

**FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1448**

Introduced by

Representatives Christy, Bahl, Hagert, Ista, Nathe, O'Brien, Toman, Warrey, Dockter

Senators Boschee, Meyer, Davison

1 A BILL for an Act to create and enact a new chapter to title 54 of the North Dakota Century  
2 Code, relating to the advanced technology review committee, advanced technology grant  
3 program, and advanced technology grant fund.

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

5 **SECTION 1.** A new chapter to title 54 of the North Dakota Century Code is created and  
6 enacted as follows:

7 **Definitions.**

8 In this chapter, unless the context otherwise requires:

- 9 1. "Chief information officer" means the chief information officer of the information  
10 technology department.  
11 2. "Commissioner" means the commissioner of the department of commerce.  
12 3. "Committee" means the advanced technology review committee.  
13 4. "Department" means the department of commerce.  
14 5. "Vice chancellor for information technology" means the chief information officer and  
15 vice chancellor for information technology of the North Dakota university system.

16 **Advanced technology review committee - Membership - Meetings.**

- 17 1. The advanced technology review committee consists of:  
18 a. The chief information officer or a designee within the information technology  
19 department;  
20 b. The vice chancellor for information technology or a designee within the North  
21 Dakota university system;

- 1           c. One individual from the private sector with significant information and advanced  
2           technology knowledge, appointed by the governor;
- 3           d. One individual from the private sector with significant information and advanced  
4           technology knowledge, appointed by the majority leader of the house of  
5           representatives;
- 6           e. One individual from the private sector with significant information and advanced  
7           technology knowledge, appointed by the majority leader of the senate; and
- 8           f. The commissioner, or a designee within the department of commerce, who shall  
9           serve as a nonvoting member of the committee and provide recommendations to  
10          the committee regarding grant awards.
- 11        2. By July first of each odd-numbered year, the chief information officer and vice  
12          chancellor for information technology shall compile a list of individuals with significant  
13          private sector information and advanced technology knowledge working within the  
14          state to be forwarded to the governor and the majority leaders of the house of  
15          representatives and senate. The governor and the majority leaders of the house of  
16          representatives and senate must consider the listed individuals for committee  
17          membership appointments.
- 18        3. The chief information officer, vice chancellor for information technology, and  
19          commissioner are permanent members of the committee. The term of office of the  
20          members of the committee appointed from the private sector is four years except the  
21          initial term of office of the individual appointed by the majority leader of the senate is  
22          three years and the initial term of office of the individual appointed by the governor is  
23          two years. Each term of office commences on August first. Members serve at the  
24          pleasure of the appointing entity and may be reappointed for additional terms. By  
25          August first of each year, the chairman of the legislative management shall select one  
26          of the appointed members to serve as the chairman of the committee. The chairman of  
27          the committee shall select a vice chair. If a committee member ceases to qualify as a  
28          member of the appointing entity, that individual's membership on the committee  
29          ceases immediately and the appointing entity shall appoint a new member to the  
30          committee for the remainder of the term.

- 1       4. A committee member representing the private sector is entitled to receive  
2       compensation in an amount not exceeding one hundred thirty-five dollars per day and  
3       travel and expense reimbursement as provided by law for state officers for attending  
4       meetings of the committee, to be paid by the department within the limits of legislative  
5       appropriations.
- 6       5. The committee shall meet as necessary at the call of the committee chairman to  
7       review and approve grant applications from entrepreneurs, startup companies, and  
8       small businesses that are in the initial phases of advanced technology product  
9       research, development, and innovation and are unable to access financial resources  
10      for prototype product development.

11      **Advanced technology grant program - Eligibility - Use of funds.**

- 12      1. The department shall administer the advanced technology grant program to provide  
13      grants for activities identified in this chapter. The department shall provide  
14      administrative support for the program, including the drafting of application forms,  
15      receiving applications, reviewing applications for completeness and compliance with  
16      committee policy, and forwarding complete applications to the committee in  
17      accordance with the guidelines established by the committee.
- 18      2. The committee shall establish guidelines for entities to qualify for an advanced  
19      technology grant under this section. Program guidelines relating to ownership of  
20      intellectual property, inventions, and discoveries must address activities and issues  
21      unique to technologies, patents, and companies created as a result of an advanced  
22      technology grant.
- 23      3. In determining whether to approve an application for grant funding, the committee  
24      shall consider the extent to which the applicant's proposal will support early stage  
25      research and development of advance technologies, promote economic development,  
26      and advance the workforce in the state. The committee shall give priority to  
27      applications promoting the advancement of artificial intelligence, machine learning,  
28      quantum computing, and similar research and development and product innovation  
29      proposals. The committee shall consider and process applications in a timely manner  
30      to allow applicants an opportunity to leverage other funds.

1       4. Grant recipients shall use funding awarded under this section to enhance advance  
2       technology product research, development, and innovation, and to the extent possible,  
3       leverage state, federal, and private sources of funding. An entity receiving a grant  
4       under this section may not use the funds for capital or building investments or other  
5       activities not identified in this chapter. The funds may not be used for administrative  
6       costs or to supplant funding for regular operations of the entity. If an entity awarded a  
7       grant no longer conducts its activities in the state, the entity must repay the awarded  
8       grant funding to the department.

9       **Advanced technology grant fund.**

10       The advanced technology grant fund is a special fund in the state treasury administered by  
11       the department. Moneys in the fund must be used for providing grants and for the payment of  
12       committee and department administrative expenses incurred related to the requirements of this  
13       chapter, subject to legislative appropriations. Interest earned on moneys in the fund must be  
14       credited to the fund.

15       **Advanced technology grant program - Postaward monitoring.**

16       Upon completion of work performed from funding provided by an advanced technology  
17       grant, the department shall conduct an independent review of the results. Evaluation criteria  
18       may include how the work performed has:

- 19       1. Contributed to development of an advanced technology product or process and  
20       enhanced the ability of a company to make investments in the state, or otherwise  
21       enticed a company to invest in or move to the state;  
22       2. Promoted economic development of the public or private sectors in the state;  
23       3. Led to a patent or research that is commercially viable; or  
24       4. Positively affected workforce in the state.