

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2025
(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the department of veterans' affairs; to amend and reenact sections 37-15-03, 37-15-07, 37-15-16, 37-18-01, and 37-18-07, subsection 1 of section 37-18-12, and section 37-18.1-03 of the North Dakota Century Code, relating to the administrative committee on veterans' affairs; to provide for a transfer; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from other funds derived from federal funds, to the department of veterans' affairs for the purpose of defraying the expenses of the department of veterans' affairs, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Veterans' affairs	\$1,897,804	\$832,713	\$2,730,517
State approving agency	323,129	67,207	390,336
New and vacant FTE pool	0	202,907	202,907
Grants - transportation program	1,126,085	193,621	1,319,706
Transport vans	18,800	4,200	23,000
Service dogs	0	50,000	50,000
Veterans' home cemetery	0	291,500	291,500
Total all funds	\$3,365,818	\$1,642,148	\$5,007,966
Less other funds	1,449,214	558,948	2,008,162
Total general fund	\$1,916,604	\$1,083,200	\$2,999,804
Full-time equivalent positions	9.00	1.00	10.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Homeless veterans' services	\$500,000	\$0	\$500,000
Veterans' home cemetery	0	291,500	291,500
Total	\$500,000	\$291,500	\$791,500

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The department of veterans' affairs may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the veterans' affairs and state approving agency line items in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. APPROPRIATION - TRANSPORTATION GRANT PROGRAM - FEDERAL FUNDS - 2023-25 BIENNIUM. There is appropriated from federal funds, the sum of \$200,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the highly rural transportation

grants program, for the period beginning with the effective date of this section and ending June 30, 2025.

SECTION 5. APPROPRIATION - TRANSFER TO VETERANS' POSTWAR TRUST FUND - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, which the office of management and budget shall transfer to the veterans' postwar trust fund, for the biennium beginning July 1, 2025, and ending June 30, 2027. The appropriation in this section is considered a one-time funding item.

SECTION 6. AMENDMENT. Section 37-15-03 of the North Dakota Century Code is amended and reenacted as follows:

37-15-03. Government of veterans' home.

The general supervision and government of the veterans' home is vested in the ~~administrative committee on veterans' affairs~~ governor.

SECTION 7. AMENDMENT. Section 37-15-07 of the North Dakota Century Code is amended and reenacted as follows:

37-15-07. Administrator of veterans' home - Appointment - Qualifications.

The appointment, qualifications, term of office, and salary of the administrator of the veterans' home must be as prescribed in ~~section 37-18-1-03~~ by the governor. The ~~administrative committee on veterans' affairs~~ governor may designate the administrator as commandant of the veterans' home if the administrator is an honorably discharged veteran.

SECTION 8. AMENDMENT. Section 37-15-16 of the North Dakota Century Code is amended and reenacted as follows:

37-15-16. Administrator shall take charge of unclaimed estates of small value.

If a member of the veterans' home dies leaving property of the value of three thousand dollars or less, the administrator immediately shall take charge of the property. If within forty-five days of the date of death a valid claim of any heir or devisee is not made for the property and an application or petition has not been filed for issuance of letters of administration, the administrator shall convert the property into cash without probate or other proceedings and make payment first toward reasonable funeral expenses and second toward reasonable and necessary medical and hospital expenses of the last illness of the decedent. If any cash remains, the administrator shall deposit the cash with the state treasurer who shall credit it to the veterans' home operating fund. The administrator shall make a report of the administrator's action to the administrative committee on veterans' affairs and the governor. The report must be audited by, and included in the records of, the committee.

SECTION 9. AMENDMENT. Section 37-18-01 of the North Dakota Century Code is amended and reenacted as follows:

37-18-01. Department established - Commissioner.

There is hereby established a department of veterans' affairs under the supervision and control of a commissioner known as commissioner of veterans' affairs, hereinafter referred to as the commissioner. The commissioner must be a bona fide resident of the state, and must qualify as a veteran as defined in section 37-01-40. The commissioner shall serve at the pleasure of the governor.

SECTION 10. AMENDMENT. Section 37-18-07 of the North Dakota Century Code is amended and reenacted as follows:

37-18-07. Commissioner - Appointment - Qualifications - Term - Salary.

The appointment, qualifications, term of office, and salary of the commissioner must be as prescribed in ~~section 37-18.1-03~~ by the governor. The commissioner must be allowed such amounts for travel, clerkhire, and expenses as may be prescribed from time to time by legislative appropriations.

