

Department of Commerce - Budget No. 601
Senate Bill No. 2018
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Executive Budget			
									FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	61.80	\$32,866,721	\$54,123,293	\$86,990,014	61.80	\$32,866,721	\$54,123,293	\$86,990,014	0.00	\$0	\$0	\$0
2021-23 Ongoing Funding Changes												
Base payroll changes		(\$49,007)	\$16,577	(\$32,430)		(\$49,007)	\$16,577	(\$32,430)				\$0
Salary increase		272,046	61,741	333,787		266,126	56,512	322,638		(\$5,920)	(\$5,229)	(11,149)
Health insurance increase		2,341	531	2,872		2,341	531	2,872				0
Retirement contribution increase		54,247	12,312	66,559				0		(54,247)	(12,312)	(66,559)
Underfunds salaries		(140,000)		(140,000)		(140,000)		(140,000)				0
Transfers 1 FTE IT position to ITD for IT unification	(1.00)			0	(1.00)	3,525		3,525		3,525		3,525
Transfers the HOME program to the Housing Finance Agency	(2.00)		(8,343,371)	(8,343,371)	(2.00)		(8,343,371)	(8,343,371)				0
Adds funding for Microsoft Office 365 license expenses		5,486	1,013	6,499		5,486	1,013	6,499				0
Reduces funding for the marketing division		(630,000)		(630,000)				0		630,000		630,000
Reduces funding for the tourism division		(955,046)		(955,046)				0		955,046		955,046
Adjusts funding for the Community Services Division		(216,576)	329,488	112,912		(216,576)	329,488	112,912				0
Reduces funding for the Workforce Development Division		(199,664)		(199,664)		(199,664)		(199,664)				0
Reduces funding for the Economic Development and Finance Division		(195,000)		(195,000)		(195,000)		(195,000)				0
Reduces funding for the administration division		(396,990)	(3,283)	(400,273)		(396,990)	(3,283)	(400,273)				0
Reduces funding for the Operation Intern program		(100,000)		(100,000)		(100,000)		(100,000)				0
Adds funding for the UAS program		2,000,000	7,020,150	9,020,150		3,000,000	7,020,150	10,020,150		1,000,000		1,000,000
Transfers funding for contractual fees from grants to operating expenses				0				0				0
Transfers funding for the early childhood education program from operating to grants				0				0				0
Reduces funding for the Community Service Commission for AmeriCorps		(200,000)		(200,000)				0		200,000		200,000
Removes funding for the biotechnology grant program		(300,000)		(300,000)		(300,000)		(300,000)				0
Reduces funding for homeless shelter grants		(169,788)		(169,788)		(169,788)		(169,788)				0
Adds funding for rural health care grants				0		200,000		200,000		200,000		200,000
Adds funding for a state apprenticeship expansion program			347,157	347,157			347,157	347,157				0
Adds funding to continue community services federal COVID-19 programs			8,000,000	8,000,000				0			(8,000,000)	(8,000,000)
Reduces funding for discretionary funds		(600,000)		(600,000)		(600,000)		(600,000)				0
Transfers funding for the North Dakota Trade Office to the Agriculture Commissioner		(850,000)		(850,000)		(1,600,000)		(1,600,000)		(750,000)		(750,000)
Total ongoing funding changes	(3.00)	(\$2,667,951)	\$7,442,315	\$4,774,364	(3.00)	(\$489,547)	(\$575,226)	(\$1,064,773)	0.00	\$2,178,404	(\$8,017,541)	(\$5,839,137)
One-time funding items												
Adds funding for tourism marketing		\$2,000,000		\$2,000,000		\$7,000,000		\$7,000,000		\$5,000,000		\$5,000,000
Adds funding for tourism branding		200,000		200,000				0		(200,000)		(200,000)
Adds funding for UAS program grants			\$1,000,000	1,000,000			\$1,000,000	1,000,000				0
Adds funding for the beyond visual line of sight UAS program				0		1,000,000	19,000,000	20,000,000		1,000,000	\$19,000,000	20,000,000
Adds funding for enhanced use lease grants				0			7,000,000	7,000,000			7,000,000	7,000,000
Adds funding for technical skills training grants		1,000,000		1,000,000		1,000,000		1,000,000				0
Adds funding for workforce grants to tribally controlled community colleges				0		500,000		500,000		500,000		500,000
Total one-time funding changes	0.00	\$3,200,000	\$1,000,000	\$4,200,000	0.00	\$9,500,000	\$27,000,000	\$36,500,000	0.00	\$6,300,000	\$26,000,000	\$32,300,000
Total Changes to Base Level Funding	(3.00)	\$532,049	\$8,442,315	\$8,974,364	(3.00)	\$9,010,453	\$26,424,774	\$35,435,227	0.00	\$8,478,404	\$17,982,459	\$26,460,863
2021-23 Total Funding	58.80	\$33,398,770	\$62,565,608	\$95,964,378	58.80	\$41,877,174	\$80,548,067	\$122,425,241	0.00	\$8,478,404	\$17,982,459	\$26,460,863
<i>Total ongoing changes as a percentage of base level</i>	(4.9%)	(8.1%)	13.8%	5.5%	(4.9%)	(1.5%)	(1.1%)	(1.2%)				
<i>Total changes as a percentage of base level</i>	(4.9%)	1.6%	15.6%	10.3%	(4.9%)	27.4%	48.8%	40.7%				

