

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~~award a qualified grant recipient ~~with~~a grant that is
22 distributed in three equal annual grant payments. The department may not distribute
23 an annual grant payment unless the recipient establishes the business maintained its
24 qualifications for the preceding twelve months. ~~The amount of an annual payment~~

~~must be based on the business's employment history for the preceding twelve months.~~

If a grant recipient fails to maintain its qualifications for any year, the recipient is disqualified from receiving any remaining grant payments related to the award under this section.

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

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

5. Although a qualified business may apply for more than one grant award under this section, a qualified employee under subsection 4 may not be counted in more than one grant application.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of ~~\$15,000,000~~\$2,500,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of funding the corporate headquarters relocation program, for the biennium beginning July 1, 2013, and ending June 30, 2015.

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

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