

**Adjutant General, including the National Guard and the Department of Emergency Services**  
**Budget No. 540**  
**House Bill Nos. 1016, 1395, and 1505; Senate Bill No. 2345**

	FTE Positions	General Fund	Other Funds	Total
2021-23 legislative appropriation	222.00	\$24,862,232 <sup>1</sup>	\$174,356,231	\$199,218,463
2019-21 legislative appropriation	<u>222.00</u>	<u>27,571,197</u>	<u>284,229,029</u>	<u>311,800,226</u>
2021-23 appropriation increase (decrease) to 2019-21 appropriation	0.00	(\$2,708,965)	(\$109,872,798)	(\$112,581,763)

<sup>1</sup>This amount includes \$1,980,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$22,882,232.

**Item Description**

**FTE changes** - The 2021-23 biennium appropriation includes 222 FTE positions, the same number authorized for the 2019-21 biennium. The Legislative Assembly added 2 FTE State Radio positions and removed 1 FTE facility services position and 1 FTE reintegration program position.

**One-time funding** - The Legislative Assembly provided \$40,857,873 of one-time funding to the Adjutant General for the 2021-23 biennium as follows:

	General Fund	Other Funds	Total
Emergency response equipment and supplies	\$100,000		\$100,000
Camp Grafton expansion land purchase	1,750,000	\$1,750,000	3,500,000
Fraine Barracks complex automation system	80,000	240,000	320,000
National Guard deferred maintenance		1,000,000	1,000,000
Fargo Readiness Center equipment	50,000	50,000	100,000
Dickinson Readiness Center project		15,500,000	15,500,000
Bridge training site project		6,000,000	6,000,000
North Dakota military museum		10,000,000	10,000,000
Emergency management performance grant		887,873	887,873
Payroll expenses		1,000,000	1,000,000
State active-duty software		450,000	450,000
Camp Grafton housing		2,000,000	2,000,000
<b>Total</b>	<b>\$1,980,000</b>	<b>\$38,877,873</b>	<b>\$40,857,873</b>

**Status/Result**

The Adjutant General reclassified the 2 FTE positions from the National Guard division to add a Communications Specialist I FTE position and a Communications Specialist II FTE position in the State Radio division.

The following is a summary of the status of the Adjutant General's one-time funding:

Emergency response equipment and supplies	The Adjutant General has not spent any of this funding as of March 31, 2022. The agency does intend to spend the entire \$100,000 during the 2021-23 biennium.
Camp Grafton expansion land purchase	See <b>Camp Grafton expansion</b> section below.
Fraine Barracks complex automation system	The Adjutant General has not spent any of this funding as of March 31, 2022. The agency anticipates completion of the project during the 2021-23 biennium.
National Guard deferred maintenance	The Adjutant General spent \$14,500 on National Guard deferred maintenance through March 31, 2022 and anticipates spending most of the remaining funds during the summer 2022 construction season.
Fargo Readiness Center equipment	The Adjutant General spent \$100,000 for the purchase of equipment for the Fargo Readiness Center, including lawnmowers, snowblowers, welders, and other items.
Dickinson Readiness Center project	The Adjutant General reported the project is in the design phase and most of the funds appropriated for the project will be spent during the 2023-25 biennium with an anticipated completion date of June 2024.
Bridge training site project	The Adjutant General reported North Dakota was chosen as a state for a bridge training site. The agency reported the project is in the design phase and no funds have been expended as of March 31, 2022.

North Dakota military museum	The Adjutant General has held meetings with the State Historical Society and the Capitol Grounds Planning Commission; however, no funds have been raised for the project as of March 31, 2022.
Emergency management performance grant	The Adjutant General has not spent any of the \$887,873 from federal funds for an emergency management performance grant as of March 2022.
Payroll expenses	The Adjutant General used the \$1 million of federal funds to replace general fund payroll costs for State Radio dispatchers.
State active-duty software	The Adjutant General has spent \$1,451 through March 2022 and anticipates requesting carryover authority from the 2023 Legislative Assembly to pay for the annual costs of operating the new system.
Camp Grafton housing	The Adjutant General has spent \$63,092 through March 2022 and plans for construction to begin during the summer of 2022.

**Camp Grafton expansion** - The Legislative Assembly, in Senate Bill No. 2016 (2019), appropriated \$600,000 for the 2019-21 biennium from the strategic investment and improvements fund to expand Camp Grafton by up to 6,000 acres, including an expansion of the gun range. The funding was for the purchase of options to purchase or lease land for the expansion. In House Bill No. 1016 (2021), the Legislative Assembly appropriated \$280,000 of ongoing funding from the general fund to lease land and \$1.75 million of one-time funding from the general fund to purchase land for the Camp Grafton expansion. The \$1.75 million of one-time funding from the general fund was to be transferred to the National Guard training area and facility development trust fund, the sum of which was appropriated from the special fund. The Adjutant General was also authorized to continue unspent funds from the 2019-21 biennium appropriation of \$600,000 from the strategic investment and improvements fund for the purchase or lease of land for the expansion of Camp Grafton.