Other Sections in Department of Commerce - Budget No. 601

Appropriation - Department of Transportation - Beyond visual line of sight unmanned aircraft system program - One-time funding

Internship fund transfer

Entrepreneurship grants and vouchers program

Estimated income - Strategic investment and improvements fund - Beyond visual line of sight UAS program - Enhanced use lease grants program

Beyond visual line of sight UAS program - Matching fund requirement - One-time funding

North Dakota Trade Office - Advisory board - Continuing appropriation

UAS-related programs continuing appropriation

Executive Budget Recommendation

Section 9 would transfer \$755,000 from the general fund to the internship fund in the operating expenses line item for the Operation Intern program.

Section 14 would identify \$948,467 included in Section 1, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund for the entrepreneurship grants and vouchers program, also known as Innovate ND, for the 2021-23 biennium. Any unexpended funds for the program would be made available to the department during the 2023-25 biennium.

Section 16 would amend Section 54-60-29 to expand the continuing appropriation provided to the Department of Commerce from the UAS fund for expenses of the UAS program to also include expenses of the beyond visual line of sight UAS program and the enhanced use lease grant program.

Senate Version

Section 3 appropriates \$28 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to Section 11 for the purpose of defraying tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Department of Transportation may bid, award, and administer any contracts necessary to complete the construction of the tower infrastructure. This funding is considered a one-time funding item.

Section 4 transfers \$755,000 from the general fund to the internship fund in the operating expenses line item for the Operation Intern program.

Section 5 identifies \$948,467 included in Section 1, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund for the entrepreneurship grants and vouchers program, also known as Innovate ND, for the 2021-23 biennium.

Section 6 identifies \$26 million from the strategic investment and improvements fund in Section 1, of which \$19 million is for providing beyond visual light of sight UAS grants and \$7 million is for providing enhanced use lease grants during the 2021-23 biennium. This funding is considered a one-time funding item.

Section 7 identifies \$1million from the general fund in Section 1 is for providing grants to an organization dedicated to expanding workforce opportunities, training, and education related to the beyond visual line of sight UAS industry, which the Department of Commerce may provide only to the extent the organization provides \$1 of matching funds from private or other public sources for each \$1 provided by the department during the 2021-23 biennium. This funding is considered a one-time funding item.

Section 8 creates a new section to Chapter 4.1-01 to transfer the international business and trade office, also known as the North Dakota Trade Office, from the Department of Commerce to the Agriculture Commissioner.

Section 9 amends Section 54-60-29 to expand the continuing appropriation provided to the Department of Commerce from the UAS fund for expenses of the UAS program to also include expenses of the beyond visual line of sight UAS program and the enhanced use lease grant program.

Other Sections in Department of Commerce - Budget No. 601

North Dakota Trade Office - Repeal

Executive Budget Recommendation

Senate Version

Exemption - Beyond visual line of sight UAS program

Section 4 would provide an exemption for unexpended 2017-19 biennium funds continued into the 2019-21 biennium for the beyond visual line of sight UAS program to continue into the 2021-23 biennium. The 2019 Legislative Assembly provided a \$28 million supplemental appropriation from the general fund for this purpose for the 2017-19 biennium.

Section 10 repeals Section 54-60-16 related to the international business and trade office, also known as the North Dakota Trade Office, as part of the transfer of the program from the Department of Commerce to the Agriculture Commissioner.

