

Executive Summary

This report contains an economic impact analysis of the Innovation Technology Loan Fund (LIFT) on the North Dakota economy. As of August 2020, the LIFT initiative has disbursed \$14.05 million in the 2019-2020 biennium year. The North Dakota Department of Commerce utilized the Regional Economic Model Policy Insight (REMI PI*) to forecast the state level's economic impacts over the next five years, beginning in 2020. The economic impacts include increases in the state economy size (as measured by the state gross domestic product (GDP) and output); payroll creation (as measured by wages and salaries); and new jobs created (as measured by employment). The estimated impacts are substantial, and the findings of this analysis are outlined below.

The analysis projected that from 2020-2024, the average annual economic impacts from the increase in LIFT funding for North Dakota in a given year would be:

- An annual average increase of 748 jobs across all industries, with 698 jobs occurring in the private non-farm industries, and 60% of the 698 jobs occurring in the technology industry.
- The annual average impact on the state economy is projected to increase by \$151 million in economic output and \$92 million in the GDP.
- The annual average impact on the state employee compensation is estimated to increase by \$49 million in personal income and \$56 million in earnings by place of work.