

PROPOSED AMENDMENTS TO SENATE BILL NO. 2016

Page 1, line 2, replace "and" with "to amend and reenact sections 37-07.1-03 and 37-07.2-01 of the North Dakota Century Code, relating to the national guard tuition waiver and national guard tuition grants;"

Page 1, line 2, after "transfer" insert "; to provide for a report; to provide a statement of legislative intent; to provide an exemption; 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	\$6,666,525	\$147,083	\$6,813,608
Operating expenses	3,525,934	(758,613)	2,767,321
Capital assets	224,046	0	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	<u>0</u>	<u>600,000</u>	<u>600,000</u>
Total all funds	\$81,611,332	(\$8,447,062)	\$73,164,270
Less estimated income	<u>65,174,778</u>	<u>(10,426,348)</u>	<u>54,748,430</u>
Total general fund	\$16,436,554	\$1,979,286	\$18,415,840"

Page 2, replace lines 5 through 15 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
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	0	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	<u>0</u>	<u>785,000</u>	<u>785,000</u>
Total all funds	\$87,874,570	(\$17,010,520)	\$70,864,050
Less estimated income	<u>78,424,702</u>	<u>(16,757,646)</u>	<u>61,667,056</u>
Total general fund	\$9,449,868	(\$252,874)	\$9,196,994"

Page 2, replace lines 18 through 23 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$25,886,422	\$1,726,412	\$27,612,834
Grand total special funds	<u>143,599,480</u>	<u>(27,183,994)</u>	<u>116,415,486</u>
Grand total all funds	\$169,485,902	(\$25,457,582)	\$144,028,320
Full-time equivalent positions	234.00	(10.00)	224.00"

Page 2, line 24, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY"

Page 2, line 25, after "biennium" insert "and the 2019-21 biennium one-time funding items included in section 1 of this Act"

Page 2, remove lines 28 through 31

Page 3, replace lines 1 and 2 with:

"Emergency response equipment	569,000	660,000
Camp Grafton expansion	0	600,000
Uninterruptible power supply battery replacement	0	20,000
Computer-aided dispatch equipment	0	516,000
Message switch system upgrade	0	335,000
Dispatching service fee shortfall	0	1,212,253
Dakota access pipeline law enforcement	21,000,000	0
Mobile repeaters and programming radios	300,000	0
Total all funds	\$54,869,000	\$3,343,253
Total other funds	<u>54,869,000</u>	<u>3,162,253</u>
Total general fund	\$0	\$181,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The adjutant general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 3, after line 8, insert:

"SECTION 4. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes \$600,000 of one-time funding from the strategic investment and improvements fund for the camp Grafton expansion. The estimated income line item in subdivision 2 of section 1 of this Act includes \$1,902,253 of one-time funding from the strategic investment and improvements fund for computer-aided dispatch equipment, message switch system upgrades, and 911 dispatching service operations due to a revenue shortfall.

SECTION 5. CAMP GRAFTON EXPANSION - LEGISLATIVE INTENT. It is the intent of the sixty-sixth legislative assembly that:

1. The adjutant general purchase options during the period beginning with the effective date of this Act and ending June 30, 2021, 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-seventh 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, 2021, and ending June 30, 2023.
3. The adjutant general not use eminent domain for the expansion of camp Grafton.

SECTION 6. AMENDMENT. Section 37-07.1-03 of the North Dakota Century Code is amended and reenacted as follows:

37-07.1-03. Tuition waiver - Terms.

A qualifying member of the national guard who enrolls in any state-controlled school, subject to rules adopted by the adjutant general, is entitled to receive a ~~twenty-five~~thirty-five percent waiver of the tuition from the state-controlled school, conditioned on the adjutant general having sufficient appropriations for tuition reimbursement under section 37-07.1-06.2. The tuition waiver is valid only so long as the member of the national guard maintains satisfactory performance with the guard, meets the qualification requirements of rules adopted by the adjutant general, and pursues a course of study in a manner that satisfies the normal requirements of the school.

SECTION 7. AMENDMENT. Section 37-07.2-01 of the North Dakota Century Code is amended and reenacted as follows:

37-07.2-01. National guard ~~tuition~~member grants and tuition waivers - Terms of grants.

