

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO. 2018

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 commerce; to provide exemptions; to provide for an adult; to provide for a transfer; to establish
3 a state grant program for childcare; and to provide for state biofuels blender pumps and
4 alternative energy grant program.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 **SECTION 1. APPROPRIATION.** The provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the department of commerce for the purpose of defraying the expenses of the
10 department of commerce, for the biennium beginning July 1, 2009, and ending June 30, 2011,
11 as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13 Salaries and wages	\$8,826,879	\$1,359,088	\$10,185,967
15 Operating expenses	14,308,688	119,584	14,428,272
16 Capital assets	25,000	0	25,000
17 Grants	48,774,748	7,111,310	55,886,058
18 Discretionary funds	1,450,127	(522,044)	928,083
19 Economic development initiatives	1,296,846	(1,110,000)	186,846
20 Agriculture products utilization comm.	3,008,193	(471,563)	2,536,630
21 North Dakota trade office	1,500,000	500,000	2,000,000
22 Partner programs	<u>50,000</u>	<u>1,972,044</u>	<u>2,022,044</u>
23 Total all funds	\$79,240,481	\$8,958,419	\$88,198,900
24 Less special funds	<u>55,758,516</u>	<u>(2,049,655)</u>	<u>53,708,861</u>

1	Total general fund appropriation	\$23,481,965	\$11,008,074	\$34,490,039
2	Full-time equivalent positions	66.00	2.00	68.00

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
4 **SIXTY-SECOND LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
5 funding approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11
6 one-time funding items included in the appropriation in section 1 of this Act.

7	<u>One-time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
8	Transfer to development fund	\$3,000,000	
9	Tax expenditure and business incentive reports	100,000	
10	Transfer to workforce enhancement fund		2,000,0000
11	Ethanol/biodiesel blender pumps		
12	and alternative energy		2,000,000
13	Grants to establish or expand childcare		3,500,000
14	Promotion and marketing of U.S.S.		
15	North Dakota		100,000
16	Total general fund	\$3,100,000	\$7,600,000

17 The 2009-11 one-time funding amounts are not a part of the entity's base budget for the
18 2011-13 biennium. The department of commerce shall report to the appropriation committees
19 of the sixty-second legislative assembly on the use of this one-time funding for the biennium
20 beginning July 1, 2009, and ending June 30, 2011.

21 **SECTION 3. AGRICULTURE FUEL TAX REFUNDS.** The estimated income line item
22 in section 1 of this Act includes \$575,000 from refunds of tax for fuel used for agriculture
23 purposes to be used by the agriculture products utilization commission, for the biennium
24 beginning July 1, 2009, and ending June 30, 2011.

25 **SECTION 4. EXEMPTION.** The amount appropriated for the agricultural products
26 utilization commission in section 3 of chapter 18 of the 2007 session laws is not subject to
27 section 54-44.1-11 and any unexpended funds from this line item for grants are available for
28 grants during the biennium beginning July 1, 2009, and ending June 30, 2011.

29 **SECTION 5. EXEMPTION.** The amount appropriated for the discretionary funds line
30 item in section 3 of chapter 18 of the 2007 session laws is not subject to section 54-44.1-11 and

any unexpended funds from this line item are available during the biennium July 1, 2009, and ending June 30, 2011.

SECTION 6. EXEMPTION. The amount appropriated for internships contained in the economic development initiative line items in section 3 of chapter 18 of the 2007 session laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. STATE GRANT PROGRAM FOR CHILDCARE. The sum of \$3,500,000, or so much of the sum as may be necessary, included in the grants line item in section 1 of this Act, must be used to provide matching grants to economic development corporations, regional councils, job development authorities, or chambers of commerce to develop new childcare programs, expand existing programs and to provide technical assistance including the development of business plans. The state grants require one dollar of matching funds from other public or private sources for every three dollars of state funds.

SECTION 8. STATE BIOFUELS BLENDER PUMPS AND RENEWABLE ENERGY GRANT PROGRAM. The sum of \$2,000,000, or so much of the sum as may be necessary, included in the grants line item in section 1 of this Act, is to establish a cost-share program to encourage the installation of retail biofuels blender pumps. The funds shall be used to encourage the installation of multi-product fuel dispensers which provide multiple consumer determined ratios of ethanol and gasoline; or varying biodiesel blends with mineral diesel from a single dispenser. The funds not utilized to provide biofuels blender pump cost-share grants may be used by the department for renewable energy and energy conservation programs and initiatives.

SECTION 9. TAX COMMISSIONER - AUDIT OF ETHANOL PRODUCTION INCENTIVE PROGRAM. The tax commissioner shall conduct an audit of the ethanol production incentive program during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. TRADE OFFICE - MATCHING FUND REQUIREMENT. The total North Dakota trade office special line and the general fund appropriation in section 1 of this Act includes \$2,000,000 of funding relating to the North Dakota trade office. The department of commerce may spend fifty percent of this amount without requiring any matching funds from the trade office. Any additional amounts may be spent only to the extent that the North Dakota

1 trade office provides one dollar of matching funds from private or other public sources for each
2 one dollar provided by the department for the biennium beginning July 1, 2009, and ending
3 June 30, 2011. Matching funds may include money spent by businesses or organizations to
4 pay salaries to export assistants, provide training to export assistants, or buy computer
5 equipment as part of the North Dakota trade office's export assistance program.

6 **SECTION 11. TRANSFER TO THE WORKFORCE ENHANCEMENT FUND.** The sum
7 of \$2,000,000 from the general fund included in the grant line item in Section 1 is to be
8 transferred to the workforce enhancement fund, a continuing appropriation, to assist two year
9 colleges in responding to business and industry workforce training.