

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Funding Summary

	Base Budget	Senate Version	House Changes	House Version
Adjutant General				
Salaries and wages	\$6,666,525	\$6,813,608	\$20,158	\$6,833,766
Operating expenses	3,525,934	2,767,321		2,767,321
Capital assets	224,046	224,046		224,046
Grants	318,553	210,916		210,916
Civil air patrol	299,580	303,875	1,259	305,134
Tuition, recruiting, and retention	2,617,500	4,782,072		4,782,072
Air guard contract	8,098,582	8,542,126	29,003	8,571,129
Army guard contract	57,717,944	46,899,885	40,128	46,940,013
Veterans' cemetery	881,284	972,672	4,234	976,906
Reintegration program	1,261,384	1,047,749	3,419	1,051,168
Camp Grafton expansion		600,000		600,000
Total all funds	\$81,611,332	\$73,164,270	\$98,201	\$73,262,471
Less estimated income	65,174,778	54,748,430	66,227	54,814,657
General fund	\$16,436,554	\$18,415,840	\$31,974	\$18,447,814
FTE	155.00	154.00	0.00	154.00
Department of Emergency Services				
Salaries and wages	\$12,551,119	\$11,324,705	(\$338,274)	\$10,986,431
Operating expenses	6,988,451	9,367,600	(8,773)	9,358,827
Capital assets		660,000		660,000
Grants	16,889,159	16,273,425		16,273,425
Disaster costs	51,445,841	32,453,320	4,101,765	36,555,085
Radio communications		785,000		785,000
Total all funds	\$87,874,570	\$70,864,050	\$3,754,718	\$74,618,768
Less estimated income	78,424,702	61,667,056	4,003,329	65,670,385
General fund	\$9,449,868	\$9,196,994	(\$248,611)	\$8,948,383
FTE	79.00	70.00	(2.00)	68.00
Bill total				
Total all funds	\$169,485,902	\$144,028,320	\$3,852,919	\$147,881,239
Less estimated income	143,599,480	116,415,486	4,069,556	120,485,042
General fund	\$25,886,422	\$27,612,834	(\$216,637)	\$27,396,197
FTE	234.00	224.00	(2.00)	222.00

Senate Bill No. 2016 - Adjutant General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$6,666,525	\$147,083	\$6,813,608
Operating expenses	3,525,934	(758,613)	2,767,321
Capital assets	224,046		224,046
Grants	318,553	(107,637)	210,916
Civil air patrol	299,580	4,295	303,875
Tuition, recruiting, and retention	2,617,500	2,164,572	4,782,072
Air guard contract	8,098,582	443,544	8,542,126
Army guard contract	57,717,944	(10,818,059)	46,899,885
Veterans' cemetery	881,284	91,388	972,672
Reintegration program	1,261,384	(213,635)	1,047,749
Camp Grafton expansion		600,000	600,000
Total all funds	\$81,611,332	(\$8,447,062)	\$73,164,270
Less estimated income	65,174,778	(10,426,348)	54,748,430
General fund	\$16,436,554	\$1,979,286	\$18,415,840
FTE	155.00	(1.00)	154.00

Department 540 - Adjutant General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adjusts FTE Positions³	Adjusts Funding for National Guard Contracts⁴	Increases Funding for Tuition Assistance⁵	Reduces Funding for Grants and Operating Expenses⁶
Salaries and wages	(\$18,506)	\$314,153	(\$148,564)			
Operating expenses						(\$758,613)
Capital assets						
Grants						(107,637)
Civil air patrol		7,927				(3,632)
Tuition, recruiting, and retention					\$2,164,572	
Air guard contract	(12,999)	281,543		\$175,000		
Army guard contract	592	660,005	221,344	(11,700,000)		
Veterans' cemetery	48,565	42,823				
Reintegration program	23,563	49,499	(286,697)			
Camp Grafton expansion						
Total all funds	\$41,215	\$1,355,950	(\$213,917)	(\$11,525,000)	\$2,164,572	(\$869,882)
Less estimated income	216,404	888,530	(131,282)	(12,000,000)	0	0
General fund	(\$175,189)	\$467,420	(\$82,635)	\$475,000	\$2,164,572	(\$869,882)
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Adds Funding for the Camp Grafton Expansion⁷	Total Senate Changes
Salaries and wages		\$147,083
Operating expenses		(758,613)
Capital assets		
Grants		(107,637)
Civil air patrol		4,295
Tuition, recruiting, and retention		2,164,572
Air guard contract		443,544
Army guard contract		(10,818,059)
Veterans' cemetery		91,388
Reintegration program		(213,635)
Camp Grafton expansion	\$600,000	600,000
Total all funds	\$600,000	(\$8,447,062)
Less estimated income	600,000	(10,426,348)
General fund	\$0	\$1,979,286
FTE	0.00	(1.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$248,659	\$444,672	\$693,331
Health insurance increase	218,761	443,858	\$662,619
Total	\$467,420	\$888,530	\$1,355,950

