

Sixty-ninth  
Legislative Assembly  
of North Dakota

## PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

### ENGROSSED HOUSE BILL NO. 1448

Introduced by

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

Senators Boschee, Meyer, Davison

*In place of the amendment (25.0883.02001) adopted by the Senate, Engrossed House Bill No. 1448 is amended by amendment (25.0883.02002) as follows:*

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.~~ for an Act to provide for a legislative  
4 management study relating to the development of advanced technologies.

#### 5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

#### 8 ~~—Definitions.~~

9 ~~—In this chapter, unless the context otherwise requires:~~

10 ~~—1. "Chief information officer" means the chief information officer of the information-~~  
11 ~~technology department.~~

12 ~~—2. "Commissioner" means the commissioner of the department of commerce.~~

13 ~~—3. "Committee" means the advanced technology review committee.~~

14 ~~—4. "Department" means the department of commerce.~~

15 ~~—5. "Vice chancellor for information technology" means the chief information officer and~~  
16 ~~vice chancellor for information technology of the North Dakota university system.~~

#### 17 ~~—Advanced technology review committee - Membership - Meetings.~~

18 ~~—1. The advanced technology review committee consists of:~~

19 ~~—a. The chief information officer or a designee within the information technology~~  
20 ~~department;~~

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

1 ~~ceases immediately and the appointing entity shall appoint a new member to the~~  
2 ~~committee for the remainder of the term.~~

3 ~~4. A committee member representing the private sector is entitled to receive~~  
4 ~~compensation in an amount not exceeding one hundred thirty-five dollars per day and~~  
5 ~~travel and expense reimbursement as provided by law for state officers for attending~~  
6 ~~meetings of the committee, to be paid by the department within the limits of legislative~~  
7 ~~appropriations.~~

8 ~~5. The committee shall meet as necessary at the call of the committee chairman to~~  
9 ~~review and approve grant applications from entrepreneurs, startup companies, and~~  
10 ~~small businesses that are in the initial phases of advanced technology product~~  
11 ~~research, development, and innovation and are unable to access financial resources~~  
12 ~~for prototype product development.~~

13 ~~**Advanced technology grant program -- Eligibility -- Use of funds.**~~

14 ~~1. The department shall administer the advanced technology grant program to provide~~  
15 ~~grants for activities identified in this chapter. The department shall provide~~  
16 ~~administrative support for the program, including the drafting of application forms,~~  
17 ~~receiving applications, reviewing applications for completeness and compliance with~~  
18 ~~committee policy, and forwarding complete applications to the committee in~~  
19 ~~accordance with the guidelines established by the committee.~~

20 ~~2. The committee shall establish guidelines for entities to qualify for an advanced~~  
21 ~~technology grant under this section. Program guidelines relating to ownership of~~  
22 ~~intellectual property, inventions, and discoveries must address activities and issues~~  
23 ~~unique to technologies, patents, and companies created as a result of an advanced~~  
24 ~~technology grant.~~

25 ~~3. In determining whether to approve an application for grant funding, the committee~~  
26 ~~shall consider the extent to which the applicant's proposal will support early stage~~  
27 ~~research and development of advance technologies, promote economic development,~~  
28 ~~and advance the workforce in the state. The committee shall give priority to~~  
29 ~~applications promoting the advancement of artificial intelligence, machine learning,~~  
30 ~~quantum computing, and similar research and development and product innovation~~

~~proposals. The committee shall consider and process applications in a timely manner  
to allow applicants an opportunity to leverage other funds.~~

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

~~**Advanced technology grant fund:**~~

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

~~**Advanced technology grant program – Postaward monitoring:**~~

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

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

**SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ADVANCED TECHNOLOGY**

**DEVELOPMENT.** During the 2025-26 interim, the legislative management shall consider  
studying the development of advanced technologies. The study must include an analysis of the  
availability of public and private funds to develop advanced technologies, including artificial  
intelligence, machine learning, and quantum computing; the desirability and feasibility of

1 establishing an advanced technology grant program and committee; the capability of an existing  
2 state agency to facilitate the development of advanced technology through a grant program; the  
3 desirability and feasibility of a private dollar grant matching program to promote advanced  
4 technology development; and consideration of private sector interest in advanced technology  
5 development. The legislative management shall report its findings and recommendations,  
6 together with any legislation required to implement the recommendations, to the seventieth  
7 legislative assembly.