Any

1. Subject to legislative appropriation and rules adopted by the adjutant general, a qualifying member of the national guard who enrolls in an accredited postsecondary institution in North Dakota which is not controlled by the state may, subject to the limitations of available appropriated funds and subject to national guard rules adopted by the adjutant general, receive a grant in an amount not to exceed the cost of tuition and fees for similar courses and credit hours for each a qualifying member of the national guard who is enrolled at in the North Dakota university system school institution with the highest tuition and fee rate.
2. Any accredited postsecondary institution that agrees to participate in such is not controlled by the state and which participates in the national guard member grant program must shall waive twenty-five percent of the tuition for that otherwise would be charged to each enrolled, qualifying member of the national guardsmenguard. These grants must be distributed according to rules promulgated by the adjutant general and are available only so
3. The adjutant general shall adopt rules for distributing grants under this section and establishing qualification requirements for grant recipients.
4. A member of the national guard may receive a grant under this section only as long as the member maintains satisfactory performance with the national guard, meets the qualification requirements of the rules adopted under this section, and pursues a course of study which satisfiessatisfying the normal requirements of the schoolpostsecondary institution in which the member is enrolled.
5. For purposes of calculating the grant amount under subsection 1, the "cost of tuition and fees for similar courses and credit hours for a qualifying member of the national guard who is enrolled in the North Dakota university system institution with the highest tuition and fee rate" may not

be reduced by more than twenty-five percent pursuant to section 37-07.1-03."

Page 3, after line 15, insert:

"SECTION 9. EXEMPTION. Any amounts carried over in the radio communications line item for the state radio tower package, in section 7 of chapter 15 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for completing these projects or for technology upgrade costs required to implement the statewide interoperable radio network during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 10. EXEMPTION. The amount appropriated in the tuition, recruiting, and retention line item in subdivision 1 of section 1 of chapter 15 of the 2017 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, 2019, and ending June 30, 2021.

SECTION 11. EXEMPTION. Any amounts carried over pursuant to section 11 of chapter 15 of the 2017 Session Laws which are unexpended as of June 30, 2019, are not subject to section 54-44.1-11 and are available for payment of adjusted compensation to veterans. Any unexpended funds from this appropriation must be transferred to the veterans' cemetery trust fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 12. EXEMPTION. The amount of \$300,000 from the strategic investment and improvements fund appropriated in the operating expenses line item in subdivision 2 of section 1 of chapter 15 of the 2017 Session Laws for mobile repeaters and programming radios is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to complete this project during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 13. EXEMPTION. Any amounts carried over in the disaster costs line item for grants to political subdivisions for amounts required to match federal dollars on road grade raising projects and federal emergency relief funding pursuant to section 13 of chapter 15 of the 2017 Session Laws which are unexpended as of June 30, 2019, are not subject to section 54-44.1-11. Any unexpended funds from this appropriation are available for these purposes during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 14. EXEMPTION. The amount of \$8,530,116 from the state disaster relief trust fund appropriated in the disaster costs line item in subdivision 2 of section 1 of chapter 15 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this appropriation may be used to provide the required state share for the purposes of reimbursing costs under section 37-17.1-27 during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 15. EMERGENCY. Sections 4 and 5 and the camp Grafton expansion and tuition, recruiting, and retention line items in subdivision 1 of section 1 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Summary of Senate Action

	Base Budget	Senate Changes	Senate Version
Adjutant General			
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	<u>\$16,436,554</u>	<u>\$1,979,286</u>	<u>\$18,415,840</u>
FTE	155.00	(1.00)	154.00
Department of Emergency Services			
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	<u>\$9,449,868</u>	<u>(\$252,874)</u>	<u>\$9,196,994</u>
FTE	79.00	(9.00)	70.00
Bill total			
Total all funds	\$169,485,902	(\$25,457,582)	\$144,028,320
Less estimated income	143,599,480	(27,183,994)	116,415,486
General fund	<u>\$25,886,422</u>	<u>\$1,726,412</u>	<u>\$27,612,834</u>
FTE	234.00	(10.00)	224.00

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	<u>\$16,436,554</u>	<u>\$1,979,286</u>	<u>\$18,415,840</u>
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</u> <u>Positions</u>	<u>General</u> <u>Fund</u>	<u>Other</u> <u>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	0.00	221,598	(132,379)	89,219
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	300,000	(12,000,000)	(11,700,000)
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 - Department of Emergency Services - Senate Action

	<u>Base</u> <u>Budget</u>	<u>Senate</u> <u>Changes</u>	<u>Senate</u> <u>Version</u>
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

	<u>Adjusts</u> <u>Funding for</u> <u>Base Payroll</u> <u>Changes¹</u>	<u>Adds Funding</u> <u>for Salary and</u> <u>Benefit</u> <u>Increases²</u>	<u>Removes FTE</u> <u>Positions³</u>	<u>Adjusts</u> <u>Funding and</u> <u>FTE Positions</u> <u>for IT</u> <u>Unification⁴</u>	<u>Adjusts</u> <u>Funding for</u> <u>Operating</u> <u>Expenses⁵</u>	<u>Reduces</u> <u>Funding for</u> <u>Disaster Costs</u> <u>and Grants⁶</u>
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 - 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.