Section 11 provides an exemption for unexpended 2017-19 biennium funds continued into the 2019-21 biennium for the beyond visual line of sight UAS program to continue into the 2021-23 biennium. The 2019 Legislative Assembly provided a \$28 million supplemental appropriation from the general fund for this purpose for the 2017-19 biennium. The Department of Commerce may provide grants of up to \$28 million to the Department of Transportation, pursuant to the appropriation in Section 3, for the purpose of defraying tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium.

Exemption - UAS program

Section 7 would provide an exemption for the UAS program to continue any unexpended 2019-21 biennium funds for the operating expenses of this program into the 2021-23 biennium. A total of \$2.25 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 12 provides an exemption for the UAS program to continue any unexpended 2019-21 biennium funds for the operating expenses of this program into the 2021-23 biennium. A total of \$2.25 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Exemption - Enhanced use lease grant program

Section 8 would provide an exemption for the enhanced use lease grant program to continue any unexpended 2019-21 biennium funds for the program into the 2021-23 biennium. A total of \$3 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 13 provides an exemption for the enhanced use lease grant program to continue any unexpended 2019-21 biennium funds for the program into the 2021-23 biennium. A total of \$3 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Exemption - Early childhood education program

Section 5 would provide an exemption to continue unexpended 2019-21 biennium funds for the early childhood education program into the 2021-23 biennium. A total of \$1.5 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 14 provides an exemption to continue unexpended 2019-21 biennium funds for the early childhood education program into the 2021-23 biennium. A total of \$1.5 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Exemption - Nonresident nurse employment recruitment program

Section 6 would provide an exemption to continue unexpended 2019-21 biennium funds for the nonresident nurse employment recruitment program into the 2021-23 biennium. A total of \$500,000 was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 15 provides an exemption to continue \$320,000 of the \$500,000 appropriated from the general fund for the nonresident nurse employment recruitment program for the 2019-21 biennium into the 2021-23 biennium. In addition to the program eligibility guidelines established for the 2019-21 biennium, the Department of Commerce is required to provide funding for the program to eligible nursing students in the state who have not been employed by a health care provider on a full-time basis in the year preceding the grant award.

Exemption - Discretionary funds

Section 3 would provide an exemption for discretionary funds to continue any unexpended 2019-21 biennium funds in the discretionary funds line item into the 2021-23 biennium. A total of \$2.15 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 16 provides an exemption for discretionary funds to continue any unexpended 2019-21 biennium funds in the discretionary funds line item into the 2021-23 biennium. A total of \$2.15 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Other Sections in Department of Commerce - Budget No. 601

Executive Budget Recommendation

Senate Version

Exemption - Operation Intern program

Section 10 would provide an exemption for the Operation Intern program to continue any unexpended 2019-21 biennium funds for the program into the 2021-23 biennium. A total of \$855,000 was appropriated from the general fund and transferred to the internship fund for this purpose for the 2019-21 biennium.

Exemption - Intermodal container transportation shipping fees

Section 11 would provide an exemption to continue any unexpended 2019-21 biennium funds for intermodal container transportation shipping fees into the 2021-23 biennium. A total of \$1.3 million was appropriated from the beginning farmer revolving loan fund for this purpose for the 2019-21 biennium.

Other funds appropriation

Section 12 would appropriate all federal and special funds received by the Department of Commerce in excess of those funds appropriated in Section 1.

North Dakota Trade Office - Matching fund requirement

Section 13 would identify \$750,000 from the general fund for the North Dakota Trade Office and would allow the Department of Commerce to spend 60 percent of the North Dakota Trade Office line item listed in Section 1 without requiring any matching funds from the North Dakota Trade Office. Any additional amounts may be spent only to the extent the North Dakota Trade Office provides \$1 of matching funds from private or other public sources for each \$1 provided by the Department of Commerce during the 2021-23 biennium.

North Dakota Trade Office - Statutory changes

Section 15 would amend Section 54-60-16 to restrict the North Dakota Trade Office, also known as the International Business and Trade Office, from assisting businesses with investment opportunities in farming, forestry, ranching, food quality, and nutrition. The section would also be amended to provide the Commissioner of Commerce, or the commissioner's designee, must serve as the chairman of the International Business and Trade Office Advisory Board.