³ FTE positions and related funding are adjusted as follows:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adds Fargo Readiness Center positions	3.00	\$131,028	\$131,029	\$262,057
Removes carpenter	(1.00)	(148,564)	0	(148,564)
Removes veterans' benefits specialists	(2.00)	(286,697)	0	(286,697)
Removes security officer	(1.00)	0	(129,932)	(129,932)
Reclassifies security officer as project manager	<u>0.00</u>	<u>221,598</u>	<u>(132,379)</u>	<u>89,219</u>
Total	(1.00)	(\$82,635)	(\$131,282)	(\$213,917)

⁴ Funding for the Air Guard and Army Guard contracts is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Air Guard contract	\$175,000	\$0	\$175,000
Army Guard contract	<u>300,000</u>	<u>(12,000,000)</u>	<u>(11,700,000)</u>
Total	\$475,000	(\$12,000,000)	(\$11,525,000)

⁵ Funding of \$2,164,572 from the general fund is added to provide tuition assistance for National Guard members.

⁶ Funding for operating expenses including travel, utilities, repairs, and information technology expenses, is reduced by \$762,245 from the general fund. Funding for city-owned armory grants is reduced by \$107,637 from the general fund due to the closure of armories in Mayville, Bottineau, Carrington, Grafton, Mott, and Rugby during the 2017-19 biennium.

⁷ One-time funding of \$600,000 from the strategic investment and improvements fund is added for the Adjutant General to purchase options for the lease or purchase of up to 6,000 acres for the expansion of Camp Grafton.

Senate Bill No. 2016 - Adjutant General - House Action

	<u>Base Budget</u>	<u>Senate Version</u>	<u>House Changes</u>	<u>House Version</u>
Salaries and wages	\$6,666,525	\$6,813,608	\$20,158	\$6,833,766
Operating expenses	3,525,934	2,767,321		2,767,321
Capital assets	224,046	224,046		224,046
Grants	318,553	210,916		210,916
Civil air patrol	299,580	303,875	1,259	305,134
Tuition, recruiting, and retention	2,617,500	4,782,072		4,782,072
Air guard contract	8,098,582	8,542,126	29,003	8,571,129
Army guard contract	57,717,944	46,899,885	40,128	46,940,013
Veterans' cemetery	881,284	972,672	4,234	976,906
Reintegration program	1,261,384	1,047,749	3,419	1,051,168
Camp Grafton expansion		600,000		600,000
Total all funds	\$81,611,332	\$73,164,270	\$98,201	\$73,262,471
Less estimated income	<u>65,174,778</u>	<u>54,748,430</u>	<u>66,227</u>	<u>54,814,657</u>
General fund	\$16,436,554	\$18,415,840	\$31,974	\$18,447,814
FTE	155.00	154.00	0.00	154.00

Department 540 - Adjutant General - Detail of House Changes

	Adds Funding for Salary Increases ¹	Total House Changes
Salaries and wages	\$20,158	\$20,158
Operating expenses		
Capital assets		
Grants		
Civil air patrol	1,259	1,259
Tuition, recruiting, and retention		
Air guard contract	29,003	29,003
Army guard contract	40,128	40,128
Veterans' cemetery	4,234	4,234
Reintegration program	3,419	3,419
Camp Grafton expansion		
Total all funds	\$98,201	\$98,201
Less estimated income	66,227	66,227
General fund	\$31,974	\$31,974
FTE	0.00	0.00

¹ Funding is adjusted to provide employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and 2.5 percent on July 1, 2020. The Senate provided funding for a 2 percent salary increase on July 1, 2019, and a 3 percent salary increase on July 1, 2020.