**Fire emergency and wildfire response** - The Legislative Assembly, in Section 6 of House Bill No. 1016, provided authorization for the Adjutant General to borrow \$2.5 million from the Bank of North Dakota for fire emergency and wildfire response mutual aid.

**Other carryover items** - The Legislative Assembly, in Sections 10 through 14 of House Bill No. 1016, provided exemptions allowing the Adjutant General to continue unspent appropriation authority into the 2021-23 biennium relating to the statewide interoperable radio network; tuition, recruiting, and retention; computer-aided dispatch equipment; message switch upgrade costs; and the Camp Grafton expansion.

The Adjutant General continued \$556,100 of appropriation authority from the strategic investment and improvements fund for the expansion of Camp Grafton and has spent \$5,000 as of March 31, 2022. The agency is continuing to engage with landowners to pursue lease or purchase agreements; however, the Adjutant General has delayed the project due to a pending change in ammunition anticipated to be used at the gun range.

The Adjutant General spent approximately \$715,000 through March 31, 2022, for wildland firefighting costs and related payroll.

The following is a summary of the status of the Adjutant General's carryover funding:

Statewide interoperable radio network	The Adjutant General continued \$85,650 from the strategic investment and improvements fund and has spent the entire amount for mobile repeaters, programming radios, and for technology upgrade costs to implement the statewide interoperable radio network.
Tuition, recruiting, and retention	The Adjutant General continued \$1,537,873 from the general fund for tuition, recruiting, and retention and has spent \$756,000 on tuition costs through March 2022.
Computer-aided dispatch equipment	The Adjutant General continued \$315,387 for the computer-aided dispatch equipment, including \$3,739 from the general fund and \$311,648 from the strategic investment and improvements fund. The project is continuing and the Adjutant General has spent \$3,600 of the funding from the general fund and \$50,868 from the strategic investment and improvements fund through March 2022.
Message switch upgrade	The message switch upgrade project was completed during the 2019-21 biennium and no funding was continued for the project.
Camp Grafton expansion	See <b>Camp Grafton expansion</b> section above.

**Dakota Access Pipeline response** - The Adjutant General received authority to borrow \$43 million from the Bank of North Dakota for expenses relating to unlawful activity associated with the construction of the Dakota Access Pipeline (DAPL) as follows:

September 21, 2016, Emergency Commission meeting	\$6,000,000
November 1, 2016, Emergency Commission meeting	4,000,000
November 30, 2016, Emergency Commission meeting	7,000,000
House Bill No. 1024 (2017)	10,000,000
Senate Bill No. 2174 (2017)	11,000,000
September 25, 2017, Emergency Commission meeting	5,000,000
<b>Total</b>	<b>\$43,000,000</b>

**Emergency Commission approvals** - The Adjutant General has received Emergency Commission approval to accept and spend funds relating to various disasters and emergencies.

The Adjutant General received \$10 million from the federal government for repayment of DAPL response loans. Energy Transfer Partners paid an additional \$15 million directly to the Bank of North Dakota for repayment of Adjutant General DAPL response loans. As of March 31, 2022, the Adjutant General has outstanding DAPL response loans totaling \$13.4 million and anticipates \$575,000 of interest accruing by the end of the biennium. The Attorney General has filed a lawsuit against the federal Army Corps of Engineers is seeking reimbursement for the state for the DAPL response costs. The discovery phase of the case is nearing completion and a 10-day bench trial is scheduled to start on May 1, 2023.

The Adjutant General received 2021-23 biennium spending and borrowing authority from the Emergency Commission for the following items:

- Approval in September 2021 for \$3,234,023 of federal funds spending authority and to accept and spend \$509,604 from Bank of North Dakota loans relating to summer 2021 severe storms.
- Approval in September 2021 for \$12,389,893 of federal funds spending authority and to accept and spend \$1,789,652 from Bank loans relating to the COVID-19 pandemic.

**Deficiency appropriation requests** - As identified in the **Emergency Commission approvals, Dakota Access Pipeline response, and Fire emergency and wildfire response** sections above, the Adjutant General has received approval to borrow from the Bank of North Dakota for various disasters and emergency programs.

The Adjutant General anticipates requesting deficiency appropriations totaling approximately \$15,000,000 from the 2023 Legislative Assembly for the repayment of Bank of North Dakota loans related to fire emergency and wildfire response (\$715,000), summer 2021 storms (\$125,000), the COVID-19 pandemic (\$200,000), DAPL unlawful activity response (\$13,362,262), and interest (\$600,000).