

**Department of Emergency Services
Budget No. 512
House Bill Nos. 1016, 1050**

| | FTE Positions | General Fund | Other Funds | Total |
|---|----------------------|----------------------------|--------------------|---------------------------|
| 2005-07 executive budget (bills as introduced) | 54.00 | \$5,106,239 | \$56,961,521 | \$62,067,760 |
| 2005-07 legislative appropriations | 54.00 | 5,115,672 | 57,870,280 | 62,985,952 |
| Legislative increase (decrease) to executive budget | 0.00 | \$9,433 | \$908,759 | \$918,192 |
| Legislative increase (decrease) to 2003-05 appropriations | 34.00 | (\$3,876,877) ¹ | \$20,653,139 | \$16,776,262 ¹ |

¹This amount reflects the 2003-05 deficiency appropriation of \$7,623,514 from the general fund to the Department of Emergency Services for interagency suppression and support costs incurred on state land related to the Maggie Camp, Whitetail, and Deep Creek fires (\$151,369) and repayment of the loan from the Bank of North Dakota for the state's share of disaster costs (\$7,472,145).

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Department of Emergency Services is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1050.

| | Major Items FTE Positions | General Fund | Other Funds | Total |
|--|--------------------------------------|---------------------|--------------------|------------------|
| The legislative action: | | | | |
| Added funding for state employee salary increases | | \$12,984 | \$11,698 | \$24,682 |
| Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy | | (3,551) | (2,939) | (6,490) |
| Created a salaries and wages pool of \$213,493, of which \$2,977 is from the general fund and \$210,516 is from special funds, with funding from the salaries and wages line item (see Salaries and Wages Pool section below) | | | | 0 |
| Authorized the borrowing of funds from the Bank of North Dakota for expenses associated with the migration of the State Radio Communications system from analog to digital | | | 900,000 | 900,000 |
| Total | 0.00 | \$9,433 | \$908,759 | \$918,192 |

FTE Changes

The 2005-07 biennium appropriation includes funding for 54 FTE positions, an increase of 34 FTE positions from the 2003-05 authorized level. The legislative action did not change the executive recommendation to transfer 29 FTE positions relating to State Radio Communications from the Office of Management and Budget to the Department of Emergency Services and to continue 5 emergency program specialist FTE positions authorized during the 2003-05 biennium by the Emergency Commission.

Agency Reorganization

The Legislative Assembly did not change the executive budget recommendation to transfer the funding and 29 FTE positions associated with State Radio Communications from the Office of Management and Budget to the Division of Emergency Management. The Legislative Assembly did change the name of the Division of Emergency Management to the Department of Emergency Services consisting of a Division of State Radio and a Division of Homeland Security. The Adjutant General is the director of the department, and the Adjutant General shall appoint a separate director of each division. The Division of Homeland Security is to consist of the state operations center section, the disaster recovery section, and the homeland security section. The Adjutant General is to provide for shared administration of both divisions.

Salaries and Wages Pool

The Legislative Assembly created a salaries and wages pool of \$213,493, of which \$2,977 is from the general fund and \$210,516 is from special funds, with funding from the Department of Emergency Services salaries and wages line item. Section 10 of House Bill No. 1016 provides that the department, in conjunction with Human Resource Management Services of the Office of Management and Budget shall reevaluate job classifications impacted by the department's reorganization. The department is to report the positions affected by the department's reorganization, a detailed justification of any prior salary increases, and a recommendation and analysis of any proposed salary increases or decreases to the Budget Section. The funding of \$213,493 is available to the department for providing salary increases to positions affected by the reorganization subject to approval by the Budget Section.

Other Sections in Bill

Performance audit - Section 5 requires the State Auditor to conduct a performance audit of the Department of Emergency Services, including a review of fees collected for 911 services and the utilization of the fees during the 2005-07 biennium. If possible, the audit should include options for the appropriate method of funding costs incurred by the department for providing 911 services, including the costs incurred by the department for answering calls from counties not under contract with the department for 911 services. The results of the audit must be presented to the Legislative Audit and Fiscal Review Committee and filed with the Appropriations Committees of the 2007 Legislative Assembly.

Loan authorization - Section 6 authorizes the Department of Emergency Services to borrow up to \$900,000 from the Bank of North Dakota for expenses associated with the migration of the State Radio Communications system from analog to digital subject to the approval of the Emergency Commission and the Budget Section. The loan, including interest, is to be repaid with federal funds made available from the United States Department of Homeland Security.

Homeland security funding allocation review process - Section 7 provides that the Department of Emergency Services implement a review process relating to the department's allocation of federal homeland security funds to political subdivisions during the 2005-06 interim. The process must assure that all agencies and responders are involved in the distribution of the federal funds and that the priorities included in the local needs assessment are met. The department, as requested, shall provide the Legislative Council a report detailing the uses of federal homeland security funds at the state and local level and a report regarding any discrepancies relating to the needs assessments completed by the department and political subdivisions and purchases made with federal homeland security funds.

Political subdivision financial participation - Section 8 provides legislative intent that political subdivisions spend a portion of the federal homeland security funding allocations on costs associated with the migration of the State Radio Communications system from analog to digital.

State Radio Communications system migration project - Section 9 provides legislative intent that the Office of Management and Budget address all remaining costs associated with the migration of the State Radio Communications system from analog to digital in the department's budget request for the 2007-09 biennium.

Department of Emergency Services Advisory Committee - Section 13 provides that the Adjutant General create one or more advisory committees to the Department of Emergency Services. An advisory committee may consist of not more than 11 members representing local and state interests in the department. Members must be appointed to four-year staggered terms. An advisory committee shall advise the department regarding collaboration with political subdivisions, and each member of an advisory committee shall report to the local interest each member represents concerning recommendations approved by the committee.

Agency reorganization - Sections 14 through 33 provide the necessary statutory changes to reflect the agency reorganization and the agency name change from the Division of Emergency Management to the Department of Emergency Services.

Related Legislation

2003-05 deficiency appropriation - House Bill No. 1024 provides the Department of Emergency Services a 2003-05 deficiency appropriation of \$7,623,514 from the general fund for interagency suppression and support costs incurred on state land related to the Magpie Camp, Whitetail, and Deep Creek fires (\$151,369) and repayment of the loan from the Bank of North Dakota for the state's share of disaster costs (\$7,472,145).