Senate Bill No. 2016 - Department of Emergency Services - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$12,551,119	(\$1,226,414)	\$11,324,705
Operating expenses	6,988,451	2,379,149	9,367,600
Capital assets		660,000	660,000
Grants	16,889,159	(615,734)	16,273,425
Disaster costs	51,445,841	(18,992,521)	32,453,320
Radio communications		785,000	785,000
Total all funds	\$87,874,570	(\$17,010,520)	\$70,864,050
Less estimated income	78,424,702	(16,757,646)	61,667,056
General fund	\$9,449,868	(\$252,874)	\$9,196,994
FTE	79.00	(9.00)	70.00

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

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Removes FTE Positions ³	Adjusts Funding and FTE Positions for IT Unification ⁴	Adjusts Funding for Operating Expenses ⁵	Reduces Funding for Disaster Costs and Grants ⁶
Salaries and wages	(\$478,711)	\$560,263	(\$630,476)	(\$677,490)		
Operating expenses				716,040	\$364,856	
Capital assets						
Grants						(\$615,734)
Disaster costs	(340,934)	56,466				(18,708,053)
Radio communications						
Total all funds	(\$819,645)	\$616,729	(\$630,476)	\$38,550	\$364,856	(\$19,323,787)
Less estimated income	(819,646)	309,029	(48,591)	20,758	542,338	(19,323,787)
General fund	\$1	\$307,700	(\$581,885)	\$17,792	(\$177,482)	\$0
FTE	0.00	0.00	(5.00)	(4.00)	0.00	0.00

	Adds One-Time Funding for State Radio⁷	Adds One-Time Funding for Equipment⁸	Total Senate Changes
Salaries and wages			(\$1,226,414)
Operating expenses	\$1,298,253		2,379,149
Capital assets		\$660,000	660,000
Grants			(615,734)
Disaster costs			(18,992,521)
Radio communications	<u>785,000</u>		<u>785,000</u>
Total all funds	\$2,083,253	\$660,000	(\$17,010,520)
Less estimated income	<u>1,902,253</u>	<u>660,000</u>	<u>(16,757,646)</u>
General fund	\$181,000	\$0	(\$252,874)
FTE	0.00	0.00	(9.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$159,354	\$162,877	\$322,231
Health insurance increase	<u>148,346</u>	<u>146,152</u>	<u>294,498</u>
Total	\$307,700	\$309,029	\$616,729

³ FTE positions and related funding are adjusted as follows:

	FTE Positions	General Fund	Other Funds	Total
Removes communications specialists	(4.00)	(\$437,314)	(\$48,591)	(\$485,905)
Removes GIS specialist	<u>(1.00)</u>	<u>(144,571)</u>	<u>0</u>	<u>(144,571)</u>
Total	(5.00)	(\$581,885)	(\$48,591)	(\$630,476)

⁴ Funding and FTE positions are adjusted as follows for the information technology unification initiative:

	FTE Positions	General Fund	Other Funds	Total
Transfers FTE positions	(4.00)	(\$310,746)	(\$366,744)	(\$677,490)
Adds funding for operating expenses	<u>0.00</u>	<u>328,538</u>	<u>387,502</u>	<u>716,040</u>
Total	(4.00)	\$17,792	\$20,758	\$38,550

⁵ Funding for operating expenses, including miscellaneous supplies, repairs, professional services, and information technology expenses, is reduced by \$177,482 from the general fund and increased by \$542,338 from the radio communications fund.

⁶ Funding for disaster costs is reduced by \$18.7 million, including a reduction of \$5.4 million from the state disaster relief trust fund and a reduction of \$13.3 million from federal funds. Funding from federal funds is also reduced by \$615,734 for Department of Emergency Services grants.

⁷ One-time funding is added for State Radio as follows:

	General Fund	Strategic Investment and Improvements Fund	Total
Uninterruptible power supply battery replacement	\$20,000	\$0	\$20,000
Computer-aided dispatch equipment replacement	66,000	450,000	516,000
Message switch system upgrade	95,000	240,000	335,000
Dispatching service revenue shortfall	<u>0</u>	<u>1,212,253</u>	<u>1,212,253</u>
Total	\$181,000	\$1,902,253	\$2,083,253

⁸ One-time funding of \$660,000 from federal funds is added for Department of Emergency Services equipment.

