total | (\$40,068) | (\$39,718) | (\$79,786) |

¹⁰ One-time funding is added for the following:

| | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|------------------------------------|---------------------|--------------------|------------------|
| Fraine Barracks automation system | \$80,000 | \$240,000 | \$320,000 |
| Fargo Readiness Center equipment | 50,000 | 50,000 | 100,000 |
| North Dakota Military Museum | 0 | 10,000,000 | 10,000,000 |
| Dickinson Readiness Center project | 0 | 15,500,000 | 15,500,000 |
| Bridge training site | 0 | <u>6,000,000</u> | <u>6,000,000</u> |
| Total | \$130,000 | \$31,790,000 | \$31,920,000 |

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

| | <u>Base Budget</u> | <u>House Changes</u> | <u>House Version</u> |
|-----------------------|--------------------|----------------------|----------------------|
| Salaries and wages | \$10,986,431 | \$986,330 | \$11,972,761 |
| Operating expenses | 8,060,574 | (1,458,240) | 6,602,334 |
| Capital assets | | 660,000 | 660,000 |
| Grants | 16,273,425 | (1,723,425) | 14,550,000 |
| Disaster costs | <u>36,555,085</u> | <u>12,430,330</u> | <u>48,985,415</u> |
| Total all funds | \$71,875,515 | \$10,894,995 | \$82,770,510 |
| Less estimated income | <u>63,108,132</u> | <u>13,276,877</u> | <u>76,385,009</u> |
| General fund | \$8,767,383 | (\$2,381,882) | \$6,385,501 |
| FTE | 68.00 | 0.00 | 68.00 |

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

| | <u>Adjusts Funding for Base Payroll Changes¹</u> | <u>Adds Funding for Salary and Benefit Adjustments²</u> | <u>Adjusts Funding Sources³</u> | <u>Adjusts Funding for State Radio⁴</u> | <u>Transfers State Radio Towers⁵</u> | <u>Reduces Funding for Grants⁶</u> |
|-----------------------|-------------------------------------------------------------|--------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------|-------------------------------------------------|-----------------------------------------------|
| Salaries and wages | \$707,375 | \$278,955 | | | | |
| Operating expenses | | | | \$300,000 | (\$1,858,240) | |
| Capital assets | | | | | | |
| Grants | | | | | | (\$1,723,425) |
| Disaster costs | <u>(859,711)</u> | <u>21,178</u> | | | | |
| Total all funds | (\$152,336) | \$300,133 | \$0 | \$300,000 | (\$1,858,240) | (\$1,723,425) |
| Less estimated income | <u>(152,337)</u> | <u>143,478</u> | <u>72,608</u> | <u>1,007,690</u> | <u>0</u> | <u>(1,723,425)</u> |
| General fund | \$1 | \$156,655 | (\$72,608) | (\$707,690) | (\$1,858,240) | \$0 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| | <u>Adds Funding for Disaster Costs⁷</u> | <u>Adds Funding for Equipment⁸</u> | <u>Total House Changes</u> |
|-----------------------|----------------------------------------------------|-----------------------------------------------|----------------------------|
| Salaries and wages | | | \$986,330 |
| Operating expenses | | \$100,000 | (1,458,240) |
| Capital assets | | 660,000 | 660,000 |
| Grants | | | (1,723,425) |
| Disaster costs | <u>\$13,268,863</u> | | <u>12,430,330</u> |
| Total all funds | \$13,268,863 | \$760,000 | \$10,894,995 |
| Less estimated income | <u>13,268,863</u> | <u>660,000</u> | <u>13,276,877</u> |
| General fund | \$0 | \$100,000 | (\$2,381,882) |
| FTE | 0.00 | 0.00 | 0.00 |

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250 for both years, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

| | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|---------------------------|---------------------|--------------------|--------------|
| Salary increase | \$155,047 | \$141,758 | \$296,805 |
| Health insurance increase | <u>1,608</u> | <u>1,720</u> | <u>3,328</u> |
| Total | \$156,655 | \$143,478 | \$300,133 |

³ Funding for the Department of Emergency Services is adjusted to reduce funding from the general fund by \$72,608 and increase funding from other funds by \$72,608.

⁴ Funding for State Radio is increased by \$300,000, including a decrease of \$707,690 from the general fund and an increase of \$1,007,690 from other funds from state radio fees.

⁵ Funding of \$1,858,240 from the general fund is removed to transfer State Radio towers to the Information Technology Department.

⁶ Funding for grants, including emergency management, hazard mitigation, and hazardous material emergency preparation grants, is reduced by \$1,723,425 from federal funds.

⁷ Funding is increased by \$13,268,863 for disaster costs to provide a total of \$48,985,415 for disaster costs. This amount includes approximately \$44.4 million from federal funds and \$4.1 million from the state disaster relief fund for costs related to non-COVID disasters.

⁸ Funding of \$660,000 from federal funds is added for emergency services equipment, including damage assessment and documentation software and generators. One-time funding of \$100,000 from the general fund is added for emergency response equipment and supplies.

House Bill No. 1016 - Other Changes - House Action

This amendment also:

- Adds sections to provide carryover authority for unexpended appropriations for mobile repeaters and programming radios related to the statewide interoperable radio network, tuition assistance, computer-aided dispatch equipment, the message switch upgrade project, and the purchase of options to purchase or lease land for the expansion of Camp Grafton.
- Adds a section to continue legislative intent for the Adjutant General to purchase options for the purchase or lease of land for the expansion of Camp Grafton.
- Adds a section to authorize the Adjutant General to accept and spend \$10 million from other funds for a North Dakota military museum.