SECTION 11. AMENDMENT. Subsection 1 of section 37-18-12 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as otherwise provided by subsection 2, the department of veterans' affairs may accept and expend funds from any source, including federal or private sources, to be used to assist veterans or qualified veterans' spouses in obtaining assistance and to pay other expenses authorized by law incurred in carrying out programs of benefit and service for resident North Dakota veterans as authorized by the ~~administrative committee on veterans' affairs~~ governor with the approval of the emergency commission.

SECTION 12. AMENDMENT. Section 37-18.1-03 of the North Dakota Century Code is amended and reenacted as follows:

37-18.1-03. Powers and duties of committee - Creation of subcommittee and governing board.

The committee is responsible for advising the governor on the organization, policy, and general administration of all veterans' affairs in the state of North Dakota. It has the following powers and duties, and responsibilities:

1. The chairman and secretary of the committee, acting jointly, shall appoint a seven-member governing board for advising the governor on administration of the veterans' home, from within or outside the committee, subject to ratification of a majority vote of the committee, and shall establish term lengths for service on the governing board. ~~The governing board has all ordinary powers required of a governing board, including the power to establish qualifications for and selection of an administrator and to establish an appropriate salary structure, subject to limitations of legislative appropriation. The administrator serves at the pleasure of the governing board.~~
2. The chairman and secretary of the committee jointly shall appoint a subcommittee to be responsible for advising the governor on the supervision and government of the department of veterans' affairs. Once appointed, a subcommittee member may continue to serve as long as the member remains a voting member of the committee, unless removed from the subcommittee by joint action of the committee chairman and secretary. A member of the subcommittee may not serve on the governing board of the veterans' home. Each nominating organization listed in section 37-18.1-01 must have at least one voting member nominated by the organization serving on the subcommittee. The subcommittee shall select by majority vote of the members a chairman to preside for the term of one year.
3. ~~The committee shall appoint the commissioner of the department of veterans' affairs. The commissioner must be a bona fide resident of the state, and must qualify as a veteran as defined in section 37-01-40. The commissioner serves at the pleasure of the committee. The committee shall determine the salary paid to the commissioner of the department of veterans' affairs within the limits of legislative appropriation. The commissioner of veterans' affairs shall serve as the executive secretary for the subcommittee. The commissioner has no vote in the affairs of the subcommittee.~~
4. The committee, under recommendation from the board or the subcommittee, shall present any matters needing attention and action to the ~~appropriate board, commission, agency, or department of the state, and the North Dakota veterans' legislative council~~ governor.

5. The committee shall ~~assure~~advise the governor regarding compliance with applicable federal and state laws in the administration of both the department of veterans' affairs and the North Dakota veterans' home and shall exercise its responsibilities in all things necessary to ~~carry out the provisions of this chapter~~advise the governor in regard to organization, policy, and general administration of the agencies served and involved in the conduct of veterans' affairs. ~~The board governing the veterans' home and the subcommittee governing the department of veterans' affairs shall conduct an annual performance evaluation of the administrator and commissioner, respectively, with the evaluation presented to the committee. The board and subcommittee shall create and implement a strategic plan for the veterans' home and the department of veterans' affairs, respectively. The board and the subcommittee annually shall report as to the status of the respective strategic plan to the committee. After receiving a report, the committee shall submit the report to the governor.~~

SECTION 13. EXEMPTION - UNEXPENDED APPROPRIATIONS. The following appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended funds may be continued into the biennium beginning July 1, 2025, and ending June 30, 2027:

1. The sum of \$500,000 continued in section 5 of chapter 25 of the 2023 Session Laws appropriated from the federal state fiscal recovery fund for a grant to assist in the construction of the Fisher house at the Fargo veterans' affairs medical center in subsection 32 of section 1 of chapter 550 of the 2021 Session Laws;
2. The sum of \$147,000 continued in section 5 of chapter 25 of the 2023 Session Laws appropriated from the federal state fiscal recovery fund for improving and expanding veterans' medical transportation in subsection 33 of section 1 of chapter 550 of the 2021 Session Laws;
3. The sum of \$19,066 appropriated from the general fund for accrued leave of retiring staff in section 1 of chapter 25 of the 2023 Session Laws;
4. The sum of \$100,836 appropriated from the federal state fiscal recovery fund for a document scanning project in section 1 of chapter 25 of the 2023 Session Laws; and
5. The sum of \$500,000 appropriated from the federal state fiscal recovery fund for a grant to assist in the construction of the Fisher house at the Fargo veterans' affairs medical center in section 1 of chapter 26 of the 2023 Session Laws.

SECTION 14. EMERGENCY. Section 4 of this Act is declared to be an emergency measure.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2025 and that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 43 Nays 3 Absent 1

President of the Senate

Secretary of the Senate

This certifies that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 69 Nays 22 Absent 3

Speaker of the House

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,
at _____ o'clock _____ M.

Secretary of State