Senate Bill No. 2016 - Department of Emergency Services - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$12,551,119	\$11,324,705	(\$338,274)	\$10,986,431
Operating expenses	6,988,451	9,367,600	(8,773)	9,358,827
Capital assets		660,000		660,000
Grants	16,889,159	16,273,425		16,273,425
Disaster costs	51,445,841	32,453,320	4,101,765	36,555,085
Radio communications		785,000		785,000
Total all funds	\$87,874,570	\$70,864,050	\$3,754,718	\$74,618,768
Less estimated income	78,424,702	61,667,056	4,003,329	65,670,385
General fund	\$9,449,868	\$9,196,994	(\$248,611)	\$8,948,383
FTE	79.00	70.00	(2.00)	68.00

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

	Adjusts Funding for Salary and Benefit Increases ¹	Adjusts Funding for IT Unification ²	Transfers FTE Positions to the Attorney General ³	Adjusts Funding for Disaster Costs ⁴	Total House Changes
Salaries and wages	\$15,017		(\$353,291)		(\$338,274)
Operating expenses		\$615	(9,388)		(8,773)
Capital assets					
Grants					
Disaster costs	1,765			\$4,100,000	4,101,765
Radio communications					
Total all funds	\$16,782	\$615	(\$362,679)	\$4,100,000	\$3,754,718
Less estimated income	9,329	(13)	(105,987)	4,100,000	4,003,329
General fund	\$7,453	\$628	(\$256,692)	\$0	(\$248,611)
FTE	0.00	0.00	(2.00)	0.00	(2.00)

¹ Funding is adjusted to provide employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and 2.5 percent on July 1, 2020. The Senate provided funding for a 2 percent salary increase on July 1, 2019, and a 3 percent salary increase on July 1, 2020. Funding for salary and benefit increases is also adjusted to reflect the transfer of 2 FTE positions to the Attorney General's office.

² Funding for operating expenses related to the IT unification initiative is adjusted.

³ Funding is reduced to reflect the transfer of 2 FTE positions from the Department of Emergency Services to the Attorney General's office.

⁴ Funding for disaster costs is increased by \$4,100,000 from the state disaster relief fund to provide a total of \$7,123,161 from the state disaster relief fund, including \$6,923,161 for unclosed state disasters. The remaining \$200,000 is for a grant to a county required to reimburse the Federal Emergency Management Agency for a grant to repair roads damaged by floodwaters in 2011 for which the Federal Emergency Management Agency later deemed to be ineligible. Any requirement to repay the state share of the grant to repair roads damaged by floodwaters in 2011 is waived.

Senate Bill No. 2016 - Other Changes - Senate Action

This amendment also:

- Adds a section of legislative intent regarding the purchase of options for the future expansion of Camp Grafton.
- Amends North Dakota Century Code Section 37-07.1-03 to increase the National Guard tuition waiver from 25 to 35 percent.
- Amends Section 37-07.2-01 to provide the increased tuition waiver does not affect the National Guard tuition grant amounts paid to nonstate institutions of higher education.
- Adds 6 new sections to allow the following items to be continued and expended during the 2019-21 biennium:
 - Unexpended general or special funds authority carried over in the radio communications line item from the 2013-15 biennium relating to the State Radio tower package may be used for that purpose or for technology upgrade costs relating to the statewide interoperable radio network;

- Unexpended general or special funds authority in the tuition, recruiting, and retention line item from the 2017-19 biennium relating to tuition assistance, recruiting, and retention incentives for eligible members of the National Guard;
 - Unexpended general or special funds authority carried over in the grants line item from the 2015-17 biennium relating to adjusted compensation for veterans;
 - Unexpended special funds authority from the strategic investment and improvements fund from the 2017-19 biennium relating to mobile repeaters and programming radios;
 - Unexpended general or special funds authority in the disaster costs line item from the 2011-13 biennium relating to grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding; and
 - Unexpended funds appropriated from the state disaster relief trust fund in the disaster costs line item from the 2017-19 biennium relating to the state share of disaster costs.
- Adds a section to declare the Camp Grafton expansion line item and provisions and the tuition, recruiting, and retention line item to be an emergency measure.
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Senate Bill No. 2016 - Other Changes - House Action

This amendment also:

- Adds a section to provide a 2017-19 biennium appropriation of \$8.1 million from the state disaster relief fund to the State Treasurer to provide distributions to townships in non-oil-producing counties for road and bridge maintenance and improvements.
- Adds a section to reduce the state share of oil and gas taxes deposited in the state disaster relief fund from \$20 million to \$15 million.
- Removes a section added by the Senate to provide an exemption to allow approximately \$80,000 appropriated from the state disaster relief fund for road grade raising projects to be continued into the 2019-21 biennium.
- Removes a section added by the Senate to provide an exemption to allow approximately \$3.9 million appropriated from the state disaster relief fund for unclosed state disasters to be continued into the 2019-21 biennium. The House appropriated the additional funding for the 2019-21 biennium.