

**Adjutant General/National Guard
Budget 540
Senate Bill No. 2017**

	FTE Positions	General Fund	Other Funds	Total
1999-2001 legislative appropriation	133.00	\$8,386,735	\$18,381,898	\$26,768,633
1997-99 legislative appropriation	<u>125.00</u>	<u>8,089,453</u>	<u>12,885,911</u>	<u>20,975,364</u>
1999-2001 appropriation increase (decrease) to 1997-99 appropriation	8.00	\$297,282	\$5,495,987	\$5,793,269

NOTE: The 1999-2001 appropriation amounts include \$49,536, \$24,043 of which is from the general fund, for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$2,540, \$950 of which is from the general fund, for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Item Description

Tuition and enlistment compensation program - The 1999 Legislative Assembly appropriated \$967,500 from the general fund for the tuition and enlistment compensation program. The program provides students a \$500 National Guard scholarship for 12 or more credit hours taken per semester based upon completion with a 2.5 or greater grade point average. Students taking less than 12 credit hours are eligible for a percentage of the \$500 depending on actual credit hours. In addition, the colleges and universities will waive 25 percent of each student's total tuition.

Deficiency appropriation - 1999 Senate Bill No. 2026 provided a general fund deficiency appropriation of \$107,000 to the Adjutant General for repaying a Bank of North Dakota loan used to pay for the National Guard's response services relating to the 1997 and 1998 flooding disasters.

Capital improvement project - The 1999 Legislative Assembly appropriated \$800,000, \$200,000 from the general fund and \$600,000 of federal funds, for an addition to the state emergency operations center (EOC) at Fraine Barracks. In addition, the Legislative Assembly made an unspecified reduction of \$100,000 in general fund support for the agency and increased special fund authority by \$100,000.

Status/Result

The tuition and enlistment compensation program provided \$500 National Guard scholarships to 468 students for the fall 1999 semester which is seven less than the budgeted number of participants per semester of 475. The Adjutant General estimates that the costs of the program for the biennium will be close to the appropriation of \$967,500.

On May 3, 1999, the Adjutant General made a payment of \$105,231 to the Bank of North Dakota to pay off the balance of the agency's disaster loans. No additional loan funds have been borrowed from the Bank of North Dakota.

To address the \$100,000 reduction in general fund support and the increase in special fund authority made by the Legislative Assembly, the Adjutant General reduced the general fund support for this project by \$100,000, from \$200,000 to \$100,000, and increased the federal funds by \$100,000, from \$600,000 to \$700,000.

After the preliminary review of the project, the Adjutant General determined that additional improvements could be made at the same time as the addition to the EOC was being constructed. The Adjutant General received Emergency Commission approval to accept \$500,000 in federal funds from the Federal Emergency Management Agency to enlarge the scope of the project. By utilizing maintenance and repairs done in the 1997-99 and 1999-2001 bienniums as in-kind match, no additional general fund authority will be necessary to receive the additional federal funding. The additional improvements include upgrading the air handling and air exchange system, relocating a generator,

and increasing the size of the planned addition for historical purposes. The Adjutant General anticipates opening bids on the project in May 2000.