

Sixty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2078

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 transfers; and to declare an emergency.

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

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
5 as may be necessary, are appropriated out of any moneys in the general fund in the state
6 treasury, not otherwise appropriated, and from special funds derived from federal funds and
7 other income, to the department of commerce for the purpose of defraying the expenses of the
8 department of commerce, for the biennium beginning July 1, 2017, and ending June 30, 2019,
9 as follows:

10			Adjustments or	
11		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12	Salaries and wages	\$13,015,999	\$46,487	\$13,062,486
13	Operating expenses	16,384,623	(1,172,001)	15,212,622
14	Grants	48,134,795	4,405,591	52,540,386
15	Discretionary funds	784,152	30,688	814,840
16	Flood impact grants/loans	0	5,201,752	5,201,752
17	Agricultural products utilization commission	3,118,611	36,318	3,154,929
18	North Dakota trade office	2,556,694	(204,634)	2,352,060
19	Partner programs	2,173,829	(173,989)	1,999,840
20	Entrepreneurship grants and vouchers	<u>1,500,000</u>	<u>0</u>	<u>1,500,000</u>
21	Total all funds	\$87,668,703	\$8,170,212	\$95,838,915
22	Less estimated income	<u>53,809,604</u>	<u>9,490,967</u>	<u>63,300,571</u>
23	Total general fund	\$33,859,099	(\$1,320,755)	\$32,538,344
24	Full-time equivalent positions	69.40	(3.00)	66.40

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2015-17 biennium:

<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2015-19</u>
Workforce enhancement fund	\$960,069	\$0
Flood impact grants/loans	12,859,869	0
Research North Dakota	4,353,542	0
Unmanned aircraft system	2,662,105	0
Base retention grants	1,500,000	0
Tourism large infrastructure grants	586,000	0
Enhanced use lease grant	7,500,000	0
Child care facility grants	2,131,267	0
Homeless shelter grants	1,500,000	0
Tribal community college grants	2,837,130	0
Workforce recruitment campaign	300,000	0
Tourism midwest markets	848,481	0
Entrepreneurship grants and vouchers	1,716,830	0
Tourism international	227,836	0
Educators and industry externships	<u>40,000</u>	<u>0</u>
Total all funds	\$40,023,129	\$0
Less estimated income	<u>21,359,869</u>	<u>0</u>
Total general fund	\$18,663,260	\$0

SECTION 3. EXEMPTION. The amount appropriated for the agricultural products utilization commission in section 1 of chapter 18 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item for grants are available for grants during the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 4. EXEMPTION. The amount appropriated for the discretionary funds line item in section 1 of chapter 18 of the 2015 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, 2017, and ending June 30, 2019.

SECTION 5. EXEMPTION. The amount appropriated for the unmanned aircraft systems program in section 1 of chapter 18 of the 2015 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, 2017, and ending June 30, 2019.

SECTION 6. TRANSFER - INTERNSHIP FUND. The office of management and budget shall transfer \$1,500,000 of the amount appropriated in the operating expenses line item in section 1 of this Act to the internship fund for the purpose of administering the operation intern program, for the period beginning with the effective date of this Act and ending June 30, 2019.

SECTION 7. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - BASE RETENTION GRANT PROGRAM. The grants line item in section 1 of this Act includes the sum of \$1,000,000 from the strategic investment and improvements fund for a base retention grant program to be developed by the department of commerce, for the biennium beginning July 1, 2017, and ending June 30, 2019. The grant program must award direct grants and not cost reimbursement grants.

SECTION 8. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNMANNED AIRCRAFT SYSTEMS PROGRAM. The grants line item in section 1 of this Act includes the sum of \$2,000,000 from the strategic investment and improvements fund for operations of the unmanned aircraft systems test site, for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 9. CHILD CARE FACILITY GRANT PROGRAM. The grants line item in section 1 of this Act includes the sum of \$300,000 from the general fund for a child care facility grant program to be developed by the department of commerce, for the biennium beginning July 1, 2017, and ending June 30, 2019. The department shall establish guidelines to qualify for a grant under this section which must include a matching requirement of one dollar of matching funds for every three dollars of grant funds and a maximum grant amount of \$3,000.

SECTION 10. TRADE OFFICE - MATCHING FUND REQUIREMENT. The total North Dakota trade office special line item and the general fund appropriation in section 1 of this Act include \$2,352,060 of funding relating to the North Dakota trade office. The department of commerce may spend seventy percent of this amount without requiring any matching funds from the trade office. Any additional amounts may be spent only to the extent the North Dakota trade office provides one dollar of matching funds from private or other public sources for each one dollar provided by the department for the biennium beginning July 1, 2017, and ending June 30, 2019. Matching funds may include money spent by businesses or organizations to pay

1 salaries to export assistant, provide training to export assistants, or buy computer equipment as
2 part of the North Dakota trade office's export assistance program.

3 **SECTION 11. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** Section 1 of
4 this Act includes the sum of \$1,500,000, of which \$1,350,000 is from the general fund and
5 \$150,000 from special funds, for an entrepreneurship grants and voucher program to be
6 developed and administered by the department of commerce, for the biennium beginning
7 July 1, 2017, and ending June 30, 2019. The department shall establish guidelines to provide
8 grants to entrepreneurial centers certified by the department. The department also shall
9 establish guidelines to award vouchers to entrepreneurs to procure business development
10 assistance from certified entrepreneurial centers or to provide grants to entrepreneurs working
11 with an entrepreneurial center. The amount appropriated for entrepreneurship grants in
12 section 1 of this Act is not subject to section 54-44.1-11 and any unexpended funds from this
13 line item are available during the biennium beginning July 1, 2019, and ending June 30, 2021.

14 **SECTION 12. EMERGENCY.** Funding of \$1,500,000 in the operating expenses line item in
15 section 1 and section 6 of this Act, relating to the operation intern program, are declared to be
16 an emergency measure.