

Sixty-third
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1174

Introduced by

Representative Keiser

1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
2 Century Code, relating to creation of the corporate headquarters relocation program within the
3 department of commerce; to provide an appropriation; to provide an exemption; and to provide
4 an expiration date.

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

6 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Corporate headquarters relocation program.**

9 1. The commissioner shall establish and implement a corporate headquarters relocation
10 program to provide grants to qualified businesses that locate or relocate the
11 businesses' headquarters to the state. The grants awarded by the department under
12 this section may not exceed the biennial appropriation for the grant program. If the
13 amount of the appropriation is insufficient to meet the obligations for grants awarded
14 under this section, the department may prorate the payment.

15 2. In order to qualify for receipt of a grant under the program:

16 a. An applicant must be an out-of-state, energy-related business that is locating or
17 relocating its headquarters in this state;

18 b. The applicant must have at least ten employees who are located and working in
19 North Dakota on a full-time, permanent basis; and

20 c. The applicant's business may not be a professional services company.

21 3. The department shall provide a qualified grant recipient with three annual grant
22 payments. The department may not distribute an annual payment unless the recipient
23 establishes the business maintained its qualifications for the preceding twelve months.
24 The amount of an annual payment must be based on the business's employment

1 history for the preceding twelve months. If a grant recipient fails to maintain its
2 qualifications for any year, the recipient is disqualified from receiving any remaining
3 grant payments under this section.

4 4. The department shall calculate the amount of a grant recipient's annual payment
5 under this section by determining the number of the business's qualified employees. In
6 order to qualify as an employee under this subsection, the employee must be located
7 in North Dakota and working in the business's North Dakota headquarters on a
8 full-time, permanent basis. An annual grant payment is calculated as follows:

- 9 a. One hundred thousand dollars per qualified employee with an annual salary of at
10 least four hundred percent of the statewide average annual wage; and
11 b. Fifty thousand dollars per qualified employee with an annual salary of at least two
12 hundred and fifty percent and less than four hundred percent of the statewide
13 average annual wage.

14 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general
15 fund in the state treasury, not otherwise appropriated, the sum of \$15,000,000, or so much of
16 the sum as may be necessary, to the department of commerce for the purpose of funding the
17 corporate headquarters relocation program, for the biennium beginning July 1, 2013, and
18 ending June 30, 2015.

19 **SECTION 3. EXEMPTION.** The amount appropriated for the corporate headquarters
20 relocation program in section 2 of this Act is not subject to section 54-44.1-11 and any
21 unexpended funds from this appropriation are available for payment of grants that were
22 awarded during the 2013-15 biennium.

23 **SECTION 4. EXPIRATION DATE.** Section 1 of this Act is effective through July 30, 2015,
24 and after that date is ineffective.